

By: Senator(s) Dawkins, Williamson

To: Rules

SENATE CONCURRENT RESOLUTION NO. 574

1 A CONCURRENT RESOLUTION COMMENDING THE ACTIONS OF CORI AND
2 KERRI RIGSBY FROM OCEAN SPRINGS, MISSISSIPPI, FOR THEIR ASSISTANCE
3 IN THE INVESTIGATION AND SUBSEQUENT LAWSUIT AGAINST THE INSURANCE
4 INDUSTRY FOR FAILURE TO PAY CLAIMS FOR PROPERTY DAMAGE CAUSED BY
5 HURRICANE KATRINA.

6 WHEREAS, on Monday, August 29, 2005, Hurricane Katrina,
7 originally designated a Category Four Hurricane, crashed with
8 unrelenting and violent force onto the entire Mississippi Gulf
9 Coast, making landfall at or around Waveland, Mississippi. In one
10 day, the worst natural disaster in our state's history struck us a
11 grievous blow, leaving a 90-mile swath of destruction along the
12 Mississippi Gulf Coast and causing severe damage throughout
13 Central and North Mississippi; and

14 WHEREAS, after the damage from the hurricane was assessed,
15 there were numerous disputes surrounding insurance claims or
16 allocating wind damage and water damage, where the insurance
17 industry denied homeowners and business property coverage; and

18 WHEREAS, Mississippi suffered its greatest damage from
19 Hurricane Katrina in sections of coastal communities where some
20 residents were equipped to fight back. Senator Trent Lott and
21 Congressman Gene Taylor were among the plaintiffs and urged
22 Congress to repeal insurers' federal anti-trust exemption and
23 investigate their post-storm claims practices before a national
24 audience. Mississippi's legal system also allowed plaintiff's
25 attorneys to threaten punitive damages, and allowed the state's
26 Attorney General Jim Hood to hire extra lawyers on contingency to
27 press his criminal investigation; and

28 WHEREAS, in Mississippi, Attorney General Jim Hood opened a
29 grand jury criminal investigation into insurers' claims handling
30 practices just a few weeks after the storm. His probe focused on
31 the wind-versus-flood debate in which some property owners were
32 denied homeowners insurance payouts because insurers chalked the
33 damage up to flood, which is covered by a separate policy that
34 often pays out less; and

35 WHEREAS, Hood's efforts were aided by Cori and Kerri Rigsby,
36 two sisters from Ocean Springs, Mississippi, who worked for a
37 State Farm contractor that managed teams of adjusters. The
38 "whistle-blowers" left their employment with 150,000 pages of
39 documents that they say shows that State Farm defrauded
40 policyholders by manipulating engineering reports to deny claims.
41 The Rigsby's turned them over to private attorneys, the Attorney
42 General and Dunn Lampton, the U.S. Attorney in Mississippi; and

43 WHEREAS, using the engineering information suggested by Cori
44 and Kerri Rigsby, Attorney General Jim Hood has obtained
45 concessions from State Farm Fire and Casualty Company regarding
46 how it will handle policyholder claims resolved through an
47 historic settlement agreement. Attorney General Hood has dropped
48 the civil lawsuit against State Farm in his quest to seek full
49 payment of Katrina claims from insurers, but the lawsuit still
50 stands against Mississippi Farm Bureau Insurance, Allstate
51 Property and Casualty Insurance Company, and United Services
52 Automobile Association; and

53 WHEREAS, the result was a well-coordinated assault in
54 Mississippi, as compared to homeowners in Louisiana who were left
55 to their own devices advocates say. There was no high-ranking
56 enforcement official investigating the insurance industry as in
57 Mississippi; and

58 WHEREAS, especially where many of the victims are low-income
59 groups, the leadership of elected officials and employees such as

60 Cori and Kerri who are willing to testify really matters, and we
61 recognize these efforts on behalf of the citizens of our state:

62 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF
63 MISSISSIPPI, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN, That
64 we do hereby commend the actions of Cori and Kerri Rigsby from
65 Ocean Springs, Mississippi, for their assistance in the
66 investigation and subsequent lawsuits against the insurance
67 industry for failure to pay claims for property damage caused by
68 Hurricane Katrina.

69 BE IT FURTHER RESOLVED, That this resolution be presented to
70 Cori and Kerri Rigsby and Attorney General Jim Hood and be made
71 available to the Capitol Press Corps.