

# **Handbook for Adjusting Catastrophe or Emergency Claims in Louisiana**



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### DISCLAIMER:

This Handbook is for informational purposes only. Relevant laws and the actual terms and methods of evaluating damage caused by an emergency, catastrophe, disaster or other similar occurrence prevail over the information provided in this Handbook. The information contained in this Handbook does not create rights or obligations on the part of the insured, the insurer, the producer, the licensed adjuster, the employee and the adjuster not licensed in Louisiana, or the Louisiana Department of Insurance. **This Handbook is not intended to be a substitute for the actual training of the insurance employee or adjuster not licensed in Louisiana.**

## **I. INTRODUCTION**

In the 2022 Regular Session, the Louisiana Legislature passed House Bill 935 (Act 575), authored by Representative Delisha Boyd. Effective January 1, 2023, Act 575 added Louisiana Revised Statutes (La. R.S.) 22:1667(A)(2) to the Louisiana Insurance Code, which requires the Commissioner of Insurance to prepare a handbook for adjusting catastrophe or emergency claims in Louisiana, including information relevant to evaluating property damage arising out of an emergency or disaster. Act 575 also requires the Commissioner of Insurance to make the handbook available to registered catastrophe or emergency claims adjusters. To meet these requirements, the Louisiana Department of Insurance (LDI) developed this *Handbook for Adjusting Catastrophe or Emergency Claims in Louisiana* (Handbook) and has made it available on the LDI website at [www.ldi.la.gov](http://www.ldi.la.gov).

Act 575 also added La. R.S. 22:1667(A)(3) to the Louisiana Insurance Code, which requires a registered catastrophe or emergency claims adjuster to certify within ten (10) days of registration, on a form promulgated by the Commissioner of Insurance, that he or she has read and understands the most recent edition of the Handbook. To meet this requirement, the Commissioner of Insurance has promulgated a form entitled *Handbook for Adjusting Catastrophe or Emergency Claims Certification Form* (Form) which is attached as Appendix A and discussed further in Section VII.

La. R.S. 22:1667(A)(3) further requires an insurance company employing or retaining an adjuster registered pursuant to La. R.S. 22:1667(A)(1) to maintain in its records the Form for all such adjusters and to make the certification forms available to the Commissioner of Insurance upon request.

## **II. CATASTROPHE OR EMERGENCY CLAIMS ADJUSTER**

A catastrophe or emergency claims adjuster is an individual employed or retained by an insurer and brought into Louisiana for the purpose of investigating claims or adjusting losses resulting from a catastrophe or emergency. A catastrophe or emergency claims adjuster is limited solely to handling claims that arise from the catastrophe or emergency. La. R.S. 22:1667(A)(1)

## **III. NO LICENSE REQUIRED**

A catastrophe or emergency claims adjuster is not required to obtain an adjuster's license from the Louisiana Department of Insurance. However, a catastrophe or emergency claims adjuster must be registered, as discussed in Sections IV and V. La. R.S. 22:1667(A)(1)

## **IV. REGISTRATION REQUIRED**

All catastrophe or emergency claims adjusters investigating or adjusting losses resulting from the catastrophe or emergency in Louisiana must be registered. La. R.S. 22:1667(A)(1).

## **V. REGISTRATION PROCEDURES**

Registration of catastrophe adjusters is specific to the employing insurance company and the catastrophe. Registrations must be filed by each insurer or its designee. The procedures for the registration of catastrophe adjusters are set forth in Regulation 113, attached as Appendix B. Louisiana does not allow individuals to register themselves as a catastrophe adjuster.

Insurers must register catastrophe adjusters by using the “Catastrophic Adjuster Registration” module in our Industry Access System (<https://ia.lidi.state.la.us/industryaccess>). This module is only associated with insurers and will not appear as an option for any other license or entity type. Registration is submitted by uploading a spreadsheet containing the required information, including a registrant’s full name, Social Security Number or National Producer Number (NPN), business address, state of residence (state where the registrant maintains his or her primary home), and information regarding licensing status in any other state if applicable. The template of the required spreadsheet is available in the module.

The registration fee is \$25.00 per adjuster, per company. Fees may be paid online by credit card or ACH payment. There is an option to print a remittance coupon to mail in payment by check. If the option of remittance coupon is chosen, the payment must be submitted no more than ten (10) days after submission of the registration. Upon acceptance of the registration, the insurer can print a certificate to provide to its registered catastrophe adjusters. Registrations are effective upon submission and are valid for 180 days.

Once successfully registered, an individual may view the registration on the LDI website at [www.lidi.la.gov](http://www.lidi.la.gov). The effective dates of the registration and contact information can be found by searching the name supplied by each associated insurer.

