

By: Representative Turner

To: Insurance

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 819

1 AN ACT TO AMEND SECTIONS 83-11-17 AND 83-11-19, MISSISSIPPI
2 CODE OF 1972, TO REMOVE THE REQUIREMENT OF A FIFTEEN DOLLAR FILING
3 FEE IN AUTOMOBILE CANCELLATION OR NONRENEWAL APPEALS; TO AMEND
4 SECTION 83-17-251, MISSISSIPPI CODE OF 1972, TO EXEMPT FROM
5 PRELICENSING REQUIREMENTS INDIVIDUALS SEEKING LICENSURE IN THE
6 LIFE LINE OF AUTHORITY ONLY; TO AMEND SECTION 83-17-523,
7 MISSISSIPPI CODE OF 1972, TO CLARIFY THE COMPENSATION OF A PUBLIC
8 ADJUSTER; TO PROVIDE THAT A PUBLIC ADJUSTER SHALL NOT PARTICIPATE
9 IN THE RECONSTRUCTION, REPAIR OR RESTORATION OF DAMAGED PROPERTY
10 THAT IS THE SUBJECT OF A CLAIM ADJUSTED BY THE ADJUSTER; TO
11 PROVIDE THAT A PUBLIC ADJUSTER SHALL NOT ENGAGE IN ANY ACTIVITIES
12 THAT MAY BE REASONABLY CONSTRUED AS A CONFLICT OF INTEREST; TO
13 PROVIDE THAT A PUBLIC ADJUSTER SHALL NOT HAVE A FINANCIAL INTEREST
14 IN ANY SALVAGE, REPAIR OR ANY OTHER BUSINESS ENTITY THAT OBTAINS
15 BUSINESS IN CONNECTION WITH ANY CLAIM THAT THE PUBLIC ADJUSTER HAS
16 A CONTRACT TO ADJUST; TO AUTHORIZE THE COMPREHENSIVE HEALTH
17 INSURANCE RISK POOL ASSOCIATION TO ESTABLISH AN ONLINE PORTAL TO
18 ASSIST MISSISSIPPIS IN SELECTING A HEALTH PLAN; AND FOR RELATED
19 PURPOSES.

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

21 **SECTION 1.** Section 83-11-17, Mississippi Code of 1972, is
22 amended as follows:

23 83-11-17. A named insured who wishes to contest the reason
24 or reasons for a cancellation of a policy which has been in effect
25 for sixty (60) days or more or failure by insurer to give proper
26 notice of nonrenewal as provided hereunder shall, not less than



27 seven (7) working days from the date of receipt of notice of
28 cancellation or receipt of notice of nonrenewal, mail or deliver
29 to the Commissioner of Insurance a written request for a hearing,
30 which request shall state clearly the basis for the appeal * * *.

31 A cancellation or nonrenewal which is subject to the
32 provisions of this article shall be deemed effective unless the
33 Commissioner of Insurance determines otherwise in accordance with
34 the provisions of this article.

35 **SECTION 2.** Section 83-11-19, Mississippi Code of 1972, is
36 amended as follows:

37 83-11-19. Within two (2) working days after receipt of a
38 timely request for a hearing, the commissioner or his officially
39 appointed designee shall call a hearing upon at least seven (7)
40 days' notice to the parties. Each insurer licensed to do in this
41 state the kind of business which is subject to this article shall
42 maintain on file with the commissioner the name and address of the
43 person authorized to receive notices pursuant to this article on
44 behalf of the insurer.

