

By: Kirby

To: Insurance

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 TO THE INSURED WITH OR WITHOUT INTEREST THEREON
4 AFTER THE INSURANCE HAS BEEN AFFECTED; AND FOR RELATED PURPOSES.

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

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

8 83-3-121. No insurance company, or employee thereof, and no
9 broker or agent shall knowingly charge, demand, or receive a
10 premium for any policy of insurance except in accordance with the
11 applicable filing approved in the manner herein provided. No such
12 insurer or employee or agent thereof shall pay, allow, or give, or
13 offer to pay, allow, or give, directly or indirectly, as an
14 inducement to insurance or after insurance has been affected, any
15 rebate, discount, abatement, credit, or reduction of the premium
16 named in a policy of insurance, or any special favor or advantage
17 in the dividends or other benefits to accrue thereon, or any
18 valuable consideration or inducement whatever, not specified in
19 the policy of insurance. No insured named in a policy of
20 insurance nor any employee of such insured shall knowingly receive
21 or accept, directly or indirectly, any such rebate, discount,
22 abatement, or reduction of premium, or any special favor or
23 advantage or valuable consideration or inducement. Nothing herein
24 contained shall be construed as prohibiting the payment of
25 commissions or other compensation to duly licensed agents; nor as
26 prohibiting any participating insurer from distributing to its
27 policyholders dividends, savings, or the unused or unabsorbed

28 portion of premiums or premium deposits; nor as prohibiting any
29 duly licensed agent from advancing an insurance premium to the
30 insured with or without interest thereon after the insurance has
31 been affected.

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