

DEPARTMENT OF INSURANCE

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**NOTICE**

TO: Insurance Adjusters (Independent), Education Providers, and Other Interested Parties

DATE: August 7, 2013

SUBJECT: Insurance Adjuster (Independent) License

What Is An Insurance Adjuster (Independent) and Who Needs this License?

As defined in Section 14021 of the California Insurance Code, an Insurance Adjuster is a person other than a private investigator who, for any consideration whatsoever, engages in the business of making an investigation for the purpose of obtaining information in the course of adjusting or participating in the disposal of any claim in connection with a policy of insurance or engages in soliciting insurance adjustment business.

For instance, a person adjusting or settling property and casualty or worker compensation claims as an independent contractor on behalf of an insurance company is performing the duties of an Insurance Adjuster and is required to be licensed as an Insurance Adjuster. Unless meeting the definition of a person exempted from these licensing requirements as stated in Section 14022 of the California Insurance Code, all persons must obtain the Insurance Adjuster license prior to adjusting or participating in the disposal of any claim in connection with a policy of insurance or engaging in soliciting insurance adjustment business.

The most common exemption to licensing as an Insurance Adjuster are those individuals who are employed by a licensed Insurance Adjuster. As unlicensed persons they must work under the supervision of a licensed Insurance Adjuster. The licensed Insurance Adjuster is required to report these unlicensed employees to the California Department of Insurance.

Also, being licensed as an Insurance Adjuster does not entitle a person to adjust or settle claims in connection with life or disability insurance. To adjust life or disability claims, individuals and entities must obtain a Registered Administrator's license as noted in Section 1759 of the California Insurance Code.

License Requirements

To qualify for an Insurance Adjuster license, individuals must have the equivalent of two years certified experience in the insurance adjusting field and successfully pass a qualifying license examination specific to the activities performed by an Insurance Adjuster. Additional information on the licensing requirements for this license is available on the department's website at: <http://www.insurance.ca.gov/0200-industry/0050-renew-license/0200-requirements/insurance-adjuster.cfm>

New and Improved Examination Preparation Materials

To better prepare candidates to successfully pass the qualifying examination for the Insurance Adjuster license, the department, with assistance from the Commissioner's appointed Curriculum

Board, recently developed a comprehensive examination content outline that details the material that will be covered in the examination.

The examination content outline contains Examination Objectives which consist of study material that includes knowledge of insurance coverages for personal automobile, homeowners' insurance, dwelling coverage, commercial policies, business owners policy (BOP), workers' compensation, ocean marine, and surety and fidelity, as well as general knowledge of the Adjuster's Act, adjusting losses, and fair claims settlement practices. Additionally, every topic and subtopic detailed in the Examination Objectives shows the assigned number of questions in that subject area that will be included in the examination. The new Objectives are now available at the following link on the department's web site: <http://www.insurance.ca.gov/0200-industry/0030-see-pre-lic/prelicensing-educational-objectives.cfm>

For any other inquiries, please e-mail the department's Producer Licensing Bureau at <https://interactive.web.insurance.ca.gov/pli/servlet/InformationRequest> or you may contact the Producer Licensing Bureau's Education Section at (916) 492-3064.