45 The commissioner or his designated representative who
46 conducted the hearing shall, at the conclusion thereof or not
47 later than two (2) days thereafter, issue his written findings to
48 the parties. If he finds for the named insured, he shall * * *
49 either order the insurer to rescind its notice of cancellation or,
50 if the date cancellation is to be effective has elapsed, order the
51 policy reinstated or renewed. Such order shall operate



52 retroactively only to cover a period not to exceed twenty (20)
53 days from the date cancellation otherwise would have been
54 effective, and prospectively from the date on which the order was
55 issued; provided, however, that no policy shall be reinstated or
56 renewed while the named insured is in arrears in payment of
57 premiums on such policy. If the commissioner or his
58 representative finds for the insurer, his written order shall so
59 state * * *. Reinstatement of a policy under this section shall
60 not operate in any way to extend the expiration, termination, or
61 anniversary date provided in the policy. Renewal of a policy
62 shall be for a term of one (1) year from the expiration date of
63 the prior policy, and otherwise shall contain the same coverage,
64 terms, and contractual provisions contained in said prior policy.

65 **SECTION 3.** Section 83-17-251, Mississippi Code of 1972, is
66 amended as follows:

67 83-17-251. (1) Every individual seeking to be licensed as
68 an insurance producer in the State of Mississippi, as a condition
69 of issuance of an original license, must furnish the Commissioner
70 of Insurance certification on a form prescribed by the
71 commissioner that he or she has completed an approved prelicensing
72 course of study for the line of insurance requested.

73 (2) The prelicensing course of study hours shall consist of
74 twenty (20) hours of approved prelicensing education courses per
75 line of authority. The Commissioner of Insurance shall determine
76 the content requirements for each prelicensing course of study.



77 The prelicensing educational requirements of this section shall
78 not apply to:

79 (a) An individual that is exempt from taking the
80 written examination as provided in Section 83-17-39(1) and Section
81 83-17-67.

82 (b) An individual who has received a bachelor's degree
83 with major coursework in insurance from an accredited institution
84 of higher learning.

85 (c) An individual holding a current and valid CEBS,
86 CHFC, CIC, CFP, CLU, FLMI, LUTCF designation is exempt for the
87 life line of authority.

88 (d) An individual holding a current and valid RHU,
89 CEBS, REBC, HIA designation is exempt for the accident and health
90 or sickness line of authority.

91 (e) An individual holding a current and valid AAI, ARM,
92 CIC, CPCU designation is exempt for the property and casualty
93 lines of authority.

94 (f) Limited lines insurance producer and limited lines
95 credit insurance producer as defined in Section 83-17-53.

96 (g) An individual that is seeking licensure for the
97 variable life and variable annuity products line of authority
98 only.

99 (h) An individual that is seeking licensure for the
100 life line of authority only.



(3) Every individual seeking renewal of an insurance producer license, which has been in effect for a term of eighteen (18) months or less shall satisfactorily complete twelve (12) hours of study in approved continuing education courses. Every individual seeking renewal of an insurance producer license, which has been in effect for a term of more than eighteen (18) months shall satisfactorily complete twenty-four (24) hours of study in approved continuing education courses, of which three (3) hours shall have a course concentration in ethics.

(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), (e) and (g);

(b) Any limited lines producer or limited lines credit insurance producer;

(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;

(d) Nonactive agents as defined in Section 83-17-1; or

(e) Any individual who is sixty-five (65) years of age or older and who has been licensed as an insurance producer for a continuous period of twenty-five (25) years or more as of April 17, 2023, as evidenced by submission of an affidavit, under oath,



on a form prescribed by the commissioner, signed by the licensee attesting to satisfaction of the age, licensing and experience requirements of this paragraph (e).

SECTION 4. Section 83-17-523, Mississippi Code of 1972, is amended as follows:

83-17-523. (1) Public adjusters shall ensure that all contracts for their services are in writing, signed by the insured and the public adjuster who solicited the contract, and a copy of the contract shall be provided to the insured upon execution. All such contracts shall be subject to the following provisions:

(a) No public adjuster shall charge, agree to, or accept as compensation any payment, commission, fee or other thing of value equal to more than ten percent (10%) of any insurance settlement or the proceeds of any claim investigated, exclusive of any settlement or agreed settlement made between the insured and the insurance company before the public adjuster and insured enter into a contract for services.

