

By: Representative Ladner

To: Insurance

## HOUSE BILL NO. 396

1 AN ACT TO PROVIDE THAT ANY PROPERTY INSURANCE POLICY ISSUED  
2 OR DELIVERED IN THE STATE SHALL INCLUDE AN APPRAISAL PROVISION,  
3 WHICH CAN BE INVOKED BY EITHER PARTY PROVIDED COVERAGE HAS BEEN  
4 ACKNOWLEDGED FOR ANY ASPECT OF A LOSS, OR A COVERED PERIL WAS  
5 INVOLVED IN CAUSING ANY ASPECT OF THE LOSS; TO PROVIDE THE  
6 APPRAISAL PROVISION TO BE INCLUDED; TO PROVIDE THAT THE APPRAISAL  
7 PANEL SHALL HAVE THE EXCLUSIVE AUTHORITY TO DETERMINE THE VALUE OF  
8 THE PROPERTY AND THE AMOUNT OF THE LOSS, INCLUDING ISSUES OF  
9 CAUSATION, THE COST OF REPAIR OR REPLACEMENT, THE METHOD OF  
10 REPAIR, THE SCOPE OF REPAIR, THE SCOPE OF DAMAGE AND THE  
11 REQUIREMENTS OF THE APPLICABLE BUILDING CODES; AND FOR RELATED  
12 PURPOSES.

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

14 **SECTION 1.** (1) Any property insurance policy issued or  
15 delivered in the state shall include the following appraisal  
16 provision, which can be invoked by either party provided coverage  
17 has been acknowledged for any aspect of a loss, or a covered peril  
18 was involved in causing any aspect of the loss:

19 "If we (as the insurer) and you (as the policyholder)  
20 disagree on the amount of loss or the value of the property,  
21 either of us may make a written demand for an appraisal of the  
22 loss. Upon such demand, each party shall select a competent  
23 appraiser. The two (2) selected appraisers shall then select an



umpire. If the appraisers cannot agree, either party may request that the selection of an umpire be made by a judge of a court having competent jurisdiction. The appraisers shall separately determine the value of the property and the amount of the loss. If the appraisers fail to agree, each appraiser shall submit his or her determination to the umpire. A decision agreed to by any two (2) members of the appraisal panel shall be binding."

(2) The appraisal panel shall have the exclusive authority to determine the value of the property and the amount of the loss, including issues of causation, the cost of repair or replacement, the method of repair, the scope of repair, the scope of damage and the requirements of the applicable building codes. Notwithstanding the foregoing, all matters of coverage and liability are reserved for the courts; however, the existence of coverage or liability issues shall not preclude an appraisal from proceeding.

(3) The Commissioner of Insurance shall promulgate any rules and regulations as necessary to implement the provisions of this section.

**SECTION 2.** This act shall take effect and be in force from and after July 1, 2025.

