

By: Kirby

To: Insurance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2564

1 AN ACT TO AMEND SECTION 83-3-121, MISSISSIPPI CODE OF 1972,
2 TO CLARIFY THAT ANY DULY LICENSED INSURANCE AGENT MAY ADVANCE AN
3 INSURANCE PREMIUM FOR THE INSURED AND CHARGE INTEREST THEREON,
4 SUBJECT TO RULES AND REGULATIONS ADOPTED BY THE COMMISSIONER OF
5 INSURANCE; TO AUTHORIZE ANY DULY LICENSED AGENT TO CHARGE A FEE
6 UPON ANY CHECK DRAWN BY THE INSURED AND RETURNED FOR INSUFFICIENT
7 FUNDS; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 83-3-121, Mississippi Code of 1972, is
10 amended as follows:[JMR1]

11 83-3-121. No insurance company, or employee thereof, and no
12 broker or agent shall knowingly charge, demand, or receive a
13 premium for any policy of insurance except in accordance with the
14 applicable filing approved in the manner herein provided. No such
15 insurer or employee or agent thereof shall pay, allow, or give, or
16 offer to pay, allow, or give, directly or indirectly, as an
17 inducement to insurance or after insurance has been affected, any
18 rebate, discount, abatement, credit, or reduction of the premium
19 named in a policy of insurance, or any special favor or advantage
20 in the dividends or other benefits to accrue thereon, or any
21 valuable consideration or inducement whatever, not specified in
22 the policy of insurance. No insured named in a policy of
23 insurance nor any employee of such insured shall knowingly receive
24 or accept, directly or indirectly, any such rebate, discount,
25 abatement, or reduction of premium, or any special favor or
26 advantage or valuable consideration or inducement. Nothing herein
27 contained shall be construed as prohibiting the payment of
28 commissions or other compensation to duly licensed agents; nor as

29 prohibiting any participating insurer from distributing to its
30 policyholders dividends, savings, or the unused or unabsorbed
31 portion of premiums or premium deposits; nor as prohibiting any
32 duly licensed agent from advancing an insurance premium for the
33 insured and charging interest thereon, subject to rules and
34 regulations adopted by the Commissioner of Insurance.

35 Any duly licensed agent is authorized to charge a fee or
36 service charge, subject to rules and regulations adopted by the
37 Commissioner of Insurance, upon any check drawn, issued, uttered
38 or delivered by the insured and returned because of insufficient
39 funds.

40 SECTION 2. This act shall take effect and be in force from
41 and after its passage.