

By: Representatives Montgomery (74th),  
Stevens, Scott (80th)

To: Insurance

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 851

1 AN ACT TO PROVIDE THAT THE PROCEEDS OF A LIFE INSURANCE  
2 POLICY BECOME DUE ON THE DATE OF THE DEATH OF THE INSURED; TO  
3 REQUIRE THAT A CERTAIN RATE OF INTEREST SHALL BE PAID ON THE DEATH  
4 PROCEEDS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Proceeds of a life insurance policy shall become  
7 due on the date of the death of the insured. Interest shall be  
8 computed from the date of receipt of due proof of death by the  
9 insurer until the date of payment at the rate of four percent (4%)  
10 per annum, or at the current rate of interest on death proceeds  
11 left on deposit with the insurer under an interest settlement  
12 option, or at the current rate of interest on dividends left on  
13 deposit with the insurer, whichever is greater.

14 **SECTION 2.** This act shall take effect and be in force from  
15 and after July 1, 2002.