## **VI. INDIVIDUALS WHO ARE NOT ELIGIBLE TO REGISTER AS A CATASTROPHE OR EMERGENCY CLAIMS ADJUSTER**

Individuals who hold an active Louisiana, resident or nonresident, Claims Adjuster or Public Adjuster license may not register as a catastrophe or emergency claims adjuster. A nonresident who is licensed as a claims adjuster in another state may apply for a Louisiana Claims Adjuster license online with the National Insurance Producer Registry (NIPR) at <https://nipr.com/licensing-center/apply>. Residents of Louisiana are not eligible to be registered as a catastrophe or emergency claims adjuster. A Louisiana resident must be licensed as a resident claims adjuster in Louisiana to adjust claims in Louisiana.

A business entity acting as a claims adjuster is required to obtain a Louisiana Claims Adjuster license.

## **VII. TRAINING AND CERTIFICATION**

A. An individual registered as a catastrophe or emergency claims adjuster shall read and understand the Handbook. Within ten (10) days of registration in Louisiana, a catastrophe or emergency claims adjuster shall certify that he or she has read and understands the

*Handbook* by completing the Form (see Appendix A) and submitting the Form to the catastrophe or emergency claims adjuster's employing or retaining insurance company. La. R.S. 22:1667(A)(3)

- B. The insurance company employing or retaining a catastrophe claims or emergency adjuster shall maintain the Form in its records and make the Form available to the Commissioner of Insurance upon request. La. R.S. 22:1667(A)(3)

## **VIII. STANDARDS OF CONDUCT**

The Louisiana Insurance Code mandates the following standards of conduct that are expected of all claims adjusters, including catastrophe or emergency claims adjusters:

- A. A claims adjuster shall do all of the following:

1. Treat all claimants fairly. La. R.S. 22:1674.1 (A)(5)
2. Adjust all claims strictly in accordance with the insurance contract. La. R.S. 22:1674.1(A)(7)
3. Make truthful and unbiased reports of the facts after completing a thorough investigation. La. R.S. 22:1674.1(A)(9)
4. Handle every adjustment and settlement with honesty and integrity, without any remuneration to himself or herself except that to which he or she is legally entitled. La. R.S. 22:1674.1(A)(10)
5. Act with dispatch and due diligence in achieving a proper disposition of the claim. La. R.S. 22:1674.1(A)(11)
6. Promptly report to the Louisiana Department of Insurance any conduct by any licensed insurance representative of this state which violates any provision of the Louisiana Insurance Code or Louisiana Department of Insurance rules. See Appendix C for contact information regarding reporting violations. La. R.S. 22:1674.1(A)(12)
7. Exercise appropriate care when dealing with elderly claimants. La. R.S. 22:1674.1(A)(13)

- B. A claims adjuster shall not do any of the following:

1. Have a direct or indirect financial interest in any aspect of the claim, other than the salary, fee, or other consideration established with the insurer. La. R.S. 22:1674.1(A)(1)
2. Acquire any interest in the salvage of property subject to the contract with the insurer. La. R.S. 22:1674.1(A)(2)

3. Solicit employment for, recommend, or otherwise solicit engagement, directly or indirectly, for any attorney at law, contractor, or subcontractor, in connection with any loss or damage for which the adjuster is employed or concerned. La. R.S. 22:1674.1(A)(3)
  4. Solicit or accept any compensation, directly or indirectly, from, by, or on behalf of any contractor or subcontractor engaged by or on behalf of any insured by which such adjuster has been, is, or will be employed or compensated, directly or indirectly. La. R.S. 22:1674.1(A)(4)
  5. Provide favored treatment to any claimant. La. R.S. 22:1674.1(A)(6)
  6. Approach investigations, adjustments, and settlements in a manner prejudicial to the insured. La. R.S. 22:1674.1(A)(8)
  7. Negotiate or effect settlement directly or indirectly with any third-party claimant represented by an attorney, if the adjuster has knowledge of such representation, except with the consent of the attorney. For purposes of this paragraph, the term "third-party claimant" does not include the insured or the insured's resident relatives. La. R.S. 22:1674.1(A)(14)
  8. Advise a claimant to refrain from seeking legal advice, nor advise against the retention of counsel to protect the claimant's interest. La. R.S. 22:1674.1(A)(16)
  9. Knowingly make any oral or written misrepresentation or statement in regard to applicable policy provisions, contract conditions, or pertinent state laws. La. R.S. 22:1674.1(A)(17)
  10. Undertake the adjustment of any claim for which the adjuster is not currently competent and knowledgeable as to the terms and conditions of the insurance coverage, or which otherwise exceeds the adjuster's current expertise. La. R.S. 22:1674.1(A)(18)
  11. Permit an unlicensed employee or representative of the adjuster to conduct business for which a license is required pursuant to the provisions of the insurance laws of this state. La. R.S. 22:1674.1(A)(19)
  12. Materially misrepresent to an insured or other interested party the terms and coverage of an insurance contract with intent and for the purpose of effecting settlement of a claim for loss or damage or benefit under such contract on less favorable terms than those provided in and contemplated by the insurance contract. La. R.S. 22:1674.1(A)(21)
  13. Represent or act as a public adjuster. La. R.S. 22:1674.1(A)(20)
- C. A claims adjuster may interview any witness, or prospective witness, without the consent of opposing counsel or party. In doing so, however, the adjuster shall scrupulously avoid any suggestion calculated to induce a witness to suppress or deviate from the truth, or in any degree affect the witness's appearance or testimony during deposition or at the trial. If any

