

House Amendments to Senate Bill No. 2423

TO THE SECRETARY OF THE SENATE:

THIS IS TO INFORM YOU THAT THE HOUSE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

6 **SECTION 1.** Section 83-17-251, Mississippi Code of 1972, is
7 amended as follows:

8 83-17-251. (1) Every individual seeking to be licensed as a
9 life, health and accident insurance producer in the State of
10 Mississippi, as a condition of issuance of an original license,
11 must furnish the Commissioner of Insurance certification on a form
12 prescribed by the commissioner that he or she has completed an
13 approved prelicensing course of study for the line of insurance
14 requested.

15 (2) The prelicensing course of study hours shall consist of
16 no less than twenty-four (24) classroom hours for life and/or
17 health/accident insurance or property and casualty insurance.
18 Twelve (12) classroom hours are required on life only; and twelve
19 (12) classroom hours are required for health/accident only.

20 (3) Every individual seeking annual renewal of life, health
21 and accident licenses, or annual renewal of property and casualty
22 licenses, shall complete satisfactorily twelve (12) hours of study
23 in approved courses in his primary line of insurance during each
24 twelve-month period except the initially licensed year. The
25 individual may take an additional twelve (12) hours in his
26 secondary line of insurance. All holders of a property and
27 casualty license shall be required to satisfactorily complete
28 three (3) hours of flood insurance study every three (3) years,
29 which may be applied towards their continuing education
30 requirements.

(4) The continuing educational requirements of this section shall not apply to:

(a) Any individual that is exempt from taking the written examination as provided in Section 83-17-39(1)(b), (c) and (e) * * *;

(b) Any individual that is licensed with a license limited to industrial life, industrial health and accident, small loan property, industrial fire and full-coverage auto;

(c) A person not a resident of this state who meets the continuing educational requirement in the state in which such person resides and Mississippi has a reciprocal agreement with that state; or

(d) Inactive agents as defined in Section 83-17-1.

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

66 purchased or on a third-year anniversary date as required in this
67 provision, shall not be grounds for the insurer to cancel the
68 policy.

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

80 **SECTION 3.** This act shall take effect and be in force from
81 and after July 1, 2006.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 83-17-251, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE CONTINUING EDUCATION REQUIREMENTS FOR PROPERTY AND
3 CASUALTY INSURANCE PRODUCERS BY REQUIRING FLOOD INSURANCE STUDY;
4 AND FOR RELATED PURPOSES.

HR03\SB2423PH.J

Don Richardson
Clerk of the House of Representatives