

By: Representative Ladner

To: Insurance

HOUSE BILL NO. 9

1 AN ACT TO PROVIDE THAT ANY PROPERTY INSURANCE POLICY ISSUED
 2 OR DELIVERED IN THE STATE SHALL INCLUDE AN APPRAISAL PROVISION,
 3 WHICH CAN BE INVOKED BY EITHER PARTY PROVIDED COVERAGE HAS BEEN
 4 ACKNOWLEDGED FOR ANY ASPECT OF A LOSS, OR A COVERED PERIL WAS
 5 INVOLVED IN CAUSING ANY ASPECT OF THE LOSS; TO PROVIDE THE
 6 APPRAISAL PROVISION TO BE INCLUDED; TO PROVIDE THAT THE APPRAISAL
 7 PANEL SHALL HAVE THE EXCLUSIVE AUTHORITY TO DETERMINE THE VALUE OF
 8 THE PROPERTY AND THE AMOUNT OF THE LOSS, INCLUDING ISSUES OF
 9 CAUSATION, THE COST OF REPAIR OR REPLACEMENT, THE METHOD OF
 10 REPAIR, THE SCOPE OF REPAIR, THE SCOPE OF DAMAGE AND THE
 11 REQUIREMENTS OF THE APPLICABLE BUILDING CODES; AND FOR RELATED
 12 PURPOSES.

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

14 **SECTION 1.** (1) Any property insurance policy issued or
 15 delivered in the state shall include the following appraisal
 16 provision, which can be invoked by either party provided coverage
 17 has been acknowledged for any aspect of a loss, or a covered peril
 18 was involved in causing any aspect of the loss:

19 "If we (as the insurer) and you (as the policyholder)
 20 disagree on the amount of loss or the value of the property,
 21 either of us may make a written demand for an appraisal of the
 22 loss. Upon such demand, each party shall select a competent
 23 appraiser. The two (2) selected appraisers shall then select an



24 umpire. If the appraisers cannot agree, either party may request
25 that the selection of an umpire be made by a judge of a court
26 having competent jurisdiction. The appraisers shall separately
27 determine the value of the property and the amount of the loss.
28 If the appraisers fail to agree, each appraiser shall submit his
29 or her determination to the umpire. A decision agreed to by any
30 two (2) members of the appraisal panel shall be binding."

31 (2) The appraisal panel shall have the exclusive authority
32 to determine the value of the property and the amount of the loss,
33 including issues of causation, the cost of repair or replacement,
34 the method of repair, the scope of repair, the scope of damage and
35 the requirements of the applicable building codes.
36 Notwithstanding the foregoing, all matters of coverage and
37 liability are reserved for the courts; however, the existence of
38 coverage or liability issues shall not preclude an appraisal from
39 proceeding.

40 (3) The Commissioner of Insurance shall promulgate any rules
41 and regulations as necessary to implement the provisions of this
42 section.

43 **SECTION 2.** This act shall take effect and be in force from
44 and after July 1, 2024.

