

MISSISSIPPI INSURANCE DEPARTMENT

Rural Fire Truck Acquisition Assistance Program (505-00)



(Purchased February 2023)

5-YEAR STRATEGIC PLAN FOR THE FISCAL YEARS 2027-2031

RURAL FIRE TRUCK ACQUISITION ASSISTANCE PROGRAM

Mission Statement

The Mississippi Legislature created Fire Services Development under the Mississippi Insurance Department (MID or Department) in 1988 to carry out two principal functions:

- Provide accountability for approximately \$20 million in State fire protection funds distributed annually to Mississippi's counties and municipalities. Miss. Code Ann. §§ 83-1-37 and 83-1-39.
- Provide guidance to the State's fire service to assist in the enhancement of and accelerate the growth of fire protection capabilities throughout the State, particularly in rural areas. Miss. Code Ann. § 45-11-7(10).

This program established state purchase contracts that have reduced costs of fire equipment for the State's 752 fire departments. Most of the 12,000 plus volunteer firefighters, as well as many career firefighters are beneficiaries of the various insurance coverages brought about through Fire Services Development program activities. The purpose of this program is to assist in the operation of fire protection districts and associations in rural areas which have little or no fire protection available. Fire protection fund monies allow small towns to provide superior fire suppression, rescue and emergency medical service to rural areas throughout the State. The MID has conservatively estimated this program to have saved Mississippi homeowners approximately \$1.68 billion since it began in 1995.

Since 1995, Fire Services Development has administered the Rural Fire Truck Acquisition Assistance Program (RFTAAP), which currently provides matching fund grants up to \$90,000 for fire truck purchases in rural areas. All counties have received these grants. Over 1,000 fire trucks have been purchased through this program and furnished to communities resulting in at least 1.3 million citizens across the state benefitting from the program.

Philosophy Statement

The MID regulates the State's insurance industry and performs the duties of the State Fire Marshal's Office. MID has a commitment to service in the public interest of areas outside the city limits and to small municipalities. Counties also can apply for trucks on behalf of cities with which they have a contract to provide fire protection within a five-mile area of the municipal limits. MID is dedicated to continuously promoting the life safety of the firefighters and community members, providing fire suppression, property conservation, and fire loss prevention for rural and volunteer fire departments in various counties and municipalities throughout the State.

Relevant Statewide Goals and Benchmarks

The Department will assess the impact of State legislation over the next 5 fiscal years with a goal of adopting the appropriate strategies to maximize the efficient reimbursement rounds provided under and authorized by the Rural Fire Truck Acquisition Assistance Program (*Miss. Code Ann.* §§ 17-23-1 & 17-23-11). MID has worked with the Mississippi Legislature to provide designated funding for RFTAAP, and during the 2022 Legislative Session, House Bill 451 was passed which provides an annual diversion of \$3.5 million the Annual Fire Fund from monies collected under the nonadmitted policy fee. Of that \$3.5 million, a minimum of \$1.5 million annually shall be directed to RFTAAP. With this designated annual funding in place, there can now be long range planning for RFTAAP. Furthermore, Bulletin 2004-4, as amended July 14, 2023, "Guidelines for the Rural Fire Truck Acquisition Assistance Program" allows RFTAAP monies to be distributed to a county for a fire truck when said truck is ordered, and held in escrow until the fire truck is received, thereby assuring counties that the RFTAAP funds will be available to them when needed. As

a result of these legislative and regulatory changes, MID has been able to keep insurance rates low and stable in rural areas.

Statewide Goal #1: To prevent the loss of lives, property and the environment in rural areas due to fire damage

Statewide Benchmarks #1:

- Provide fire protection in rural communities where currently nonexistent
- Protect the lives and property of the public

Statewide Goal #2: To provide the best equipment to over 12,000-plus volunteer firefighters in the rural areas of the state

Relevant Benchmarks #2:

- Provide assistance to purchase fire trucks for the volunteer fire departments in rural areas
- Eliminate antiquated/dangerous equipment and replace with current/relevant equipment
- Protect the lives and safety of the volunteer firefighters

Overview of Strategic Plan

The Agency will continue to work towards and promote any legislative and regulatory changes that will benefit RFTAAP and promote fire protection in this State. The MID's *FY2027-2031 Strategic Plan* is the first step of the State's Strategic Planning and Budgeting System and serves as the foundation for appropriations requests and budget structure. The regulatory philosophy of the Department recognizes that the Department exists to serve the citizens of the State. The MID believes that it has a responsibility to the insurance industry and the fire services community to provide the best service to the citizens of this State.

External/Internal Assessment

Internal

MID has developed and maintained an excellent reputation with the public. The insurance industry and the fire services industry recognize and appreciate the quality of services that MID delivers, and the expertise that MID brings to the table. MID has experienced, knowledgeable employees who deliver excellent service to the public and the industries it regulates.

External

It is probable that due to state and federal legislative actions MID's regulatory duties will expand within the next five years. Furthermore, the changing needs of Mississippi citizens in regards to insurance and fire protection will continue to impact our Agency. To accomplish these priorities MID must employ sufficient personnel with technical and legal expertise. MID must also continue to have sufficient funds for RFTAAP annually in order to ensure that all areas of this State have adequate fire trucks in order to protect life and property.

Internal Management Systems Used to Evaluate Agency's Performance

MID evaluates its performance through a combination of internal tracking mechanisms and compliance management tools integrated within its fire services division to ensure public safety. These include:

Management Policies – Policies ensure adherence to state funding statutes (e.g., Miss. Code Ann. § 83-1-39), procurement regulations, and internal grant oversight procedures governing the distribution and monitoring of RFTAAP funds.

