

INSURANCE

your policy:

The insurer shall comply with La. R.S. 22:1332 B(6) by selecting and inserting either option A or B below:

A. Developing its own standardized example to reflect how a hurricane, wind, or named storm damage loss will be adjusted under the policy. The standardized example shall set forth a separate loss under each of Coverage A, B, C and D and the total of all losses combined shall exceed by at least ten percent (10%) the applicable deductible so that there shall be a net payment to the insured.

B. Utilizing the standardized example prepared by the LDI if this standardized example properly reflects how a separate deductible is applied to a hurricane, wind, or named storm damage loss under the policy:

If the total insured value of the dwelling or Coverage A is \$200,000.00 and you have a 2% hurricane, wind, or named storm deductible, then your hurricane, wind or named storm deductible would be \$200,000.00 X .02 = \$4,000.00.

Losses:

Coverage A – Dwelling	\$15,000
Coverage B – Other Structures	\$ 2,500
Coverage C – Personal Property	\$ 3,000
Coverage D – Loss of Use	\$ 2,000
Total amount of all losses	\$22,500
Less 2% hurricane, wind or named storm deductible.....	\$ 4,000
Net payment to insured	\$18,500

TO SEE EXACTLY HOW YOUR SEPARATE HURRICANE, WIND OR NAMED STORM DEDUCTIBLE WILL APPLY, PLEASE REFER TO YOUR POLICY.

Limitations or Exclusions under this Policy(La. R.S. 22:1332(B)(2))

FLOOD—Flood damage [is/is not] covered, regardless of how caused, when flood is the peril that causes the loss. Flood water includes but is not limited to storm surge, waves, tidal water, overflow of a body of water, whether driven by wind or not.

Flood Insurance may be available through the National Flood Insurance Program (NFIP). NFIP flood insurance may provide coverage for damage to your dwelling and/or contents subject to the coverage limits and terms of the policy.

Excess Flood Insurance may be available under a separate policy from this or another insurer if the amount of the primary flood insurance is not enough to cover the value of your property.

- You may contact your producer (agent) or insurer for more information on the NFIP and excess flood insurance.

MOLD—Damage caused solely by mold [is/is not] covered under this policy.

****FOR ALL OTHER LIMITATIONS OR EXCLUSIONS REFER TO YOUR POLICY FOR COMPLETE DETAILS ON TERMS AND PROVISIONS ****

Claim Filing Process (La. R.S. 22:1332(B)(3))

There may be time limitations for filing a claim and filing of a satisfactory proof of loss. There may also be time limitations for repairing and replacing damaged property that could cause you to not recover the replacement cost for the insured loss of your property, if applicable.

Payment of Claims(La. R.S. 22:1332(B)(3))

Depending on the terms of the insurance policy, some losses may be based on actual cash value (ACV) and other losses based on replacement cost (RC).

- ACV is the amount needed to repair or replace the damaged or destroyed property, minus the depreciation.
 - RC involves the initial payment of actual cash value (ACV) of a loss, and the subsequent payment of the additional amount that is actually and necessarily expended to repair or replace the damaged or destroyed property.
- **Refer to your policy for the terms and conditions describing how a particular loss is to be paid.

Payment and Adjustment of Claims (La. R.S. 22:1332(B)(4))

Pursuant to La. R.S. 22:1892 and 22:1973, except in the case of catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim and/or a claim for reasonable medical expenses within fourteen (14) days after notification of loss by the claimant.

In the case of catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim within thirty (30) days after notification of loss by the claimant unless the Commissioner of Insurance promulgates a rule to extend the time period for initiating a loss adjustment for damages arising from a presidentially declared emergency or disaster or a gubernatorially declared emergency or disaster for up to an additional thirty (30) days. Thereafter, one additional extension of the period of time for initiating a loss adjustment may be allowed by the Commissioner of Insurance if approved by the Senate Committee on Insurance and the House Committee on Insurance.

All insurers shall make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after the receipt of satisfactory proof of loss of that claim.

