

AMENDMENT PROPOSED TO

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STRIKE ALL SENATE BILL NO. 2423

BY: REPRESENTATIVE FRANKS

AMEND after line 43 by inserting the following language and renumbering the succeeding section:

SECTION 2.(1) An insurer providing a homeowners protection policy, wind policy, windstorm policy, hurricane policy, or like policy, for a dwelling located in the State of Mississippi which exempts from coverage damages caused by a flood, including, but not limited to, surface water, storm surge, rising water from a storm, waves, tidal water or overflow of any body of water, or spray from any of these, whether or not driven by wind, shall obtain from the insured a "statement of explanation of flood exclusion". A statement of explanation of flood exclusion shall be in a written form prescribed by the commissioner and executed by the insured in which the insured acknowledges an understanding that such homeowners protection policy does not provide for flood protection. The statement is to explicitly list the stated terms if such occasions or situations are excluded under the policy. The statement is to be separate and apart from the policy and is to be typed in bold print with no smaller than ten-point type. The statement is to be executed by the insured before the insured pays the initial premium and is to be obtained every three (3) years thereafter on the anniversary date of the policy's purchase. Execution by the insured is not delegable to the insurer or any representative of the insurer. Failure or refusal of an insured to execute the statement, either at the initial time the policy is purchased or on a third-year anniversary date as required in this provision, shall not be grounds for the insurer to cancel the policy.

(2) In addition to the requirements provided in subsection (1) of this section, an insurer shall provide the insured with a written notice informing an insured that flood insurance is available from the insurer, insurance agent or the National Flood Insurance Program and advising the policyholder that contents coverage may be available with a flood policy for an additional premium. The insured shall execute a form indicating whether or not the insured desires to purchase a flood policy. The Commissioner of Insurance shall prescribe by regulation standard forms and the language for the written notice required in this subsection.