

By: Representative Turner

To: Insurance

HOUSE BILL NO. 819
(As Sent to Governor)

1 AN ACT TO AMEND SECTIONS 83-11-17 AND 83-11-19, MISSISSIPPI
2 CODE OF 1972, TO REMOVE THE REQUIREMENT OF A FIFTEEN DOLLAR FILING
3 FEE IN AUTOMOBILE CANCELLATION OR NONRENEWAL APPEALS; TO AMEND
4 SECTION 83-17-251, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM
5 PRELICENSING REQUIREMENTS INDIVIDUALS SEEKING LICENSURE IN THE
6 LIFE LINE OF AUTHORITY ONLY; TO AMEND SECTION 83-17-523,
7 MISSISSIPPI CODE OF 1972, TO CLARIFY THE COMPENSATION OF A PUBLIC
8 ADJUSTER; TO PROVIDE THAT A PUBLIC ADJUSTER SHALL NOT PARTICIPATE
9 IN THE RECONSTRUCTION, REPAIR OR RESTORATION OF DAMAGED PROPERTY
10 THAT IS THE SUBJECT OF A CLAIM ADJUSTED BY THE ADJUSTER; TO
11 PROVIDE THAT A PUBLIC ADJUSTER SHALL NOT ENGAGE IN ANY ACTIVITIES
12 THAT MAY BE REASONABLY CONSTRUED AS A CONFLICT OF INTEREST; TO
13 PROVIDE THAT A PUBLIC ADJUSTER SHALL NOT HAVE A FINANCIAL INTEREST
14 IN ANY SALVAGE, REPAIR OR ANY OTHER BUSINESS ENTITY THAT OBTAINS
15 BUSINESS IN CONNECTION WITH ANY CLAIM THAT THE PUBLIC ADJUSTER HAS
16 A CONTRACT TO ADJUST; TO PROVIDE THAT NO PUBLIC ADJUSTER SHALL BE
17 ENTITLED TO ANY PAYMENT, COMMISSION, FEE OR OTHER THING OF VALUE
18 OF ANY INSURANCE SETTLEMENT OR AGREED SETTLEMENT THAT WAS MADE
19 BETWEEN THE INSURED AND THE INSURANCE COMPANY BEFORE THE PUBLIC
20 ADJUSTER AND THE INSURED ENTERED INTO A CONTRACT FOR SERVICE; TO
21 PROVIDE THAT IF AN INSURANCE COMPANY EXTENDS A WRITTEN SETTLEMENT
22 OFFER TO THE INSURED BEFORE THE INSURED ENTERS INTO A CONTRACT
23 WITH A PUBLIC ADJUSTER FOR SERVICES, THEN A PUBLIC ADJUSTER MAY
24 ONLY BE ENTITLED TO AN AMOUNT THAT IS NO MORE THAN 10% OF THE
25 SETTLEMENT AMOUNT THAT IS IN EXCESS OF THE AMOUNT THAT WAS OFFERED
26 IN WRITING TO THE INSURED PRIOR TO ENTERING INTO THE CONTRACT WITH
27 A PUBLIC ADJUSTER; TO AUTHORIZE THE COMPREHENSIVE HEALTH INSURANCE
28 RISK POOL ASSOCIATION TO ESTABLISH AN ONLINE PORTAL TO ASSIST
29 MISSISSIPPIANS IN SELECTING A HEALTH PLAN; AND FOR RELATED
30 PURPOSES.

31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:



32 **SECTION 1.** Section 83-11-17, Mississippi Code of 1972, is
33 amended as follows:

34 83-11-17. A named insured who wishes to contest the reason
35 or reasons for a cancellation of a policy which has been in effect
36 for sixty (60) days or more or failure by insurer to give proper
37 notice of nonrenewal as provided hereunder shall, not less than
38 seven (7) working days from the date of receipt of notice of
39 cancellation or receipt of notice of nonrenewal, mail or deliver
40 to the Commissioner of Insurance a written request for a hearing,
41 which request shall state clearly the basis for the appeal * * *.

42 A cancellation or nonrenewal which is subject to the
43 provisions of this article shall be deemed effective unless the
44 Commissioner of Insurance determines otherwise in accordance with
45 the provisions of this article.

46 **SECTION 2.** Section 83-11-19, Mississippi Code of 1972, is
47 amended as follows:

48 83-11-19. Within two (2) working days after receipt of a
49 timely request for a hearing, the commissioner or his officially
50 appointed designee shall call a hearing upon at least seven (7)
51 days' notice to the parties. Each insurer licensed to do in this
52 state the kind of business which is subject to this article shall
53 maintain on file with the commissioner the name and address of the
54 person authorized to receive notices pursuant to this article on
55 behalf of the insurer.



