



**State of Louisiana**  
Division of Administration  
**Office of Community Development**  
**Disaster Recovery Unit**

September 7, 2012

TO: ALL INSURANCE CARRIERS ISSUING HOMEOWNER/FLOOD INSURANCE TO LOUISIANA ROAD HOME GRANT RECIPIENTS

FROM: DANIEL A. REES, EXECUTIVE COUNSEL

RE: CLAIM PAYMENTS RELATING TO DAMAGE FROM HURRICANE ISAAC/TROPICAL STORM ISAAC

As part of covenants signed for the Louisiana Road Home Program, homeowners who have participated in the Road Home are required to maintain homeowners and flood insurance on their rebuilt property. To monitor these covenants, the state requires homeowners to do one of the following:

- Name the state as an additional insured for the limited purpose of notice of issuance and cancellation of the policy;
- Name the state as an “interested party” for the limited purpose of notice of issuance and cancellation of the policy; or
- Have a certificate of insurance issued to the state.

Even though the State of Louisiana is listed as an additional insured on some policies, the state is not a “loss payee” and should not be named on check to Road Home grantees for damages *unrelated* to hurricanes Katrina or Rita. The Road Home covenants do not give the State of Louisiana a security or collateral interest in these Isaac claim payments and the State should not be included as a payee on the check. **Carriers issuing any claim payments for Isaac damages may rely on this authorization to refrain from listing the State as a payee on such payment where the State is listed on the policy in connection with the Road Home covenants.**

NOTE: This authorization does not apply to the Low Income Housing Tax Credit “Piggyback” and Small Rental Property programs, which involve mortgage interests in favor of the State and should maintain listing the State on claim payments. Additionally, the release does not apply to payment of claims from the 2005 Hurricanes Katrina and Rita, for which the State has a subrogated interest.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Rees".

Daniel A. Rees  
Executive Counsel  
Disaster Recovery Unit