



Becoming a
LICENSED ADJUSTER
IN LOUISIANA



Louisiana Department of Insurance
James J. Donelon, Commissioner



A Message from Commissioner of Insurance Jim Donelon

It is now a requirement that all adjusters who work in Louisiana become licensed or register with the Louisiana Department of Insurance.

I am proud of the highly dedicated men and women who are currently either licensed adjusters and/or registered catastrophe adjusters with the Department of Insurance. We are always pleased to have other motivated people join them.

One of my chief goals here at the Department of Insurance is to continue to refine the licensing process to better and more efficiently meet the needs of the people we license and the public they serve.

If you have additional questions or comments about insurance licensing in Louisiana, call us toll-free at 1-800-259-5300 or visit our Web site at www.ldi.state.la.us.

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Types of Adjuster Licenses

The Louisiana Department of Insurance issues both claims adjuster and public adjuster licenses. Each is valid only for the line(s) of authority shown on the license. Legal citation for this authority is listed on page 13 of this booklet.

Claims Adjuster License

A claims adjuster license is issued to an individual who investigates or adjusts losses on behalf of an insurer as an independent contractor or as an employee of an adjustment bureau, an association, a property and casualty producer, an independent contractor, an insurer or a managing general agent. A claims adjuster acts solely on behalf of an insurer.

The Commissioner of Insurance has the authority (including but not limited) to take action against a licensee for failure to complete the adjustment of a claim in a thorough and timely manner, including submission of the claim adjustment to the party from whom it was assigned.

Claims Adjuster Lines of Authority:

- ◆ **Automobile** - personal and commercial.
- ◆ **Personal** - homeowners, including liability.
- ◆ **Commercial** - commercial general liability, commercial property, commercial crime, commercial inland marine, boiler and machinery farm coverage, ocean marine insurance, other policies such as boat owners, aircraft hull, fire, residual markets and business owners.
- ◆ **Crop** - damage to crops.
- ◆ **Comprehensive** - includes all of the above.



Public Adjuster License

A public adjuster license is issued to any person who, for any compensation, direct or indirect, engages in public adjusting. Public adjusters investigate, appraise or evaluate and report to an insured in relation to a first-party claim for which coverage is provided by an insurance contract that insures the property of the insured. Public adjusting does not include acting in any manner in relation to claims for damages to, or arising out of, the operation of a motor vehicle.

A public adjuster acts solely on behalf of the insured or claimant (persons making claims against the insurance policies).

The Commissioner of Insurance has the authority (including but not limited) to take action against a licensee for failure to act in accordance with the standards of conduct outlined in R.S. 22:1706. Some examples of prohibited conduct include public adjusters referring an insured to an attorney, contractor or sub-contractor for a fee or anything of value and referring business to a family member or a company in which he or she has some financial interest.

Catastrophe/Emergency Claims Adjuster

In the event of a catastrophe or an emergency, no claims adjuster license shall be required for an individual who is employed or retained by an insurer and brought into this state for the purpose of investigating or making adjustment of losses resulting from the catastrophe or emergency. However, a catastrophe/emergency claims adjuster must be registered with the Department prior to working in this capacity in Louisiana.

Insurance Companies who want to register Catastrophe/Emergency Claims Adjusters must:

- ◆ Register via the Internet,
- ◆ Pay a \$25 fee per adjuster within 10 days of registration, and remember that registration is effective for not more than 180 days with a possible 90-day extension.

Licensing Requirements

To hold a license, a Louisiana resident must:

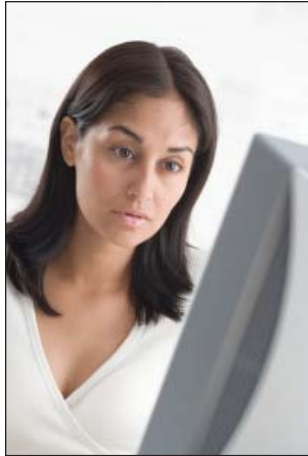
- ◆ Be at least 18 years of age,
- ◆ Designate Louisiana as your home state on the most current application form (1546A) or most current NAIC uniform application,
- ◆ Be competent and trustworthy,
- ◆ Pay a \$55 fee per application,
- ◆ Maintain an office in your home state with public access,
- ◆ Pass an exam or qualify for an exemption,
- ◆ Have at least one claims adjuster responsible for the business entity's compliance and to exercise the business entity's license,
- ◆ Be able to provide any and all documentation reasonably necessary to verify information in your application,
- ◆ Provide either a \$50,000 bond or irrevocable letter of credit if applying for a public adjuster license,
- ◆ Report any convictions of a felony, and, when applicable, acquire 18 USC 1033 written consent by the Commissioner of Insurance.

If you are a Louisiana resident and have taken an adjuster examination in another state, and are currently licensed and in good standing with that state, you do not have to take the Louisiana examination to become licensed as a Louisiana resident adjuster. You may need to submit proof of your examination in the current state of license if your information is not on the Producer Database (PDB).

