

## **Neshoba Fair -2009**

**7-30-09**

**It is great to be here today and share with you about my job as Insurance Commissioner and State Fire Marshal.**

**The best insurance I have is the insurance I acquired 43 years ago tomorrow –when I married Mary** - ( Somebody out there is saying that is really 86 years- 43 for her and 43 for me) Mary is the love of my life, the love of our three children, their spouses and our 6 grandchildren.

**The best insurance for any elected official is to** be at Founders Square, where I have been coming for over 30 years.

**Some other good insurance is to make political announcements early.**

For the last 19 months I have been honored to represent the people of Mississippi as their Insurance Commissioner. I have worked hard and I believe that hard work has made a difference.

I want to mention a campaign statement I made here two years ago when I was running for the first time. I said then I would ask the legislature to consider making the position of Insurance Commissioner an appointed position. After two legislative sessions I have become convinced there is no appetite to change the position in this state any time soon. This is ok. I have found that the 12 elected

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commissioners are more responsive to the needs of consumers.

The experience I have gathered in my life and since becoming commissioner serves me well to finish what I have begun in trying to find viable solutions to the insurance problems that plague us in Mississippi.

I believe this is a job that is not going to be finished in four years- **So I am planning on running for reelection in 2011.**

I have experience in trying to put all the parts of this complicated puzzle together and I want to continue to put my experience to work for the people of Mississippi to do even more for our state in this complicated business.

These are serious times. The recession is still gripping our nation and the people of Mississippi are feeling it. And in difficult times, experience counts.

In the time I have been Insurance Commissioner we have added dozens of new companies to write insurance - not only on the Gulf Coast – but the state as a whole. MID signed up 48 new companies to do business in Mississippi in 2008 and over 32 new companies so far this year. Mississippi will recover and continue to make progress into the future.

We have had three forums on the Gulf Coast since I became commissioner, the last one earlier this month with over 300 participants from our state and across the nation

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– all working together to find viable solutions to the insurance problems hindering the coastal re-development- where a public and private free market solution is needed.

I firmly believe in the need for Mississippi to have Available, Affordable and Accountable insurance. Availability is generally not a problem, but affordability is.

If you can not insure a home or a project you can not finance it and usually that means you cannot build it. There is no progress – no economic development.

Insurance is vital to our economy- for job stability and job creation.

For the industry to remain viable there must be stability and predictability in the marketplace- a free marketplace.

As you know, elected officials must and should listen to constituents, and I've found that meeting folks throughout the state, hearing their stories and trying to help them with their problems is a rewarding, sometimes even humbling experience.

I have enough experience to know that the path and road ahead is not an easy one. But I believe that with dedication and a unity of purpose, we can ensure that Mississippi will continue to make progress in the future.

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The Mississippi Insurance Department regulates most facets of the Insurance industry in the state –including - agents, underwriters, bail bondsman, foreign and domestic companies, burial insurance, some health insurance, and risk pools.

**WE do not regulate Federal programs such as Medicare or the National Flood Insurance program, but we monitor them to protect consumers.**

The department does not have authority to settle claims, but often gets involved to protect consumers. My job is to be certain our citizens are protected and have access to a viable insurance market and that the industry is viable.

The insurance industry, through fees and taxes, contributes over \$220 million to our state's revenue annually. (Over \$9.5 Billion in premiums are collected annually.)

The Mississippi Insurance Department monitors this revenue and the companies with a staff of less than 115 people and on a budget of less than \$10 million - one of the smallest staffs and budgets in the United States.

The Insurance Department licenses and monitors the activities of over 72,000 individuals and issues over 86,000 licenses yearly.

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As the STATE FIRE MARSHAL, I have responsibility for the finest fire academy in the US -TRAINING FIRST RESPONDERS and firemen. Under the very capable and fine leadership of Executive Director Reggie Bell, over 17,000 career, volunteer and professional fire fighters, volunteers and public groups were educated and trained there last year - A NEW RECORD.

We need to decrease fire deaths in Mississippi through an education program and a concentrated effort at local levels. Mississippi has the highest rate of fire related deaths per capita of any state. This is just not acceptable to me. You will see a very concerted effort by our department to lower fire deaths in the coming months.

Please visit our tent for information to saves lives and property and take a fan which has information that can save lives.

I also have other duties including distribution of fire protection funds, arson investigation when called on by local law enforcement, where our arrest rate was 48% last year in arson cases investigated.

We are responsible for regulating LC gas in the state, the installation of manufactured homes, smoke and fire alarms and serving on many boards.

We have allowed fire protection funds to be used for helping local governments comply with building codes that

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save lives and property- especially in areas of high risk for catastrophic events.

(Not just hurricanes but earthquakes and tornados)

We are disbursing \$15.1 million to counties and municipalities under the fire rebate program -the largest distribution in MID history.

This program helps save lives and lower property and causality insurance rates, as does having over 16,000 firemen in the state, 13,000+ are volunteers and if you had to pay them the cost would exceed \$500 million per year.

We have successfully worked with Governor Barbour, State Treasurer Tate Reeves, Lt. Governor Bryant, Speaker McCoy and the legislature to purchase additional reinsurance for the Wind Pool – this helps rebuild the coast and stabilizes homeowner rates throughout the state.

The Mississippi Wind Underwriters Association, known as the wind pool, is the insurance writer of last resort - they have begun offering 30% premium reductions and discounts to those homeowners that fortify or strengthen their homes in the lower counties.

We are preparing to implement a statewide mitigation program that will save lives and lower homeowner premiums.

We continue to work for a free market solution to have affordable homeowner insurance for all of Mississippi.

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Problems will continue to exist along coastal areas of our country simply because fifty percent of all Americans live within 50 miles of a coast line. For this reason, I support a regional, multi-peril (flood-disaster) insurance program.

I want to take a minute to talk about health care insurance. **Health Care is on the minds of most Americans.** It is on my mind daily.

I know the cost of health insurance is becoming a major factor in American and Mississippians' lives.

**I want to make it clear that the Mississippi Insurance Department has very little authority to regulate any health insurance plans in the state.**

We do not regulate health insurance rates and do not control health insurance costs or have the authority to adjust claims – we can only certify the financial stability of the companies.

I do not think the current Federal Health Insurance plan being proposed by Washington is the right answer.

***If you think health insurance and care is expensive now, wait until you see what it costs when Washington tries to make it free!***

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The administration has said any health care reform plan should include a "public option" which is essentially a government-run program for anyone unhappy with the options from the free market insurers.

And the Administration claim that the government is more efficient than the private sector in health care is certainly a surprise to anyone who has ever dealt with government bureaucracy.

Washington seems to feel that government health programs will have lower administrative overhead. But there's not much evidence to suggest that Washington has ever done anything at a lower cost than the private sector is able to do it.

I truly believe that as it stands right now, this plan is not in the best interests of our country. I think we all understand the benefit of a free-market economy and health care in our country needs a free-market solution.

I'm reminded of the words of Thomas Jefferson, who once said:

***"A government big enough to give you everything you want is strong enough to take everything you have."***

I take this responsibility very seriously and I will always try to make sure that you are represented when insurance issues are discussed. I will continue to work for you.

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To each of you, individually and as a group, thank you for your advice, your support and your prayers.

**Thank you. May God Bless you, the great state of Mississippi and these United States of America.**

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