56 The commissioner or his designated representative who
57 conducted the hearing shall, at the conclusion thereof or not
58 later than two (2) days thereafter, issue his written findings to
59 the parties. If he finds for the named insured, he shall * * *
60 either order the insurer to rescind its notice of cancellation or,
61 if the date cancellation is to be effective has elapsed, order the
62 policy reinstated or renewed. Such order shall operate
63 retroactively only to cover a period not to exceed twenty (20)
64 days from the date cancellation otherwise would have been
65 effective, and prospectively from the date on which the order was
66 issued; provided, however, that no policy shall be reinstated or
67 renewed while the named insured is in arrears in payment of
68 premiums on such policy. If the commissioner or his
69 representative finds for the insurer, his written order shall so
70 state * * *. Reinstatement of a policy under this section shall
71 not operate in any way to extend the expiration, termination, or
72 anniversary date provided in the policy. Renewal of a policy
73 shall be for a term of one (1) year from the expiration date of
74 the prior policy, and otherwise shall contain the same coverage,
75 terms, and contractual provisions contained in said prior policy.

76 **SECTION 3.** Section 83-17-251, Mississippi Code of 1972, is
77 amended as follows:

78 83-17-251. (1) Every individual seeking to be licensed as
79 an insurance producer in the State of Mississippi, as a condition
80 of issuance of an original license, must furnish the Commissioner



81 of Insurance certification on a form prescribed by the
82 commissioner that he or she has completed an approved prelicensing
83 course of study for the line of insurance requested.

84 (2) The prelicensing course of study hours shall consist of
85 twenty (20) hours of approved prelicensing education courses per
86 line of authority. The Commissioner of Insurance shall determine
87 the content requirements for each prelicensing course of study.
88 The prelicensing educational requirements of this section shall
89 not apply to:

90 (a) An individual that is exempt from taking the
91 written examination as provided in Section 83-17-39(1) and Section
92 83-17-67.

93 (b) An individual who has received a bachelor's degree
94 with major coursework in insurance from an accredited institution
95 of higher learning.

96 (c) An individual holding a current and valid CEBS,
97 CHFC, CIC, CFP, CLU, FLMI, LUTCF designation is exempt for the
98 life line of authority.

99 (d) An individual holding a current and valid RHU,
100 CEBS, REBC, HIA designation is exempt for the accident and health
101 or sickness line of authority.

102 (e) An individual holding a current and valid AAI, ARM,
103 CIC, CPCU designation is exempt for the property and casualty
104 lines of authority.



105 (f) Limited lines insurance producer and limited lines
106 credit insurance producer as defined in Section 83-17-53.

107 (g) An individual that is seeking licensure for the
108 variable life and variable annuity products line of authority
109 only.

110 (h) An individual that is seeking licensure for the
111 life line of authority only.

112 (3) Every individual seeking renewal of an insurance
113 producer license, which has been in effect for a term of eighteen
114 (18) months or less shall satisfactorily complete twelve (12)
115 hours of study in approved continuing education courses. Every
116 individual seeking renewal of an insurance producer license, which
117 has been in effect for a term of more than eighteen (18) months
118 shall satisfactorily complete twenty-four (24) hours of study in
119 approved continuing education courses, of which three (3) hours
120 shall have a course concentration in ethics.

121 (4) The continuing educational requirements of this section
122 shall not apply to:

123 (a) Any individual that is exempt from taking the
124 written examination as provided in Section 83-17-39(1) (b), (c),
125 (e) and (g);

126 (b) Any limited lines producer or limited lines credit
127 insurance producer;

128 (c) A person not a resident of this state who meets the
129 continuing educational requirement in the state in which such



130 person resides and Mississippi has a reciprocal agreement with
131 that state;

132 (d) Nonactive agents as defined in Section 83-17-1; or

133 (e) Any individual who is sixty-five (65) years of age
134 or older and who has been licensed as an insurance producer for a
135 continuous period of twenty-five (25) years or more as of April
136 17, 2023, as evidenced by submission of an affidavit, under oath,
137 on a form prescribed by the commissioner, signed by the licensee
138 attesting to satisfaction of the age, licensing and experience
139 requirements of this paragraph (e).

140 **SECTION 4.** Section 83-17-523, Mississippi Code of 1972, is
141 amended as follows:

142 83-17-523. (1) Public adjusters shall ensure that all
143 contracts for their services are in writing, signed by the insured
144 and the public adjuster who solicited the contract, and a copy of
145 the contract shall be provided to the insured upon execution. All
146 such contracts shall be subject to the following provisions:

147 (a) No public adjuster shall charge, agree to, or
148 accept as compensation any payment, commission, fee or other thing
149 of value equal to more than ten percent (10%) of any insurance
150 settlement or the proceeds of any claim investigated.

151 (b) No public adjuster shall require, demand or accept
152 any fee, retainer, compensation, deposit or other thing of value,
153 prior to partial or full settlement of a claim.