Claims adjusters may be exempt from taking an exam if:

- ◆ You are previously licensed in another state by exam and are currently licensed and in good standing, or
- ◆ On January 1, 2007, you have three consecutive years of adjusting experience in Louisiana or five total years of adjusting experience.

In order to receive an exemption, you must have the required experience in each line of authority you are applying for. If you wish to apply for this exemption, please check the Department of Insurance Web site, www.ldi.state.la.us, under ADJUSTER LICENSING for detailed information and the waiver and addendum forms. These forms must be attached to your license application.



Non-resident License Requirements

If applying for a non-resident adjuster license, you must:

- ◆ Be currently licensed and in good standing in your home state,
- ◆ Take the Louisiana exam if your home state does not require an exam and you do not meet waiver requirements,
- ◆ Complete an application, Form 1546A,
- ◆ Pay a \$55 fee per application.

If your home state does not license adjusters, you can select another state in which you are licensed to serve as your “home state” for licensing purposes only.

Business Entity License Requirements

Business entities acting as claims or public adjusters must be licensed in order to transact insurance business.

To hold a license, all business entities must:

- ◆ Submit Form 1136B (available from the Louisiana Department of Insurance Web site, www.ldi.state.la.us/documents/licensing/producer/1136bCorpAppl.pdf),
- ◆ Pay the appropriate fees directly to the Department,
- ◆ At the time of application, have at least one of the entity's officers, partners or employees hold a license for the same line of authority applied for by the entity.



The Examination Process

Now that you have an understanding of the types of adjuster licenses available and the general requirements, the next step is to take any necessary examinations. Please note that there are no specific pre-licensing education requirements for adjusters.

When applying for a license that does not require an exam, submit Form 1546A with the appropriate fee(s) to the Louisiana Department of Insurance. Fees for the different types of licenses vary.

Licenses Requiring an Exam

Registering for your exams consists of three major steps: application, registration and scheduling.

To apply for a license that requires an exam, you must submit all forms and fees directly to Prometric, administrators of the exam, including:

- ◆ License application Form 1546A*
- ◆ Examination Registration Form*
- ◆ Appropriate fees (license fees and exam fees)

* Forms are included in the Louisiana Department of Insurance Licensing Information Bulletin, which can be downloaded from our Web site at www.ldi.state.la.us/documents/licensing/adjuster/LAInsLJB.pdf

License Line	Type of License	License Fee
Auto	Claims Adjuster	\$55
Personal	Claims Adjuster	\$55
Commercial	Claims Adjuster	\$55
Crop	Claims Adjuster	\$55
Comprehensive	Claims Adjuster	\$55
N/A	Public Adjuster	\$55

Scheduling the Exams

Prometric of St. Paul, Minnesota, administers the examination program. The Louisiana area Prometric testing centers are located in:

- ◆ Alexandria
- ◆ Baton Rouge
- ◆ New Orleans
- ◆ Bossier City

Prometric works closely with the Louisiana Department of Insurance and its examination review committee to assure that exams meet local requirements and test development standards. All questions and requests for information about exams should be directed to:

Prometric
1260 Energy Park Drive
St. Paul, MN 55108
Fax: 800-347-9242
TDD User: 800-790-3926
Voice: 800-871-6457

Once Prometric has received and processed your application and exam registration, schedule your examination time and location by calling 800-871-6457 between the hours of 7 a.m. and 8 p.m. Central Standard Time, or use the Internet registration and scheduling service at www.prometric.com.

An exam registration remains valid for 90 days after Prometric has processed it. A license application is valid for one year after receipt by the Louisiana Department of Insurance. Registrations and applications then automatically expire. To reapply, new applications are required with applicable exam and license fees. Online applications will become available in 2010.



Studying for the Exam

The exam for each type of license consists of questions that test knowledge of relevant areas listed in the content outline for that exam. These Examination Content Outlines are developed in coordination with the Department of Insurance and an examination review committee from the Louisiana insurance industry in order to identify and classify the level of knowledge that insurance licensees need to properly serve their clients.

Prometric's item development staff and insurance professionals research and write questions that are submitted to industry professionals in Louisiana for review and approval. Our industry professionals first identify the important areas of knowledge and then confirm that the questions reflect those areas. This process assures that the exam reflects the content that an entry-level adjuster must know to serve the public.

The Examination Content Outlines can be found in the Louisiana Department of Insurance Licensing Information Bulletin or online at www.prometric.com. The content outlines are updated periodically and may not be consistent with outdated study material in study manuals. Where discrepancies exist, the outlines take precedence.

Study materials may be obtained from insurance companies, the company or agency for which you plan to work, or from an adjuster association. However,

neither Prometric nor the Louisiana Department of Insurance is able to provide listings or recommendations of study materials or study manuals.



The exams contain sections on Louisiana insurance laws. In addition to basic study material, it is beneficial to consult a standard statute reference, which is available at any public or law library. It is also available from the following publisher:

Kaplan Financial
30 South Wacker Drive
Suite 2500
Chicago, IL 60606
1-800-824-8742
1-312-836-4400 (international calls)
ContactKaplanFinancial@kaplan.com

For question format examples and details regarding understanding your exam results, please refer to the Louisiana Department of Insurance Licensing Information Bulletin, www.ldi.state.la.us/documents/licensing/adjuster/LAInsLIB.pdf

After Passing the Examination

After you have passed the examination and the Department of Insurance authorizes the issue of the licenses, Prometric will mail them to you.