witness making or giving a signed or recorded statement so requests, the witness shall be given a copy of the statement. La. R.S. 22:1674.1 (A)(15)

## **IX. PROHIBITED CONDUCT**

Catastrophe or emergency claims adjusters act on behalf of the employing insurance company. As a result, all catastrophe or emergency claims adjusters in Louisiana should be aware that insurance companies and their representatives in Louisiana are prohibited from engaging in certain conduct.

### **A. Insurance companies are prohibited from:**

1. Misrepresenting the benefits or conditions of any insurance policy. La. R.S. 22:1964(1)
2. Publishing anything before the public containing any assertions which are untrue, deceptive or misleading. La. R.S. 22:1964(2)
3. Engaging in Unfair Claims Settlement Practices, including:
  - a. Misrepresenting pertinent facts or insurance policy provisions;
  - b. Failing to acknowledge and act reasonably promptly on claims;
  - c. Failing to implement reasonable standards for prompt claims investigation;
  - d. Refusing to pay claims without investigation;
  - e. Failing to affirm or deny coverage within a reasonable time;
  - f. Not attempting to effectuate prompt, fair, and equitable settlements;
  - g. Compelling insureds to institute litigation;
  - h. Attempting to settle a claim for less than is owed;
  - i. Making claims payments without an explanation of coverage;
  - j. Failing to provide an explanation for denial of a claim; or
  - k. Failing to provide claims forms within 15 days of request. La. R.S. 22:1964(14)

### **B. Prohibited Claims Presumptions**

1. Insurers cannot use a floodwater mark on a structure without considering other evidence when determining whether coverage exists under a homeowner's policy. La. R.S. 22:1893(A)(1)
2. Insurers cannot use a home's displacement from its foundation without considering other evidence when determining whether coverage exists under a homeowner's policy. La. R.S. 22:1893(A)(2)

### **C. LDI Complaints**

Policyholders have the right to file a complaint against any insurance company, producer or adjuster and have that complaint investigated by the LDI. La. R.S. 22: 41(15)

#### D. Insurer Communications

Insurers shall respond to all requests from the insured within 14 days of the request. La. R.S. 22:1896

#### X. ENFORCEMENT

A. Pursuant to La. R.S. 22:1667, the Commissioner of Insurance may, without notice and hearing, revoke the privileges of an individual registered as a catastrophe or emergency claims adjuster for any one or more of the following causes:

1. Providing incorrect, misleading, incomplete, or materially false information in the license or renewal application.
2. Violating the insurance laws or regulations of the United States, this state, or any other jurisdiction or a subpoena or order of the commissioner of insurance or of another state's insurance commissioner.
3. Obtaining or attempting to obtain a license through misrepresentation or fraud or improperly using notes or any other reference material to complete an examination for an insurance license, or otherwise cheating or attempting to cheat on an examination for an insurance license of any kind.
4. Improperly withholding, misappropriating, or converting any money or property received in the course of conducting insurance business.
5. Intentionally misrepresenting the terms of an actual or proposed insurance contract binder, rider, plan, or application for insurance, including all forms or documents that are attached, or will be attached, to an actual or proposed insurance contract, binder, rider, plan, or application for insurance.
6. Conviction of or nolo contendere plea to any felony, participation in a pretrial diversion program pursuant to a felony charge, suspension or deferral of sentence and probation pursuant to Code of Criminal Procedure Article 893 or similar law of another state, or conviction of any misdemeanor involving moral turpitude, public corruption, or the adjustment of insurance claims.
7. Admitting to or committing fraud or unfair trade practices.
8. Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business that might endanger the public.
9. Denial, suspension, or revocation of an insurance license, or its equivalent, in any other state, province, district, or territory.