(b) No public adjuster shall require, demand or accept any fee, retainer, compensation, deposit or other thing of value, prior to partial or full settlement of a claim.

(c) Any costs to be reimbursed to a public adjuster out of the proceeds of a settlement shall be specified by kind and estimated amounts.

(d) A public adjuster's contract with the insured shall be revocable or cancelable by the insured without cause and



without penalty or obligation for at least five (5) business days after the contract is executed by the insured. Nothing in this provision shall be construed to prevent an insured from pursuing any civil legal remedy to revoke or cancel the contract after the expiration of such cancellation period.

(e) No public adjuster may require that an insured authorize an insurer to issue a check only in the name of the public adjuster.

(2) Public adjusters shall adhere to the following ethical requirements:

(a) No public adjuster shall undertake the adjustment of any claim for which the public adjuster is not currently competent and knowledgeable as to the terms and conditions of the insurance coverage, or which otherwise exceeds the public adjuster's current expertise.

(b) No public adjuster shall, as a public adjuster, represent any person or entity whose claim the public adjuster has previously adjusted while acting as an independent adjuster representing any insurer, either directly or through an independent adjusting firm retained by the insurer.

(c) A public adjuster shall not knowingly make any oral or written material misrepresentations or statements to any insured or potential insured which are false and intended to injure any person engaged in the business of insurance.



175 (d) No public adjuster shall knowingly enter into a
176 contract to adjust a residential property claim subsequent to a
177 declaration of total loss by an insurer, unless the services to be
178 provided by the public adjuster can reasonably be expected to
179 result in the insured obtaining an insurance settlement, net of
180 the public adjuster's compensation, in excess of the amount the
181 insured would have obtained without the services of the public
182 adjuster.

183 (e) A public adjuster shall advise each insured that
184 the insured has the right to retain an attorney at law of his
185 choice throughout the public adjuster's investigation and
186 adjustment of the claim.

187 (f) If the claim is not settled by the public adjuster,
188 the public adjuster shall advise the insured that the insured has
189 the right to retain an attorney at law of his choice.

190 (g) No public adjuster shall contract for, agree to, or
191 receive anything of value from any attorney at law or other person
192 acting in concert with any attorney at law (i) for referring
193 claims to the attorney, or (ii) in connection with any claim for
194 which the public adjuster has performed or intends to perform
195 services.

196 (h) No public adjuster shall split any attorney's fee
197 with any attorney at law.

198 (i) A public adjuster shall not testify as an expert
199 witness in any judicial or administrative proceeding while



maintaining a pecuniary interest in the outcome of the proceeding,
as otherwise permitted by Section 83-17-523(1)(a); provided,
however, that a public adjuster may testify as an expert witness
if pursuant to the terms of his contract his compensation is
converted to a specified hourly rate, which rate (i) is subject to
such limitations as may be prescribed by the commissioner, and
(ii) is not subject to any contingencies. In the event of a
conversion of the public adjuster's contract to an hourly rate
agreement, the prior fee arrangement shall be inadmissible at
trial.

(j) A public adjuster shall not participate, directly
or indirectly, in the reconstruction, repair or restoration of
damaged property that is the subject of a claim adjusted by the
adjuster.

(k) A public adjuster shall not engage in any
activities that may be reasonably construed as a conflict of
interest, including, directly or indirectly, soliciting or
accepting any remuneration of any kind or nature.

(l) A public adjuster shall not have a financial
interest in any salvage, repair or any other business entity that
obtains business in connection with any claim that the public
adjuster has a contract to adjust.

SECTION 5. The Comprehensive Health Insurance Risk Pool
Association shall have the authority to develop and fund an online
portal that shall be available to all Mississippians to assist



225 consumers in selection of a health plan. This program shall have
226 the capacity to aggregate information regarding providers, drug
227 coverage and pricing that would allow consumers to make informed
228 decisions in selecting a health plan.

229 **SECTION 6.** This act shall take effect and be in force from
230 and after July 1, 2024.

