

EXECUTIVE ORDER

BJ 08-93

Limited Transfer of Authority to Commissioner of Insurance for Emergency Rules for Hurricane Gustav

WHEREAS, pursuant to the Louisiana Homeland Security and Emergency Assistance Act, R.S. 29:721, *et seq.*, a state of emergency was declared through Proclamation No. 51 BJ 2008;

WHEREAS, subsequently, Hurricane Gustav struck the state of Louisiana resulting in severe flooding and damage to the southern part of the state, which has threatened the safety and security of the citizens of the affected areas of the state of Louisiana, along with private property and public facilities;

WHEREAS, the Louisiana Homeland Security and Emergency Assistance and Disaster Act, R.S. 29:721, *et seq.*, confers upon the governor of the state of Louisiana emergency powers to deal with emergencies and disasters, including those caused by fire, flood, earthquake or other natural or man-made causes, to ensure that preparations of this state will be adequate to deal with such emergencies or disasters, and to preserve the lives and property of the citizens of Louisiana;

WHEREAS, in accordance with R.S. 29:724, the governor may suspend the provisions of any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules, or regulations of any state agency, if strict compliance with the provisions of any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency;

WHEREAS, pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5206, a similar federal declaration of emergency was declared for affected parishes;

WHEREAS, thousands of families and businesses have suffered damages due to Hurricane Gustav and its aftermath. Many of such families and businesses have had to re-locate temporarily due to mandatory or voluntary evacuations and/or damage to their dwellings or offices that render them uninhabitable. Also, certain healthcare provider networks, or portions thereof, have collapsed;

WHEREAS, in addition to the displacement of thousands of citizens, Hurricane Gustav has also resulted in mass interruption of communications, including phone service, internet service and the delivery of mail in numerous areas throughout Louisiana;

WHEREAS, in the ordinary course of business, insurance companies send notices to their insureds, of which many of such notices are required by law to be responded to within specified time limits with consequences for failure to do so;

WHEREAS, state law also provides requirements for the approval and denial of claims by insurers of which compliance therewith is not practical for the thousands of displaced insureds and necessary third parties such as healthcare provider networks;

WHEREAS, Commissioner of Insurance James J. Donelon has advised the governor that citizens in Louisiana are at risk with regard to any and all kinds of insurance; and

WHEREAS, Commissioner of Insurance James J. Donelon has requested that the governor use his authority to authorize him to suspend laws regarding legal deadlines and certain processes and procedures as it applies to Louisiana citizens who on 12:01 A.M., August 30, 2008, resided in certain parishes regarding any and all insurance matters, including, but not limited to, flood insurance, homeowners insurance, life insurance, health and accident insurance, limited benefit insurance, vehicle insurance, liability insurance, workers' compensation insurance, burglary and forgery insurance, glass insurance, fidelity and surety insurance, title insurance, fire and extended coverage insurance, steam boiler and sprinkler leakage insurance, crop and livestock insurance, marine and transportation insurance, credit life insurance, medical supplement insurance, credit property and casualty insurance, annuity insurance, HMOs, professional and medical malpractice liability insurance, property and casualty insurance, all surplus lines insurance, self insurance funds, disability insurance, reciprocal insurance, long term care insurance, short term health insurance, stop loss insurance, excess loss insurance, commercial general insurance, Medicare supplement insurance, preferred provider organizations, managed care organizations and any and all other insurance related entities licensed by the Commissioner or doing business in Louisiana;

NOW THEREFORE I, BOBBY JINDAL, Governor of the state of Louisiana, by virtue of the authority vested by the Constitution and laws of the state of Louisiana, do hereby order and direct as follows:

SECTION 1 : Commissioner of Insurance James J. Donelon shall have limited transfer of authority to act only according to the requirements for implementation of Emergency Rule 24 (Title 37, Part XI, Chapter 44). The governor's authority pursuant to R.S. 29:724 to suspend provisions of any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules or regulations of the Department of Insurance is transferred to Commissioner of Insurance James J. Donelon for purposes of enacting and enforcing Emergency Rule 24 (Title 37, Part XI, Chapter 44).

SECTION 2: Commissioner of Insurance James J. Donelon shall have limited transfer of authority to act only according to the requirements for implementation of Emergency Rule 25 (Title 37, Part XI, Chapter 45). The governor's authority pursuant to R.S. 29:724 to suspend provisions of any regulatory statute prescribing the procedures for conduct of state business, or the orders, rules or regulations of the Department of Insurance is transferred to Commissioner of Insurance James J. Donelon for purposes of enacting and enforcing Emergency Rule 25 (Title 37, Part XI, Chapter 45).

SECTION 3: This limited transfer of authority referenced in Sections 1 and 2 specifically includes, but is not limited to, the authority to suspend applicable statutes, issue any rules, regulations, directives or take any other actions that Commissioner James J. Donelon deems necessary for purposes of Emergency Rules No. 24 and 25 to protect the public health, safety, and welfare of the citizens of Louisiana, who were affected by Hurricane Gustav, and on 12:01 AM, August 30, 2008, resided in those parishes of Louisiana specified in

Emergency Rules No. 24 and 25.

SECTION 4: Any rules, regulations, directives or any other actions taken by Commissioner of Insurance James J. Donelon to effectuate Emergency Rules No. 24 and 25 shall have the full force and effect as if said rules, regulations, directives or any other actions were issued by the governor of the state of Louisiana.

SECTION 5: The governor of the state of Louisiana shall retain his power, coterminous with the power transferred to Commissioner of Insurance James J. Donelon, to issue any rules, regulations, directives or take any other actions with regard to any and all insurance matters necessary to protect the public health, safety and welfare of the citizens of Louisiana.

SECTION 6 : This limited transfer of authority shall remain in full force and effect for the duration of Emergency Rules No. 24 and 25, which is until October 1, 2008.

SECTION 7: The Department of Insurance Emergency Rules No. 24 and 25 are hereby declared to be part of this Order.

SECTION 8: All emergency orders, rules, regulations, directives or any other actions taken by Commissioner of Insurance James J. Donelon referenced in this Order shall be publicized according to law and posted on the Department of Insurance website at www.ldi.state.la.us.

SECTION 9: All departments, commissions, boards, offices, entities, agencies, and officers of the state of Louisiana , or any political subdivision thereof, are authorized and directed to cooperate with the implementation of the provisions of this Order.

SECTION 10: This Order is effective upon signature and shall continue in effect until amended, modified, terminated, or rescinded by the governor, or terminated by operation of law.

IN WITNESS WHEREOF , I have set my hand officially and caused to be affixed the Great Seal of Louisiana, at the Capitol, in the city of Baton Rouge, on this 9th day of September, 2008.

Bobby Jindal
Governor

ATTEST BY
THE GOVERNOR
Jay Dardenne
Secretary of State