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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO INSURANCE -- CLAIMS ADJUSTERS

Introduced By: Representative Brian P. Kennedy

Date Introduced: February 26, 2020

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. Sections 27-10-6 and 27-10-7.1 of the General Laws in Chapter 27-10 entitled  
2 "Claim Adjusters" are hereby amended to read as follows:

3           **27-10-6. Examination.**

4           (a) The department shall subject the applicant to a written examination as to his or her  
5 competency to act as an insurance claim adjuster. The examination shall test the knowledge of the  
6 individual concerning the duties and responsibilities of an adjuster and the insurance laws and  
7 regulations of this state.

8           (b) The department may make arrangements, including contracting with an outside testing  
9 service, for administering examinations and collecting a nonrefundable fee for the examination.

10          (c) Each individual applying for an examination shall remit a non-refundable fee as  
11 prescribed by the department.

12          (d) An individual who fails to appear for the examination as scheduled or fails to pass the  
13 examination shall reapply for an examination and remit all required fees and forms before being  
14 rescheduled for another examination.

15          (e) The department may accept successful completion of an examination administered by  
16 a federal entity in substitute for a state examination for the crop line of authority for  
17 company/independent adjusters.

18          (f) The department may also accept, in lieu of the examination in subsection (a) of this  
19 section, a certification issued by a national or state based claims association with a program

1 [approved by the department, that includes a proctored exam of sufficient length and rigor to](#)  
2 [adequately determine the competence of the applicant and any other requirements set by the](#)  
3 [department of business regulation.](#)

4 **27-10-7.1. Nonresident license reciprocity.**

5 (a) Unless denied licensure, a nonresident person shall receive a nonresident adjuster  
6 license if:

7 (1) The person is currently licensed as a resident adjuster and is in good standing in his or  
8 her home state;

9 (2) The person has submitted the proper request for licensure and has paid the fees required  
10 by § 27-10-3(a)(6);

11 (3) The person has submitted or transmitted to the department the appropriate, completed  
12 application for licensure for the equivalent type of license and lines of authority; and

13 (4) The person's home state awards non-resident adjuster licenses to residents of this state  
14 on the same basis.

15 (b) The insurance commissioner may verify the adjuster's licensing status through the  
16 database maintained by the NAIC, its affiliates, or subsidiaries.

17 (c) As a condition to continuation of an adjuster license issued under this section, the  
18 licensee shall maintain a resident adjuster license in his or her home state. The non-resident adjuster  
19 license issued under this section shall terminate and be surrendered immediately if the home state  
20 adjuster license terminates for any reason, unless the adjuster has been issued a license as a resident  
21 adjuster in his or her new home state. Notification to any state where a non-resident license is issued  
22 must be made as soon as possible, yet no later than thirty (30) days of change in new state resident  
23 license. The licensee shall include new and old addresses in the notification to the department. A  
24 new state resident license is required for non-resident licenses to remain valid. The new state  
25 resident license must have reciprocity with the licensing non-resident state(s) for the non-resident  
26 license not to terminate.

27 [\(d\) The department may grant a nonresident license to an adjuster that holds a current](#)  
28 [certificate issued by a national or state based claims association with a program, approved by the](#)  
29 [department, that includes at a minimum a proctored exam of sufficient length and rigor to](#)  
30 [adequately determine the competence of the applicant and any other requirements set by the](#)  
31 [department of business regulation.](#)

32 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
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1           This act would authorize the department of insurance, within the department of business  
2 regulation, in lieu of passing in-state licensing examination, to recognize the competence of an  
3 applicant for an insurance claims adjuster license, through an out-of-state proctored examination.  
4 It would also allow the department to grant a nonresident insurance claims adjuster license based  
5 on an out-of-state proctored license qualifying examination.

6           This act would take effect upon passage.

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