10. Forging a name on an application for insurance or any document related to an insurance transaction.
11. Knowingly accepting insurance business from an individual who is not licensed but who is required to be licensed by the commissioner of insurance.
12. Failure to comply with an administrative or court order imposing a child support obligation.
13. Failure to pay state income tax or comply with any administrative or court order directing payment of state income tax.
14. The refusal to submit physical evidence of identity or the conviction of a felony, in accordance with R.S. 22:1922(B) and (C).
15. Employing or allowing to associate with his business, in any manner, any person engaged in the business of insurance who has been convicted of a felony under the laws of this or any other state, the United States, or any other jurisdiction. As used in this Section, "business of insurance" means the writing of insurance or the reinsuring of risks by an insurance producer or insurer, including all acts necessary or incidental to such writing or reinsuring, and the activities of persons who act as, or are, officers, directors, agents, or employees of producers or insurers, or who are other persons authorized to act on behalf of such persons.
16. The conviction of a felony involving dishonesty or breach of trust pursuant to 18 U.S.C. 1033 and 1034, without written consent from the commissioner of insurance pursuant to 18 U.S.C. 1033, or any successor statute regulating crimes by or affecting persons engaged in the business of insurance whose activities affect interstate commerce.
17. Failure to complete assignment of adjustment of a claim in a thorough and timely manner, including submission of the adjustment of a claim to the party which made that assignment.

B. Thereafter, it shall be unlawful for the person to adjust any losses, claims, or damages in the state of Louisiana.

#### **XI. INFORMATION RELEVANT TO EVALUATING DAMAGE CAUSED BY AN EMERGENCY, CATASTROPHE, DISASTER OR OTHER SIMILAR OCCURRENCE**

- A. The Commissioner of Insurance promulgates a *Catastrophe Claims Process Disclosure Guide* (Guide), attached as Appendix D, to provide policyholders with general information regarding claims adjustment practices after a catastrophic event. Insurers are required to provide a copy of the Guide to policyholders by United States mail, electronic delivery, or hand-delivery to property insurance policyholders no later than the date an adjuster commences the initial

investigation of the claim. The Guide is also available on the LDI website, [www.lidi.la.gov](http://www.lidi.la.gov). La. R.S. 22:1897

- B. Policyholders have the right to a readable policy, to receive a complete property insurance policy, and to request a duplicate or replacement policy as needed. La. R.S. 22:41(16)
- C. The Valued Policy Clause provides that if an insured places a valuation upon insured property and that insured property is subject to a total loss, the insurer shall compute the payable limits of coverage at the set valuation without deduction or offset, unless a different method of computation is outlined in the policy language without the necessity of an inventory. La. R.S. 22:1318

D. Duties upon receipt of communications.

A residential or commercial property insurer shall respond to all inquiries or requests from its insured within fourteen (14) days after receipt of an inquiry or request unless the Commissioner of Insurance has extended the response period due to a disaster or declared emergency pursuant to La. R.S. 29:724. La. R.S. 22:1896

E. Acceptance or Denial of a Claim

1. Insurers issuing any type of contract, other than life, health and accident, and workers' compensation, shall pay the amount of any claim due any insured within thirty days after receipt of satisfactory proof of loss from the insured or any party in interest. The insurer shall notify the insurance producer of record of all such payments for property damage claims made in accordance with this Paragraph. La. R.S. 22:1892(A)(1)
2. Except in the case of catastrophic loss, the insurer shall initiate loss adjustment of a property damage claim and of 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 except that the commissioner may promulgate a rule for extending 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 up to an additional thirty (30) days. Thereafter, only one additional extension of the period of time for initiating a loss adjustment may be allowed and must be approved by the Senate Committee on Insurance and the House Committee on Insurance, voting separately. Failure to comply with the provisions of this Paragraph shall subject the insurer to the penalties provided in R.S. 22:1973. La. R.S. 22:1892(A)(3)
3. All insurers shall make a written offer to settle any property damage claim, including a third-party claim, within thirty (30) days after receipt of satisfactory proof of loss of that claim. La. R.S. 22:1892(A)(4)
4. For losses that arose due to a catastrophic event for which a state of disaster or emergency was declared pursuant to law by civil officials, for those areas within the declaration, no damages to covered property shall be automatically denied by the inability of the policyholder to provide sufficient proof of loss within the time limits and requirements of the policy. The time limit for the submission of proof of loss shall be not less than one hundred eighty days. The time limit shall not commence as long as a

declaration of emergency is in existence and civil authorities are denying the insured access to the property. La. R.S. 22:1264(A)

F. Actual Cash Value (ACV) v. Replacement Cost (RC)

ACV and RC are different methods used for determining the value of a homeowner’s property following a loss.

