

**2016 Legislative Bill Summary  
Mississippi Insurance Department**

**Commissioner Mike Chaney**

## INTRODUCTION

This Summary is a compilation of bills, sorted by subject matter, relevant to the Mississippi Insurance Department and signed into law after the 2015 Session of the Mississippi Legislature.

A hyperlink is provided after each bill that links to the actual bill text on the Mississippi Legislature website, <http://www.legislature.ms.gov> .

Throughout the document, for brevity, reference is made to the Mississippi Insurance Commissioner as “Commissioner”. The Mississippi Insurance Department is referred to as MID.

The Mississippi Insurance Department remains at your service to answer any questions regarding the content of this report.

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### I. Automobile Insurance

#### a. HB 525 Chism

MS Code Ann. §§ 16-15-69, 43, 45, 7

Title: Motor Vehicle Safety-Responsibility Act requires a Certificate of Insurance be provided to DPS for reinstatement of Driver’s Licenses suspended under the Implied Consent laws.

Summary: Proof of Liability Insurance for reinstatement under the Implied Consent Laws must be maintained for not less than 3 years. Such proof may consist of any motor vehicle liability policy form approved by the Commissioner of Insurance. These policies shall not be cancelled until at least 10 days notice of cancellation. DPS shall enforce this Act but may not require fees from insurance companies.

Effective Date: January 1, 2017.

Read Bill—[HB 525 \(As Sent to Governor\) – 2016 Regular Session](#)

## II. Health Insurance

### a. HB 93 Formby

MS Code Ann. § 83-9-3

Title: To revise the provision of law regarding the time for which an assignment must be honored.

Summary: Previously Commercial Insurers were required to honor an assignment of a contract for a period of one year from the initial date of such assignment or until the insured revokes the assignment. This bill removes the insured's option to revoke the assignment.

Effective Date: July 1, 2016.

Read Bill–[HB 93 \( As Sent to Governor\) – 2016 Regular Session](#)

### b. SB 2300 Carmichael

MS Code Ann. §§ 83-9-209, 219, 221

Title: Comprehensive Health Insurance Risk Pool; revises eligibility for coverage and clarifies when the Association may close enrollment.

Summary: Clarifies definitions of eligibility for coverage including removal of “federally defined eligible individual” from coverage, gives the Association the option to close enrollment for coverage that is no longer necessary with the Commissioner's approval.

Effective Date: Upon passage, signed by the Governor on April 4, 2016.

Read Bill–[SB 2300 \(As Sent to Governor\) – 2016 Regular Session](#)

## III. Insurance Department

### a. HB 1381 Chism

MS Code Ann. § \_\_\_\_\_ (Code Section to be assigned by Publisher & Joint Code Committee)

Title: Provide for licensure and regulation of Transportation Network Companies (TNC) (i.e. UBER/LYFT) Requires the Commissioner of Insurance to issue such licenses and regulate TNC's.

Summary: Requires any TNC to be licensed by the Commissioner of Insurance, annual license fee is \$5,000, establishes minimum insurance requirement as follows: not engaged in a prearranged ride - \$50K/\$100K/\$25K - as satisfied by the driver or the TNC, or a combination thereof, engaged in a prearranged ride - \$1 Million – as satisfied by the driver or the TNC, or a combination thereof, affirms the “livery exclusion” allowing insurers to exclude coverage when the operator is “logged on” to a TNC network, TNC drivers are independent contractors, TNC drivers must be 18 and pass criminal background checks, other government entities may not impose taxes or license TNC drivers but may adopt reasonable regulations for airport property.

Effective Date: July 1, 2016.

Read Bill– [HB 1381 \(As Sent to Governor\) – 2016 Regular Session](#)

**b. SB 2189 Carmichael, Blackwell**

MS Code Ann. § 83-5-405

Title: Change the Risk-Based Capital Requirements of a company action level event for a life and /or health insurer.

Summary: Changes the Risk-Based Capital Requirement from the minimum of its authorized control level RBC and 2.5 to RBC and 3.0.

Effective Date: July 1, 2016.

Read Bill- [SB 2189 \(As Sent to Governor\) – 2016 Regular Session](#)

**c. SB 2664 Burton**

Miss. Code Ann. §§ 83-9-3, 7, 13

Title: Bail Bond Industry Transparency and Accountability

Summary: Enhances Commissioner of Insurance authority to regulate the Bail Bond industry. Changes ineligible crimes for licensing to only those relating to duties of a bail agent, requires the Insurance Department to establish a statewide Electronic Bondsmen Registry and Bail Bond Database providing bail bond and bail agent information by October 1, 2016; requires the Insurance Department to submit a report to the legislature by December 1, 2017, of bail bondsman bonds status and compliance regarding Registry and Database. This bill also returns the authority to approve prelicensing and continuing education providers and courses back to MID.

Effective Date: July 1, 2016, Repealer July 1, 2018.

