

# MARKET BULLETIN

<b>From</b>	Director, Worldwide Markets (extn 6677)
<b>Date</b>	15 September 2005
<b>Reference</b>	Y3629
<b>Subject</b>	<b>Hurricane Katrina: new regulatory provisions in Texas and Louisiana</b>
<b>Subject areas</b>	Property and Casualty insurance in Texas and adjusters in Louisiana
<b>Attachments</b>	
<b>Action points</b>	<b>Managing agents and Lloyd's brokers to note requirements</b>
<b>Deadlines</b>	

## Purpose of bulletin

To notify the market of new regulatory provisions in Texas and Louisiana, following Hurricane Katrina.

## Texas Commissioner's Bulletin

Bulletin No. B-0045-05 is dated September 14, 2005 and may be accessed through this link: <http://www.tdi.state.tx.us/bulletins/b-0045-05.html>. It is addressed to insurers "...writing property and casualty insurance in the State of Texas..." as well as to agents and representatives and was issued by the Texas Department of Insurance ("TDI").

The bulletin is intended to ensure that insurers do not amend insurance cover to the detriment of participants in the Hurricane Katrina relief effort. Key sentences are:

"The TDI is of the opinion that in instances where insureds or potential insureds are temporary participants in the relief effort of Hurricane Katrina, it is inappropriate for insurers to re-rate, cancel, nonrenew, or refuse to provide coverage due solely to that participation."

And

“In the current disaster circumstances, it is the TDI’s opinion that it is not reasonable to change policyholders’ rating classifications and increase their insurance rates solely because they are assisting in disaster relief.”

### **Louisiana draft Emergency Rule 16 “Registration of public insurance adjusters”**

Louisiana has published the draft text of Emergency Rule 16. It may be accessed through this link: [http://www.lidi.state.la.us/whats\\_new/DraftRule16.pdf](http://www.lidi.state.la.us/whats_new/DraftRule16.pdf).

This Rule will formalise provisions that appear in the “Adjuster Notice” issued earlier by the Louisiana Department and referred to in Lloyd’s Market Bulletin Y3625, dated 9 September 2005. As the Rule is marked “draft” there may be an opportunity to comment on its provisions prior to its final adoption. Lloyd’s is seeking clarification of the ability to do this.

As noted in that Market Bulletin, the LMA is looking to co-ordinate managing agents’ responses to the requirement that insurers provide the names and social security numbers of adjusters engaged in the settlement of losses resulting from Katrina (see section 16.4).

### **Louisiana request for claims data**

Lloyd’s Market Bulletin Y3627, issued 12 September, 2005, referred to the request from the Louisiana Department of Insurance for insurers to provide aggregated claims data. Following discussions with the Louisiana Department on compliance with this request, Lloyd’s will submit reports centrally, based on available claims data, to provide an aggregate report on Lloyd’s overall position. Until further notice, it will not therefore be necessary for managing agents to submit their own reports to the Louisiana Department. We will inform managing agents should we need them to provide us with additional claims information.

### **Further information**

If you have any queries about this market bulletin, please contact Lloyd’s Worldwide Market Services:

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This market bulletin has been sent to active underwriters and the compliance officers of managing agents and Lloyd’s brokers.

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