Failure to make such payment within thirty (30) days after receipt of such satisfactory written proofs and demand thereof or failure to make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after receipt of a satisfactory proof of loss of that claim may result in a late penalty against the insurer in addition to the payment of the claim.

If the insurer is found to be arbitrary, capricious, or without probable cause in settling any property damage claim, the insurer must pay the insured, in addition to the amount of the loss, fifty percent (50%) damages on the amount found to be due from the insurer to the insured, or one thousand dollars (\$1,000.00), whichever is greater, as well as attorney fees and costs, if applicable.

Reduction in Premium for Improvements or Modifications to Property (La. R.S. 22:1332(B)(8))

Certain improvements or modifications to your property, such as adding storm shutters, modifying the roof design, and improving the roof covering, may reduce your premium. Contact your insurance producer or insurer for complete details on qualifying improvements or modifications. For further guidance and assistance, see Regulation 94—Premium Adjustments for Compliance with Building Codes and Damage Mitigation, found at LAC 37:XIII.Chapter 127.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1319, and 22:1332.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 43:531 (March 2017), amended LR 45:1780 (December 2019).

Chapter 155. Regulation Number 109—Producer, Adjuster and Related Licenses

§15501. Purpose

A. Regulation 109 implements the provisions of Act 154, of the 2017 Regular Session of the Louisiana Legislature,

specifically R.S. 22:821(B)(3) and 22:1546(B)(1)(a), in addition to 22:1547(C)(1), 22:255, 22:1545, 22:1554, 22:1558, 22:1563, 22:1671, 22:1694, 22:1808.8 and 22:1922 which provide for the licensing of insurance producers, claims adjusters, public adjusters, insurance consultants and business entities acting as producers. Regulation 109 implements the provisions of Act 226, of the 2019 Regular Session of the Louisiana Legislature, specifically R.S. 22:821(B)(3)(b) which provides for renewal dates for insurance producer appointments.

B. The purpose of this regulation is:

1. to set forth requirements and procedures for applying for and maintaining a license as an insurance producer, claims adjuster, public adjuster, insurance consultant and business entity acting as a produce;

2. to set forth the time periods for expiration and renewal of insurance licenses.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1558, 22:1678, 22:1708 22:1808.8 and 22:1922 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:68 (January 2018), amended LR 47:745 (June 2021).

§15503. Applicability and Scope

A. Regulation 109 shall apply to all persons and all business entities seeking licensure or who hold a license as an insurance producer, claims adjuster, public adjuster or insurance consultant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1558, 22:1563, 22:1678, 22:1708, 22:1808.8 and 22:1922 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:68 (January 2018).

§15505. Authority

A. Regulation 109 is promulgated by the commissioner pursuant to the authority granted under the *Louisiana Insurance Code*, R.S. 22:1 et seq., particularly R.S. 22:11, and specifically R.S. 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:691.2(3), 22:1545, 22:1550, 22:1554, 22:1558, 22:1563, 22:1678, 22:1708, 22:1808.8 and 22:1922.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:691.2(3), 22:1545, 22:1550, 22:1554, 22:1558, 22:1563, 22:1678, 22:1708, 22:1808.8, 22:1922 and 22:1929(A) and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:69 (January 2018).

§15507. Definitions

A. For the purposes of Regulation 109 the following terms shall have the meaning ascribed herein unless the context clearly indicates otherwise.

Applicant—a person making application to the Louisiana Department of Insurance to obtain an insurance producer, claims adjuster, public adjuster or insurance consultant license.

Business Entity—as defined in R.S. 22:1542(2).

Claims Adjuster—as defined in R.S. 22:1661(1).

Commissioner—the commissioner of insurance of the Louisiana Department of Insurance.

Control—as defined in R.S. 22:691.2(3).

Insurance Consultant—as defined in R.S. 22:1808.1(B).

Insurance License—a license granted by the Louisiana Department of Insurance to do business as an insurance producer, claims adjuster, public adjuster or insurance consultant.

