MISSISSIPPI LEGISLATURE REGULAR SESSION 2004

By: Representative Stevens

To: Insurance

HOUSE BILL NO. 346

AN ACT TO AMEND SECTION 83-5-17, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE COMMISSIONER OF INSURANCE TO REVOKE THE LICENSE OF AN INSURANCE COMPANY IF THE COMMISSIONER FINDS ITS FINANCIAL CONDITION UNSOUND; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 83-5-17, Mississippi Code of 1972, is amended as follows:

83-5-17. The Commissioner of Insurance may, after notice and a hearing, revoke the authority of a domestic or foreign insurance company or impose an administrative fine, or both, if it violates or neglects to comply with any provision of law obligatory on it, or whenever in the opinion of the commissioner its condition is unsound, or its assets above its liabilities, exclusive of capital and inclusive of unearned premiums, are less than the amount of its original capital or required unimpaired funds. Such administrative fine shall not exceed Five Thousand Dollars ($5,000.00) per violation and shall be deposited into the special fund in the State Treasury designated as the "Insurance Department Fund."

SECTION 2. This act shall take effect and be in force from and after July 1, 2004.

ST: Insurance companies; revise procedures to revoke license if commissioner finds their condition unsound.