Keeping Your License

Duration and Renewal of License

All licenses expire on the last day of your birth month, regardless of issue date. All licensees will be given two months to renew their license. Effective November 1, 2006, the Department mails renewals only to non-resident business entities. Renewals will be available online from our Web site the month prior to - and the month of - your birthday. Click on “Producers & Adjusters” on the main page of the Department Web site to begin renewing online.

E-mail and paper reminders will be sent, so it is important that e-mail addresses, as well as all addresses, are kept current. Address changes can be made quickly, easily and free of charge by accessing the online address change form on the Department’s Web site.

A new license card is not issued upon renewal. However, a renewal certificate may be downloaded free of charge from our Web site at www.ildi.state.la.us/ProducerAdjusterWallCertificates.

Reinstatement of License

A license can be reinstated within 12 months after expiration, provided you meet all necessary requirements. Reinstatement applications are now available online from our Web site.

Twenty-four (24) hours of continuing education is required for your second renewal and each renewal thereafter.



Reinstatement fees are \$150. (This includes a \$50 reinstatement fee plus double the \$50 renewal fee.)

Continuing Education

All Louisiana resident adjusters must meet continuing education (CE) requirements. Please see our Web site, www.ldi.state.la.us/licensing/producer/cont_ed.htm, for information concerning exemptions from CE requirements for those 65 years of age or older. The Department and the Insurance Education Advisory Council must approve all courses and course providers. Licensees are responsible for attending classes and filing the proper forms. Any new licensee issued a license within the two years preceding renewal of the license is not required to meet CE requirements for the first renewal period only.



Additional Licensing Information

- ◆ Changes in mailing, business, residential and e-mail addresses must be made within 30 days to avoid a \$50 fine. You may change these addresses electronically on our Web site.
- ◆ Renewal procedure may be waived if due to military service, long-term medical disability or other recognized extenuating circumstances. For forms, visit the Department Web site, www.ldi.state.la.us/documents/licensing/producer/MilitaryExemptionForm.pdf
- ◆ If you are licensed as a claims adjuster in another state (based on a claims adjuster examination) and move to Louisiana, you will need to make an application within 90 days of establishing legal residence to become a resident claims adjuster licensee. No prelicensing education or examination shall be required in order to obtain a claims adjuster license; however, you must be in good standing in your previous home state.

- ◆ Administrative action must be reported to the commissioner within 30 days of final disposition.
- ◆ Criminal prosecution must be reported to the commissioner within 30 days of conviction.
- ◆ Applications are available on our Web site, www.ldi.state.la.us/documents/licensing/producer/LouisianaApplication1546A.pdf
- ◆ Complete the most current application available and mail to:
Agent Licensing Division
Louisiana Department of Insurance
P.O. Box 94214

To avoid delays in the licensing process, make sure to:

- ◆ Use the most current application and send it to the proper place. If an exam is needed, mail the application to Prometric. If no exam is needed, send the application to the Department of Insurance.
- ◆ Complete all the blanks on the application, paying close to the attention to the middle name requirement (if you have no middle name, you must submit a copy of either your birth certificate or driver's license). Also be sure not to leave any gaps in your employment history.
- ◆ Include the proper fees.
- ◆ Provide all documentation requested on the background portion of the application.

Questions about licenses not requiring an exam should be directed to:

Louisiana Department of Insurance
P.O. Box 94214
Baton Rouge, LA 70804-9214
225-342-0860

Visit our Web site, www.ldi.state.la.us/documents/licensing/adjuster/AdjusterLicensingInLouisiana.pdf

Examination Process Summary

- ◆ Prepare for the exam by using the Examination Content Outlines which can be found in the Licensing Information Bulletin on our Web site.
- ◆ Read and understand the licensing application and exam registration procedures.
- ◆ When applying, mail your license application and exam registration at least two weeks before you want to take the exam. Submit the correct licensing and exam fees and forms to Prometric.
If they are incorrect, they cannot be accepted.
- ◆ Call Prometric to schedule your examination or register and schedule your exam online at www.prometric.com.
- ◆ Take the exam on your scheduled day. Be sure to bring to the examination all proper forms of identification.



Authority

Claims Adjusters - 2006 Regular Session

- ◆ Act 783 became effective January 1, 2007 (LRS 22:1661)
- ◆ Licensing provision effective June 30, 2007
- ◆ General exemptions, i.e. workers' compensation, life, accident and health claims, and clerical duties who do not negotiate with parties on disputed or contested claims.
- ◆ Catastrophe or emergency adjuster included in Act 783, Section 1210.77

Public Adjusters - 2006 Regular Session

- ◆ Act 806 became effective August 15, 2006 (LRS 22:1691)
- ◆ Licensing Provision effective June 30, 2007

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