



THE CLAIMS LICENSING ADVANCEMENT FOR INTERSTATE MATTERS (CLAIM) ACT

Independent claims adjusters currently face a patchwork system of inconsistent state regulations that can delay the prompt and qualified adjustment of disaster victim and other claimants' claims. The CLAIM Act is designed to facilitate prompt adjusting in the case of natural and other disasters and provide independent claims adjusters with the regulatory clarity needed to provide timely, efficient, and cost-effective service to claimants.

The CLAIM Act advances uniformity, reciprocity, and consumer protections for claims adjusting across state lines. While recognizing and respecting state oversight of insurance matters, the CLAIM Act:

- (1) Facilitates accelerated adjusting of claims related to natural or other disasters;
- (2) Enables independent claims adjusters to handle claims more efficiently and effectively across state lines in an increasingly nationwide marketplace by spurring reciprocal licensing reforms; and
- (3) Protects consumers by spurring states to adopt uniform licensing criteria and by creating incentives for adjusters to take a multistate exam proposed to be established by the National Association of Insurance Commissioners (NAIC).

How the CLAIM Act works:

- In the case of natural or other disasters in areas designated by the president as Disaster Areas, independent adjusters who meet certain standards are authorized to adjust claims for losses regardless of the state in which the adjuster is licensed
- The NAIC is urged to adopt a model independent adjuster licensing act which ensures that adjusters meet basic standards for the integrity, personal qualifications, education, training, and experience required of independent adjusters; including continuing education requirements and ethics course requirements.
- The NAIC is also urged to develop and administer a multi-state examination for an independent claims adjuster seeking to adjust claims in a jurisdiction other than his or her home state. Any independent claims adjuster licensed in his or her home state meeting the NAIC's integrity, degree, training and experience requirements and current on his or her home state's continuing education requirements may take the multi-state examination.
- Within three years of enactment of the CLAIM Act, each state must enact laws and regulations (i) consistent with the NAIC's model legislation and (ii) governing reciprocity with other states related to non-home state individuals and entities operating as independent adjusters within the state.
- If a state does not establish the required laws and regulations within three years, independent adjusters who are properly licensed in their home state and pass a multi-state examination administered by the NAIC will be authorized to operate in that state without additional licensure or other requirements.