1. ACV is the cost to repair or replace damaged or destroyed property, minus the depreciation. The goal is to make the homeowner whole, which means returning you to the exact position you were in just before the loss — no better, no worse.
  - a. Depreciation is the amount of value property loses over time due to factors such as age, wear and tear, and market conditions.
  - b. EXAMPLE: A hurricane caused \$10,000 in roof damage to a home with a \$200,000 insured value. The home’s insurance policy includes a 2% named storm deductible and provides ACV coverage. The payment on the claim would be as follows:

<i>DAMAGED ITEM</i>	<i>DAMAGE AMOUNT</i>	<i>DEPRECIATION</i>	<i>2% STORM DEDUCTIBLE</i>	<i>PAYMENT</i>
Roof	\$10,000	-\$5,000	-\$4,000	= \$1,000

2. RC is simply the cost to replace an item with another item of like kind and quality.
  - a. Unlike ACV, RC places the policyholder in a better position than they were in just before the loss — NEW FOR OLD.
  - b. EXAMPLE: A hurricane caused \$10,000 in roof damage to a home with a \$200,000 insured value. The home’s insurance policy includes a 2% named storm deductible and provides RC coverage. The payment on the claim would be as follows:

<i>DAMAGED ITEM</i>	<i>DAMAGE AMOUNT</i>	<i>DEPRECIATION</i>	<i>2% STORM DEDUCTIBLE</i>	<i>PAYMENT</i>
Roof	\$10,000	\$0	-\$4,000	= \$6,000

**XII. INVESTIGATION**

- A. For first party property damage claims, policyholders shall have the right to request and receive from the insurance company any estimates, bids, plans, measurements, drawings, engineer reports, contractor reports, statements or documents that are not legally privileged that the insurance company prepared, had prepared, or used during its adjustment of the policyholder's claim. A company may keep confidential adjuster notes, logs, and any documents prepared in conjunction with a fraud investigation. La. R.S. 22:41(14)

- B. In Louisiana, it is considered an unfair claims settlement practice for an insurer to not adopt or implement reasonable standards for the prompt investigation of claims. It is also an unfair claims settlement practice for an insurer to refuse to pay a claim without conducting a reasonable investigation based upon information made available to the insurer. La. R.S. 22:1964 (14)(a) and (c)
- C. If the LDI has reason to believe that a person has engaged in any act that is in violation of the Louisiana Insurance Code, the LDI may examine and investigate the affairs of that person, as well as collect evidence. La. R.S. 22:1921 (C)

### **XIII. CHANGING CLAIMS ADJUSTERS – PRIMARY POINT OF CONTACT**

- A. The Louisiana Insurance Code provides certain minimum standards for adjuster communications with the insured making a personal residential insurance claim that arises due to a named storm or hurricane for which a state of emergency or disaster has been declared pursuant to La. R.S. 29:724. La. R.S. 22:1897
- B. If, within a six-month period, an insurer assigns a third or subsequent claims adjuster to be primarily responsible for the personal residential insurance claim, the insurer shall provide to the insured a written status report on the claim that covers at least the following information:
  - 1. The manner in which the insured's deductible has been applied and a statement as to whether the applicable deductible has been exhausted.
  - 2. The dollar amounts available under each coverage.
  - 3. The dollar amounts paid under each coverage.
  - 4. The dates on which payments were issued, to whom checks were payable, and addresses to which checks were sent or the means by which funds were otherwise delivered.
  - 5. A summary of items known to the insurer, as of the date of the status report, that remain to be adjusted and for which the insured must provide further information or documentation to the insurer in order to complete the adjustment process.
- C. The “primary contact” means an adjuster or team of adjusters employed or retained as a member or members of the insurer's staff who are knowledgeable about the claim. The insurer shall maintain a primary contact until the insurer closes the claim or a party files suit on the claim. The designation of a primary contact shall not preclude other claims personnel, vendors, or professionals, including clerical staff members, and call center staff members from working on portions of the insured's claim.
- D. The primary contact shall refer the insured to his supervisor at the request of an insured.