154 (c) Any costs to be reimbursed to a public adjuster out
155 of the proceeds of a settlement shall be specified by kind and
156 estimated amounts.

157 (d) A public adjuster's contract with the insured shall
158 be revocable or cancelable by the insured without cause and
159 without penalty or obligation for at least five (5) business days
160 after the contract is executed by the insured. Nothing in this
161 provision shall be construed to prevent an insured from pursuing
162 any civil legal remedy to revoke or cancel the contract after the
163 expiration of such cancellation period.

164 (e) No public adjuster may require that an insured
165 authorize an insurer to issue a check only in the name of the
166 public adjuster.

167 (f) No public adjuster shall be entitled to any
168 payment, commission, fee or other thing of value of any insurance
169 settlement or agreed settlement that was made between the insured
170 and the insurance company before the public adjuster and the
171 insured entered into a contract for services.

172 (g) If an insurance company extends a written
173 settlement offer to the insured before the insured enters into a
174 contract with a public adjuster for services, then a public
175 adjuster may only be entitled to an amount that is no more than
176 ten percent (10%) of the settlement amount that is in excess of
177 the amount that was offered in writing to the insured prior to
178 entering into the contract with the public adjuster.



179 (2) Public adjusters shall adhere to the following ethical
180 requirements:

181 (a) No public adjuster shall undertake the adjustment
182 of any claim for which the public adjuster is not currently
183 competent and knowledgeable as to the terms and conditions of the
184 insurance coverage, or which otherwise exceeds the public
185 adjuster's current expertise.

186 (b) No public adjuster shall, as a public adjuster,
187 represent any person or entity whose claim the public adjuster has
188 previously adjusted while acting as an independent adjuster
189 representing any insurer, either directly or through an
190 independent adjusting firm retained by the insurer.

191 (c) A public adjuster shall not knowingly make any oral
192 or written material misrepresentations or statements to any
193 insured or potential insured which are false and intended to
194 injure any person engaged in the business of insurance.

195 (d) No public adjuster shall knowingly enter into a
196 contract to adjust a residential property claim subsequent to a
197 declaration of total loss by an insurer, unless the services to be
198 provided by the public adjuster can reasonably be expected to
199 result in the insured obtaining an insurance settlement, net of
200 the public adjuster's compensation, in excess of the amount the
201 insured would have obtained without the services of the public
202 adjuster.



203 (e) A public adjuster shall advise each insured that
204 the insured has the right to retain an attorney at law of his
205 choice throughout the public adjuster's investigation and
206 adjustment of the claim.

207 (f) If the claim is not settled by the public adjuster,
208 the public adjuster shall advise the insured that the insured has
209 the right to retain an attorney at law of his choice.

210 (g) No public adjuster shall contract for, agree to, or
211 receive anything of value from any attorney at law or other person
212 acting in concert with any attorney at law (i) for referring
213 claims to the attorney, or (ii) in connection with any claim for
214 which the public adjuster has performed or intends to perform
215 services.

216 (h) No public adjuster shall split any attorney's fee
217 with any attorney at law.

218 (i) A public adjuster shall not testify as an expert
219 witness in any judicial or administrative proceeding while
220 maintaining a pecuniary interest in the outcome of the proceeding,
221 as otherwise permitted by Section 83-17-523(1) (a); provided,
222 however, that a public adjuster may testify as an expert witness
223 if pursuant to the terms of his contract his compensation is
224 converted to a specified hourly rate, which rate (i) is subject to
225 such limitations as may be prescribed by the commissioner, and
226 (ii) is not subject to any contingencies. In the event of a
227 conversion of the public adjuster's contract to an hourly rate



228 agreement, the prior fee arrangement shall be inadmissible at
229 trial.

230 (j) A public adjuster shall not participate, directly
231 or indirectly, in the reconstruction, repair or restoration of
232 damaged property that is the subject of a claim adjusted by the
233 adjuster.

234 (k) A public adjuster shall not engage in any
235 activities that may be reasonably construed as a conflict of
236 interest, including, directly or indirectly, soliciting or
237 accepting any remuneration of any kind or nature.

238 (l) A public adjuster shall not have a financial
239 interest in any salvage, repair or any other business entity that
240 obtains business in connection with any claim that the public
241 adjuster has a contract to adjust.

242 **SECTION 5.** The Comprehensive Health Insurance Risk Pool
243 Association shall have the authority to develop and fund an online
244 portal that shall be available to all Mississippians to assist
245 consumers in selection of a health plan. This program shall have
246 the capacity to aggregate information regarding providers, drug
247 coverage and pricing that would allow consumers to make informed
248 decisions in selecting a health plan.

249 **SECTION 6.** This act shall take effect and be in force from
250 and after July 1, 2024.

