

By: Representatives Formby, Upshaw, Peranich To: Insurance

HOUSE BILL NO. 982
(As Passed the House)

1 AN ACT TO REQUIRE INSURANCE AGENTS WHO SELL HOMEOWNERS
2 INSURANCE POLICIES TO EXPLAIN TO THE PERSON TO WHOM THE HOMEOWNERS
3 INSURANCE POLICY IS SOLD THAT FLOOD INSURANCE COVERAGE SHALL NOT
4 BE PROVIDED UNDER THE HOMEOWNERS POLICY SOLD TO SUCH PERSON; TO
5 REQUIRE THE INSURANCE COMMISSIONER TO PRESCRIBE A FORM THAT
6 VERIFIES THAT THE REQUIRED INFORMATION WAS RECEIVED FROM THE
7 INSURANCE AGENT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) Every agent, as defined by Section 83-17-1,
10 who sells a homeowners insurance policy shall inform the person to
11 whom a homeowners insurance policy is sold that flood insurance
12 coverage shall not be provided under the homeowners insurance
13 policy sold to such person. After the agent provides the
14 information required under this section, the agent shall verify
15 that the information was given to the person to whom the
16 homeowners insurance policy is sold by requiring the person to
17 sign a verification form prescribed by the Insurance Commissioner.

18 (2) The Insurance Commissioner shall prescribe a form that
19 contains, at least, the following:

20 (a) An explanation of homeowners insurance policies;
21 and

22 (b) A designated place on the form for the signature of
23 the person who purchases a homeowners insurance policy to verify
24 that the homeowners policy was explained to such person by the
25 agent.

26 **SECTION 2.** Any homeowners' insurance policy that provides a
27 percentage deductible for the peril of windstorm from a named
28 storm shall use the term "windstorm deductible" when referring to

29 such a deductible in the insurance policy or in any endorsement to
30 the policy.

31 **SECTION 3.** This act shall take effect and be in force from
32 and after its passage.