#### **XIV. APPRAISAL**

There are two different statutorily mandated appraisal provisions for insurance policies. All residential insurance policies have a mandated appraisal provision as outlined in La. R.S. 22:1892(G). All non-residential property insurance policies, including but not limited to Commercial Property, Commercial Multi-Peril, Commercial Residential Property, and Commercial Farm and Ranch that provide coverage for the peril of fire must comply with the appraisal provisions set forth in the Standard Fire Policy. La. R.S. 22:1311

#### **XV. DEPRECIATION AND SALVAGE**

- A. "Depreciation" means depreciation including but not limited to the cost of goods, materials, labor, and services necessary to replace, repair, or rebuild damaged property. La. R.S. 22:1892(B)(6)
1. An insurance policy covering damaged property may allow for depreciation.
  2. An insurance policy covering damaged property shall provide notice that depreciation may be deducted or withheld, in a form approved by the commissioner.
  3. If depreciation is applied to a loss for damaged property, the insurer shall provide a written explanation as to how the depreciation was calculated.
  4. Depreciation shall be reasonable and based on a combination of objective criteria and subjective assessment, including the actual condition of the property prior to loss.
- B. Salvage of vehicles is governed by the Vehicle Certificate of Title Law:
1. "Salvage title" shall mean a certificate used to evidence the declaration in an insurance settlement that a motor vehicle is a "total loss" motor vehicle as provided in this Chapter, to be prescribed and distributed by the office of motor vehicles, to an insurance company, its authorized agent, or the owner of a "total loss" motor vehicle. La. R.S. 32:702(13)
  2. "Total loss" means a motor vehicle which has sustained damages equivalent to seventy-five percent or more of the market value as determined by the most current National Automobile Dealers Association Handbook. However, a motor vehicle that sustains cosmetic damages caused by hail equivalent to seventy-five percent or more of its market value as a result of costs for repairs to items such as windshields, windows, and rear glass, exterior paint and paint materials, and body damage such as dents shall not be deemed a "total loss" and salvaged; however, such vehicles shall be issued a branded title indicating the vehicle has sustained hail damage. La. R.S. 32:702(14)
  3. "Water-damaged vehicle" means any vehicle whose power train, computer, or electrical system has been damaged by flooding and that is a "total loss" as defined in this Section. La. R.S. 32:702(17)
  4. La. R.S. 32:707(l)(1) outlines the claims adjusting process for vehicles that are deemed a "total loss":

- a. When, as the result of an insurance settlement, a motor vehicle is declared to be a “total loss,” as defined in La. R.S. 32:702, the insurance company, its authorized agent, or the vehicle owner shall, within thirty days from the settlement of the property damages claim, send the certificate of title, properly endorsed, to the office of motor vehicles along with an application for a salvage title in the name of the insurance company, or its authorized agent, or the vehicle owner.
- b. If an insurance company or its authorized agent is unable to obtain the certificate of title from the owner or lienholder within thirty days from the settlement of the property damages claim, the insurance company or its authorized agent may submit an application for a salvage title and signed under penalty of perjury, which application shall be accompanied by all of the following:
  - (i) Evidence acceptable to the office of motor vehicles that the insurance company has made at least two written attempts to the titled owner or lienholder of the motor vehicle by certified mail, return receipt requested, or by use of a delivery service with a tracking system, to obtain the endorsed certificate of title.
  - (ii) Evidence acceptable to the office of motor vehicles that the insurance company has made payment of a claim involving the motor vehicle.
  - (iii) The fee applicable to the issuance of a salvage title.
  - (iv) A release of lien executed by each current holder of a security interest in the motor vehicle.
- c. Upon receipt of an application for a salvage title pursuant to Subparagraph (l)(1)(a) or (b) of this Section, the office of motor vehicles shall issue a salvage title for the vehicle.
- d. The office of motor vehicles may promulgate rules and regulations for the administration of this Subsection pursuant to the Administrative Procedure Act.
- e. The insurance company or agent shall notify the office of motor vehicles within thirty days of settlement of the property damage claim and the owner retained salvage value, when the owner of the vehicle is allowed to retain the salvage after the vehicle has been declared a total loss.
- f. Upon receipt of the salvage title, the insurance company, its authorized agent, or the vehicle owner may proceed to dismantle the vehicle, sell it, or rebuild and restore it to operation. A rebuilder of a salvaged title motor vehicle may upon completion of rebuilding the vehicle demonstrate the rebuilt motor vehicle to a prospective purchaser without applying for a reconstructed vehicle title. Except for the purposes of this demonstration, no rebuilt and restored vehicle shall be operated upon any public street, roadway, or highway until it is registered with the office of motor vehicles, and a reconstructed vehicle title is issued. No such

vehicle issued a reconstructed title shall be operated as a motor carrier of passengers pursuant to La. R.S. 45:164(A) or as a public carrier vehicle as defined in La. R.S. 45:200.2(2).

