

**REGULATORY MEMORANDUM – NEW AMENDMENTS TO THE
MISSISSIPPI INSURANCE PREMIUM FINANCE LAW**

TO: Insurance Premium Finance Licensees

**FROM: Theresa L. Brady
Deputy Commissioner**

**RE: New Amendments to Mississippi Insurance Premium Finance Law
EFFECTIVE IMMEDIATELY**

DATE: June 1, 2004

This Memorandum is to inform the Regulatory Contact for the Licensee of recent amendments made to Section 81-21-1 et seq., Mississippi Code of 1972, Annotated, the Mississippi “Insurance Premium Finance Law”. The amended bill (House Bill #786) was signed into law by Governor Barbour on April 28, 2004 and became effective immediately. The following is a **BRIEF SYNOPSIS** of the amendments. For a complete copy of the law, please refer to the Department’s website www.dbcf.state.ms.us or to the Legislative website to download a copy of House Bill #786: <http://billstatus.ls.state.ms.us/2004/pdf/mainmenu.htm>. In the newly amended law, where words are underlined, it means that this is new language to the law. Where there is a ***, it means that language has been deleted from the law.

- 1) Section 81-21-3 was amended to increase examination fees to a range between \$300.00 and \$600.00 for each office examined on a two (2) year cycle.
- 2) Section 81-21-9 was amended to authorize the Commissioner to issue a Cease & Desist Order to those violating the Insurance Premium Finance Laws.
- 3) Section 81-21-13 was amended to require “non-refundable charges” to be disclosed on the Premium Finance agreement.
- 4) Section 81-21-15 was amended to authorize refunds of unearned finance change, based on the Rule of 78’s, upon voluntary prepayment of the obligation in full or upon cancellation of contract.