



For Immediate Release

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Wind Pool To Receive \$19 Million to Ease Coastal Premium Rates

Jackson - Wind Pool policyholders may soon find needed relief from rising premium costs with the transfer of \$19 million from the Mississippi Insurance Department (MID) to the Mississippi Windstorm Underwriting Association, the Wind Pool. The transfer of funds is in process, and should be completed by the first week of January, 2010.

“The transfer of these funds should help stabilize premium rates for Wind Pool policyholders. This is just one of many efforts the Department is undertaking to help coastal policyholders. We are continually seeking out and researching more ways to bring rates down on the coast,” Commissioner of Insurance Mike Chaney said.

Chaney and Wind Pool Executive Director Joe Shumaker praised the efforts of members of the Wind Pool Board including State Treasurer Tate Reeves and Coast members David Truetel, Dave Dennis, Mark Cumbest, and Bobby Portwood, for their work in helping to stabilize rates and premiums on the coast and providing wind insurance for coastal counties in Mississippi.

“With these additional funds and the continued work of these board members, under the leadership of Board Chairman Chris Boone, I believe we can confidently say that we do not anticipate any projected Wind Pool rate increases in 2010,” Shumaker said.

The Wind Pool offers other options for reducing premium rates.

“I encourage those policyholders to explore the Wind Pool’s sliding deductible and to utilize the mitigation credits which were implemented in 2009,” Chaney said.

Nine million of the total transfer will come from the Hurricane Disaster Reserve Fund. (This fund was created in 2006 to defray the state’s share of any non-federal matching requirements for Federal Emergency Management Agency grants associated with Hurricane Katrina and other disasters.)

The remaining \$10 million will come from the Mississippi Windstorm Underwriting Association Reinsurance Assistance Fund, which was created by the Legislature in 2007 specifically for the purpose of defraying the expenses and costs associated with the purchase of reinsurance.