#### **XVI. Flood Training – National Flood Insurance Program**

The Federal Emergency Management Agency (FEMA) requires all insurance adjusters who adjust flood losses for the National Flood Insurance Program (NFIP) to be NFIP flood certified. FEMA sets the adjustment standards and requirements that clarify NFIP expectations of flood adjusters (see the [FEMA Claims Manual](#), October 1, 2021). For those who may have a question about NFIP flood insurance, FEMA publishes a Claims Guide available on the NFIP website.

- A. For information on adjuster participation in the NFIP, please review the following link: <https://nfipservices.floodsmart.gov/>.
- B. The LDI does not regulate the NFIP. Flood insurance is a federal program. Please contact the NFIP for additional information.

**APPENDIX A**

**Handbook for Adjusting Catastrophe or  
Emergency Claims Certification Form**





## LOUISIANA DEPARTMENT OF INSURANCE

Tim Temple  
COMMISSIONER

### HANDBOOK FOR ADJUSTING CATASTROPHE OR EMERGENCY CLAIMS CERTIFICATION FORM (2023)

CATASTROPHE OR EMERGENCY CLAIMS ADJUSTER INFORMATION	
Name (First-Middle-Last)	NPN or Last 4 of SSN*
E-mail Address	Cell Phone Number
Home Address (Street Address, City, State and Zip Code)	
<b>CERTIFICATION</b>	
<p>I hereby certify that I have read and understand the <i>Handbook for Adjusting Catastrophe or Emergency Claims (2023)</i>, within ten (10) days of my registration as a catastrophe or emergency adjuster in Louisiana.</p>	
_____ Signature of Catastrophe or Emergency Claims Adjuster	_____ Date
<b>INSTRUCTIONS</b>	
<ol style="list-style-type: none"><li>1. Read and understand the <i>Handbook for Adjusting Catastrophe or Emergency Claims (2023)</i>.</li><li>2. After you have read the <i>Handbook for Adjusting Catastrophe or Emergency Claims (2023)</i> and understand its contents, sign and date this form.</li><li>3. You must provide a signed copy of this form to every insurance company which employs or retains you as a catastrophe or emergency adjuster in Louisiana. The insurance company will maintain a copy in their records.</li></ol>	

*\*If you do not have an NPN, providing the last four (4) numbers of your Social Security Number is optional.*

**APPENDIX B**  
**Regulation 113**

## Chapter 163. Regulation Number 113— Registration of Catastrophe Claims Adjusters

### §16301. Purpose

A. The purpose of this regulation is:

1. To establish the procedure to register claims adjusters in the event of a catastrophe or an emergency pursuant to R.S. 22:1667 and 22:1678.

2. To set forth the time periods for expiration or extension of catastrophe or emergency adjuster registration and to set forth penalties pursuant to R.S. 22:1672.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1667, 22:1672 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1081 (August 2019).

### §16303. Applicability and Scope

A. Regulation 113 shall apply to all adjusters employed or retained by an insurer and brought into the state for the purpose of investigating or making adjustment of losses resulting from a catastrophe or an emergency.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1667 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1081 (August 2019).

### §16305. Authority

A. Regulation 113 is promulgated by the commissioner pursuant to the authority granted under the Louisiana Insurance Code, R.S. 22:11, 22:821, 22:1667, 22:1672 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821, 22:1667, 22:1672 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1081 (August 2019).

### §16307. Definitions

A. For the purposes of Regulation 113 the following terms are defined as follows:

*Adjuster*—an individual who investigates or adjusts losses on behalf of an insurer as an independent contractor or as an employee of:

- a. an adjustment bureau;

- b. an association;
- c. a property and casualty producer;
- d. an independent contractor;
- e. an insurer; or
- f. a managing general agent.

*Catastrophe Adjuster*—those adjusters employed or retained by an insurer and brought into this state for the purpose of investigating or making adjustments of losses resulting from a catastrophe or an emergency.

*Catastrophe/Emergency*—a significant event declared by the governor or determined by the commissioner that causes widespread property damage or loss.

*Commissioner*—the Commissioner of Insurance of the State of Louisiana.

*Insurer*—any type of insurer, whether authorized or unauthorized, conducting business in this state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1667, and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1081 (August 2019).

### §16309. Designation of a Catastrophe/Emergency

A. Insurers shall be authorized to utilize catastrophe adjusters in the event of emergencies declared by the governor of this state pursuant to R.S. 29:724 and for any other event which the commissioner has determined to have caused widespread property damage or loss.