Read Bill- [SB 2664 \(As Sent to Governor\) – 2016 Session](#)

**IV. Licensing**

**a. SB 2192 Carmichael, Blackwell**

MS Code Ann. § \_\_\_\_\_ (Code Section to be assigned by Publisher & Joint Code Committee), and, MS Code Ann §§ 83-17-65, 71.

Title: Authority to enjoin an insurance licensee from unlawful activities; to take action against nonresident insurance producers licensed in Mississippi whose license is denied, suspended or revoked in their home state.

Summary:

(1)The Commissioner may, with reasonable evidence, enjoin any person, company, corporation or association from engaging in any improper/illegal activity with a cease and desist order. A hearing in the cease and desist matter may be requested within 20 days. Failure to abide is a misdemeanor with a \$5,000 fine.

(2)Individuals whose license is denied, suspended or revoked in their home state shall face the same action in Mississippi without prior notice. They have 10 days to request a hearing that must be held within 30 days to determine the reasonableness of the action.

Effective Date: July 1, 2016.

Read Bill– [SB 2192 \(As Sent to Governor\) – 2016 Regular Session](#)

**b. SB 2193 Carmichael**

MS Code Ann. §§ 27-15-97, 83-17-401, 419, 513, 517

Title: Revise Insurance Adjuster privilege tax, education requirements, license period and continuing education requirements.

Summary: Privilege Tax changed to \$400/\$100, from \$200/\$50, for each company/person engaged in the business of adjusting insured losses. Workers Compensation Adjuster is created. Renewal licenses require 12 hours CE for those with licenses in effect for up to 18 months or less, and, 24 hours CE those with licenses in effect for more than 18 months. Licenses are renewed on a biennial basis.

Effective Date: July 1, 2016.

Read Bill– [SB 2193 \(As Sent to Governor\) – 2016 Regular Session](#)

**V. State Fire Marshal**

**a. HB 1205 Hale, Miles, Bain, Carpenter, Hopkins, Arnold, Reynolds, Bennett, Hughes**

MS Code Ann. § 45-2-1

Title: Define causes of death covered under the Public Safety Officers Benefit Act of 1976 or the Hometown Heroes Survivors Benefits Act of 2003 and to revise the cause of death language for the Law Enforcement Officers Death Benefits Trust Fund.

Summary: “Cause of Death” means any cause that would be covered under the Public Safety Officers Benefit Act of 1976 or the Hometown Heroes Survivors Benefits Act of 2003 (42 USCS § 46), and now, death that occurs as the result of a performance of official duties is considered a covered cause of death .

Effective Date: July 1, 2016.

Read Bill– [HB 1205 \(As Sent to Governor\) – 2016 Regular Session](#)

**b. HB 1747 Smith**

MS Code Ann. § 19-5-189

Title: Revise Fire Protection Districts manner of increasing special taxes.

Summary: Authorizes County Board of Supervisors to increase the tax levy of Fire Protection Districts (FPD) for FPD’s created after July 1, 1987. If after public notice more than 20% of the qualified electors in an FPD request an election on the tax increase, then a reverse referendum shall be held and the proposed increase must receive a majority of the votes cast for approval.

Effective Date: Upon passage, signed by the Governor on May 5, 2016.

Read Bill– [HB 1747 \(As Sent to the Governor\) – 2016 Regular Session](#)

**c. HB 1639 Frierson, Jennings, Clarke, Barker, Bounds, DeLano, Eaton, Eure, Sullivan**

MS Code Ann. N/A

Title: MID Appropriations FY 2017

Summary: Authorizes \$13 Million for the Mississippi Insurance Department and State Fire Marshal expenses. Re-Authorizes \$1.75 Million to the Rural Fire Truck Acquisition Assistance Fund and the Supplemental Rural Fire Truck Fund.

Effective Date: July 1, 2016.

Read Bill—[HB 1639 \(As Sent to Governor\) – 2016 Regular Session](#)

**d. HB 1640 Frierson, Jennings, Clarke, Barker, Bounds, DeLano, Eaton, Eure, Sullivan**

MS Code Ann. N/A

Title: Fire Academy Appropriations FY 2017

Summary: Authorizes \$5.4 Million for State Fire Academy expenses.

Effective Date: July 1, 2016.

Read Bill—[HB 1640 \(As Sent to Governor\) – 2016 Regular Session](#)

**e. SB 2362 Clarke,**

MS Code Ann. N/A

Title: Mississippi Budget Simplification and Transparency Act of 2016

Summary: MID, the State Fire Marshal's Office, and the State Fire Academy are converted from Special Funds Agencies to General Funds Agencies. All fees collected that previously were deposited to the MID, SFMO or SFA special funds that were used for their legislatively designated purposes will now go to the General Fund.

Effective Date: July 1, 2016.

Read Bill—[SB 2362 \(As Sent to Governor\) – 2016 Regular Session](#)