



STATE OF MISSISSIPPI
Mississippi Insurance Department

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BULLETIN TO CLASS A BURIAL ASSOCIATIONS

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House Bill 1016 was passed during the 1996 legislative session. The bill was signed into law by Gov. Kirk Fordice and became effective on March 18, 1996. The law outlines several changes that affect your Class A burial association. House Bill 1016:

- 1.) Amends Mississippi Code Section 83-37-5 to prohibit any new burial associations from being formed after July 1, 1996.
- 2.) Prohibits burial associations from being sold, transferred or exchanged without prior approval of the Commissioner of Insurance. Before approval can be granted, the burial association must prove to the Mississippi Insurance Department that it has an enforceable agreement with a duly licensed funeral home (as defined by Mississippi Code Sect. 73-11-55) to service the association's policies, contracts, or certificates.
- 3.) Prohibits burial associations that have merged with other burial association(s) or assumed other burial certificates from reducing policy benefits when a policyholder elects not to use the new funeral home assuming the responsibility.
- 4.) Amends Mississippi Code Section 83-37-7 to prohibit out-of-state corporations from forming new burial associations after July 1, 1996.
- 5.) Requires that a buyer's guide containing the definition of the burial contract, its provisions, its benefits and notice of freedom of choice be attached to each new burial association policy, contract or certificate issued under Section 83-37-11. A copy of the buyer's guide is enclosed with this bulletin which should be duplicated as needed to send to new policy holders.

Thank you in advance for your cooperation in adhering to these changes.