B. If not otherwise declared by the governor or determined by the commissioner, an insurer may request that the commissioner authorize the use of catastrophe adjusters by making a written request to the commissioner.

C. The written request shall include the date, geographic area within the state and a description of the event along with any factors which the insurer believes justifies such a declaration.

D. Upon approval of the catastrophe/emergency by the commissioner, the event shall be entered in the Louisiana Department of Insurance on-line system for registration of catastrophe adjusters.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1667, and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1082 (August 2019).

### §16311. Registration Procedure

A. No license shall be required for an individual who is employed or retained for a particular event by an insurer and brought into this state specifically for the purpose of investigating or making adjustments of losses resulting from a catastrophe or an emergency.

B. Prior to utilizing the services of a catastrophe adjuster, insurers shall register the individual as follows:

1. Access the department's online system for catastrophe adjuster registration;
2. Provide the following information:
  - a. the specific catastrophe/emergency for which the registration is active;
  - b. full name of the individual catastrophe adjuster;
  - c. Social Security Number or National Producer Number of the individual catastrophe adjuster;
  - d. the name, mailing address, email address and phone number of the individual with the insurer responsible for the registration of catastrophe adjusters; and
  - e. any additional information deemed necessary by the commissioner.
3. Submit the required fee to the commissioner pursuant to R.S. 22:821 within 10 days of the submission of the registration.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821, 22:1667, and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1082 (August 2019).

#### **§16313. Registration Expiration and Extension**

- A. A catastrophe adjuster registration is effective upon submission provided fees are received within ten days. A registration shall be valid for a period not to exceed 180 days.
- B. The commissioner may extend the registration's effective period for an additional ninety days upon the receipt of the insurer's written request for such an extension. The request must be submitted no later than 15 days prior to the expiration of the registration. The commissioner shall provide his written approval or denial of an extension request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:821, 22:1667 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1082 (August 2019).

#### **§16315. Violations and Penalties**

A. The commissioner may, without notice and hearing, revoke the privileges of an individual registered as a catastrophe adjuster for the grounds specified in R.S. 22:1672.

B. Any notice of revocation shall be sent to the employing or retaining insurer. The notice shall be sent to the insurer in accordance with R.S. 49:961. The revocation shall be effective as of the date of the notice of revocation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1667, 22:1672 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1082 (August 2019).

#### **§16317. Effective Date**

A. Regulation 113 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, 22:1667 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1082 (August 2019).

#### **§16319. Severability**

A. If any section or provision of Regulation 113 or the application to any individual or circumstance is held invalid, such invalidity or determination shall not affect other sections or provisions or the application of Regulation 113 to any individuals 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 113 and the application to any individuals or circumstances are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, 22:1667 and 22:1678 and the Administrative Procedure Act, R.S. 49:950 et seq.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 45:1082 (August 2019).

## **APPENDIX C**

### **Contact Information for Reporting Fraud**

## CONTACT INFORMATION FOR REPORTING FRAUD

- **Louisiana Department of Insurance**

<https://www.ldi.la.gov>

Mail: P.O. Box 94214  
Baton Rouge, LA 70804  
Phone: 800-259-5300

LDI Consumer Complaint – <https://www.ldi.la.gov/onlineservices/ConsumerComplaintForm>  
Report Fraud to LDI – <https://www.ldi.la.gov/consumers/insurance-fraud/report-insurance-fraud>

- **Louisiana State Police – Insurance Fraud Unit**

<http://www.lsp.org/ifu.html>

E-mail: [lsp.insurance.fraud.unit@la.gov](mailto:lsp.insurance.fraud.unit@la.gov)  
Phone: 225-925-3536  
Fax: 225-925-6707  
Mail: Louisiana State Police  
Bureau of Investigation  
Insurance Fraud Unit  
7919 Independence Blvd, Box A-19  
Baton Rouge, LA 70806

- **Louisiana Attorney General – Constituent Services**

<https://www.ag.state.la.us>

Mail: P.O. Box 94005  
Baton Rouge, LA 70804  
Phone: 877-297-0995  
E-mail: [constituentservices@ag.louisiana.gov](mailto:constituentservices@ag.louisiana.gov)

- **Louisiana State Licensing Board for Contractors**

<https://lslbc.louisiana.gov/consumers>

Mail: 600 North St  
Baton Rouge, LA 70802  
Phone: 225-765-2301

- **Local Government Resources**

Louisiana Sheriffs' Association

<https://www.lsa.org/sheriffs-directory>

Louisiana District Attorneys Association

[https://www.ladaa.org/main/da\\_roster](https://www.ladaa.org/main/da_roster)