Operational and Tracking Procedures – MID utilizes a centralized application review system for fire truck grants, supported by standardized forms, fiscal reporting protocols, and a reimbursement approval workflow. Funds are tracked from allocation to disbursement with compliance verification at each stage.

Organizational Structure – Fire Services Development operates under the State Fire Coordinator within the Mississippi Insurance Department, managing both program operations and compliance monitoring for rebate and rural fire truck acquisition programs.

Additional Systems and Impact on Budgeting – MID compiles annual reports showing the number of trucks funded, entities funded, and distribution. These metrics inform budget planning by allowing the Department to forecast reimbursement demand, justify legislative appropriations, and assess regional fire protection gaps. Regular evaluation of program efficiency also helps align budget requests with measurable community protection outcomes.

Agency Goals, Objectives, Strategies and Measures by Program

The Mississippi Insurance Department strives to meet all the operational efficiency goals of providing services within its budget while meeting all regulatory requirements set by the State. The Agency has various broad goals with supporting objectives and strategies that help facilitate the achievement of the Agency’s mission. This program provides assistance in purchasing fire trucks to smaller municipalities and counties providing rural fire protection. Fire trucks are the one fire protection item in which these localities might not be able to purchase on their own.

RFTAAP, SRFTAAP & RFTMAP PROGRAM SUMMARY (as of June 2025)

	RFTAAP	SRFTAAP-A	SRFTAAP-B	RFTMAP	TOTAL
Total applications received	909	105	83	8	1,105
Total applications paid	895	102	81	7	1,085
Applications in-progress	0	0	0	0	0
Total State Contribution	\$ 55,860,000	\$ 6,899,620	\$ 873,530	\$2,053,000	\$ 65,686,150
Total cost of fire apparatus	\$191,321,344	\$25,162,790	\$18,981,476	\$3,631,088	\$239,096,698

RFTAAP

The Rural Fire Truck Acquisition Assistance Program (RFTAAP) was created by House Bill 255 in 1995. The program has placed hundreds of fire trucks into rural Mississippi communities. It is an extremely popular program that has not only saved lives and property but also provided the best equipment to over 12,000 volunteer firefighters in the State. The rural fire truck program provides counties with grants of \$50,000 per fire truck for the first six trucks, \$70,000 each for next four vehicles, and is currently at \$90,000.00 per truck afterwards. Counties also can apply for trucks on behalf of cities with which they have a contract to provide fire protection within a five-mile area of the municipal limits. During the 2022 Legislative Session, House Bill 451 was passed which provides an annual diversion of \$3.5 million the Annual Fire Fund from monies collected under the nonadmitted policy fee. Of that \$3.5 million, a minimum of \$1.5 million annually shall be directed to RFTAAP. With this designated annual funding in place, there can now be long range planning for RFTAAP. Furthermore, Bulletin 2004-4, as amended July 14, 2023, “Guidelines for the Rural Fire Truck Acquisition Assistance Program” allows RFTAAP monies to be distributed to a county for

a fire truck when said truck is ordered, and held in escrow until the fire truck is received, thereby assuring counties that the RFTAAP funds will be available to them when needed.

SRFTAAP

The Supplemental Rural Fire Truck Acquisition Assistance Program (SRFTAAP) provides funds to counties who wish to purchase fire apparatus that meet the National Fire Protection Association (NFPA) Standards for Fire Department Apparatus 1901, chapters 5, 6, 7, and 8, for providing rural fire protection. The request for these grant funds are made available through two separate provisions under this program:

Provision A:

Under Provision A, a county may apply for up to \$70,000.00 towards the purchase of a fire apparatus meeting the NFPA 1901 standards mentioned previously. The County must match the State funds requested with local funds just as in the regular RFTAAP program.

Provision B:

Under Provision B, a County which has acquired grants for fire apparatus through any program other than the RFTAAP may submit an application under this provision for up to 10% of the funds required to supplement said grant, not to exceed \$20,000.

RFTMAP

The Rural Fire Truck Matching Assistance Program (RFTMAP) is a program established by House Bill 842 during the 2022 Legislative Session. This new fund allows eligible counties and municipalities to use RFTAAP funds to provide amounts up to 80% of the purchase price of a rural fire truck. House Bill 842 did provide certain eligibility requirements a county or municipality must meet before they receive the matching assistance under RFTMAF. Those requirements are:

- (a) The county or municipality's application is approved for funding in accordance with the criteria in subsection (3) of this section;
- (b) The Department determines that the county or municipality does not have sufficient funds available for the purchase of a rural fire truck with the funds authorized in subsection (3) of this section; and
- (c) The County has received funding for no more than eight (8) rounds from the Rural Fire Truck Acquisition Assistance Program.

PROGRAM 1. Fire Prevention

GOAL A: Minimize loss of life and property from fire incidents in rural Mississippi.

OBJECTIVE A.1: Expand access to fire protection services in underserved rural areas.

Outcome 1: Annual decrease in reported fire-related fatalities in targeted rural areas

Outcome 2: Reduction in total dollar value of fire-related property losses statewide

A.1.1 STRATEGY: Facilitate acquisition of modern fire apparatus by rural departments through RFTAAP and related programs.

Output: Total number of fire trucks funded annually through MID-administered programs

Efficiency: Average grant award per fire truck purchased under RFTAAP and supplemental programs

Explanatory: Percentage of grant awards by recipient grading class