Insurance Producer—as defined in R.S. 22:1542(6).

Public Adjuster—as defined in R.S. 22:1692(7).

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:255, 22:691.2(3), 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:1545, 22:1550, 22:1554, 22:1678, 22:1708 and 22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:69 (January 2018).

§15509. Licensing Application

A. Every application for an insurance license shall be made on a form required by the commissioner and shall include all such information the commissioner deems necessary to determine compliance with the applicable statutes.

B. Complete application shall include all of the following:

1. a completed application form as required by the commissioner;
2. all documentation deemed necessary to explain any responses in the application form;
3. a passing examination score for each of the lines for which the application was made if an examination is required;
4. evidence that the individual's fingerprints have been submitted in compliance with the applicable provisions of the *Louisiana Insurance Code*;
5. any documents deemed necessary to verify the information contained in an application.

C. The commissioner may close as incomplete any application which the applicant fails to complete within 90 days of initial submission.

D. During review of a pending application, the applicant shall notify the commissioner of any changes to the information set forth in the application within five days of the date of such change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1678, 22:1708, 22:1808.8, 22:1922 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:69 (January 2018).

§15511. Examinations

A. Scheduling of examinations shall be as follows.

1. An applicant for a type of license for which an examination is required may schedule and sit for the examination prior to making application to the commissioner for such insurance license.

2. An individual seeking licensure for the bail bond line of authority shall complete the Bail Bond Apprenticeship Program as required by R.S. 22:1574 and provide evidence of such completion to the commissioner prior to scheduling or sitting for the examination.

B. Any required pre-licensing education must be completed before scheduling an examination. Proof of successful completion of pre-licensing requirements shall be provided to the commissioner or testing vendor prior to scheduling an examination.

C. An applicant for a line of authority for which an examination is required shall submit a completed application for that line within 365 days of passing the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1574, 22:1678, 22:1708, 22:1808.8, and 22:1922 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:69 (January 2018).

§15513. Fingerprinting

A. An individual making application for a resident insurance license shall submit a full set of fingerprints as required by the applicable provisions of the *Louisiana Insurance Code*. The fingerprints shall be submitted in the manner required by the commissioner.

B. The commissioner may require that any individual who is an officer, director, partner, member or who controls an applicant that is a business entity submit a full set of fingerprints in a manner required by the commissioner.

C. The applicant shall supply any additional information requested by the commissioner to clarify or explain findings of the criminal history obtained using the fingerprint or other search.

D. The commissioner may require that any applicant who fails to provide a completed application within 90 days of receipt of a criminal background check resubmit fingerprints in the manner required by the commissioner.

E. All communication regarding the results of a criminal background check shall be only with the applicant or his authorized legal representative.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255,

22:1545, 22:1550, 22:1554, 22:1678, 22:1708, 22:1808.8, 22:1922(C) and 22:1929(A) and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:69 (January 2018).

§15515. License Expiration and Renewal

A. Insurance licenses shall expire in the following manner.

1. An individual insurance license where the last number of the license is an even number shall expire on the last date of the birth month of the individual in even-numbered years.

2. An individual insurance license where the last number of the license is an odd number shall expire on the last date of the birth month of the individual in odd-numbered years.

3. A business entity license where the last number is an even number shall expire on March 31 in even-numbered years.

4. A business entity license where the last number is an odd number shall expire on March 31 in odd-numbered years.

B. A renewal application may be submitted up to 90 days prior to expiration of the license provided all requirements for renewal of the license have been met.

C. A licensee may choose to renew only some of the specific lines of an insurance license. Submission of such a renewal shall be considered cancellation of the lines not included in the renewal. The lines so cancelled may be reactivated within two years of cancellation by submitting an application to add the lines, including the fee required by R.S. 22:821(B)(3), and evidence that the licensee has met the continuing education required to maintain the lines.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1678, 22:1708 and 22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:70 (January 2018).

§15517. Expiration of Producer Appointments

A. Individual insurance producer appointments shall expire on January 1 of each year. Business entity producer appointments shall expire on August 1 of each year. Appointments shall be renewed by payment of the renewal fee. The commissioner shall issue a renewal invoice for all active appointments to insurers at least 30 days prior to the appointment expiration date in a manner determined by the commissioner. Failure to timely pay the renewal fee invoice shall result in the expiration of the appointments.

B. The insurer shall terminate any appointments that it does not wish to renew prior to the issuance of the renewal invoice.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1558, 22:1678, 22:1708 and

22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:70 (January 2018), amended LR 47:745 (June 2021).

§15519. Reporting of Administrative Actions

A. Every person who holds an insurance license shall report to the commissioner all administrative actions within 30 days of the final disposition of the action in the manner required by the commissioner. The report shall include a copy of the order, consent agreement, stipulation or other relevant legal documents.

B. “Administrative actions” shall include any fines, revocations, suspensions or surrender of a license or registration in lieu of such actions imposed by any state or federal agency or any non-governmental entity with regulatory oversight of a license or registration. It shall also include any consent agreements, stipulations or other such agreement with any state or federal agency or non-governmental entity with regulatory oversight of a license or registration initiated as a result of allegations of wrongdoing or regulatory or legal infractions regardless of whether or not any wrongdoing was admitted by the licensee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:1547(C)(1), 22:255, 22:1545, 22:1550, 22:1554, 22:1558, 22:1563, 22:1678, 22:1708 and 22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:70 (January 2018).

§15521. Violations and Penalties

A. Any failure to comply with this regulation shall be considered a violation of R.S. 22:1543, 22:1554, 22:1558, 22:1563, 22:1574, 22:1663, 22:1693, 22:1808.1 and 22:1808.8. Violations of this regulation shall subject the violators to penalties as provided by R.S. 22:1554, 22:1672, 22:1700 and 22:1808.12(B) and any other applicable provisions of law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:255, 22:1545, 22:1550, 22:1554, 22:1563, 22:1678, 22:1708, 22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:70 (January 2018).

§15523. Effective Date

A. Regulation 109 shall become effective upon final publication in the *Louisiana Register* and shall apply to any act or practice committed on or after the effective date.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:255, 22:1545, 22:1550, 22:1678, 22:1708 and 22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:70 (January 2018).

§15525. Severability

A. If any Section or provision of Regulation 109 or the application to any person or circumstance is held invalid,

such invalidity or determination shall not affect other Sections or provisions or the application of Regulation 109 to any persons or circumstances that can be given effect without the invalid Section or provision or application, and for these purposes the Sections and provisions of Regulation 109 and the application to any persons or circumstances are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821(B)(3), 22:1546(B)(1)(a), 22:255, 22:1545, 22:1550, 22:1678, 22:1708 and 22:1808.8 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 44:70 (January 2018).

Chapter 157. Regulation 110—Declaratory Orders

§15701. Purpose

A. The purpose of Regulation 110 is to define declaratory orders and to provide for the filing and prompt disposition of declaratory orders, as authorized by R.S. 49:962.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2(E) and 49:962.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, LR 44:2011 (November 2018).

§15703. Definitions

A. As used in Regulation 110, the following terms shall have the meanings specified.

Commissioner—the commissioner of the Louisiana Department of Insurance.

Department—the Louisiana Department of Insurance.

Declaratory Order—a written statement issued by the department at the request of a person regulated by the department as to the applicability of any statutory provision or of any rule or order of the agency.

Litigation—involvement in any civil, criminal, administrative, regulatory, or disciplinary proceeding or action.

Person—any individual, company, insurer, association, organization, reciprocal or inter-insurance exchange, partnership, business, trust, limited liability company, or corporation regulated by the department.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2(E) and 49:962.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, LR 44:2011 (November 2018).

§15705. Declaratory Orders, Generally

A. A declaratory order is not an agency rule or regulation but shall have the same status as a final agency decision or an order in an adjudicated case.

B. A declaratory order shall have effect only upon the