

2025 Regular Session

HOUSE BILL NO. 121

BY REPRESENTATIVE ADAMS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE: Provides prohibitions relative to public adjusters and home improvement contractors

1 AN ACT

2 To amend and reenact R.S. 22:1693(G) and 1706(H)(introductory paragraph) and R.S.  
3 37:2159.1(Section Heading), (introductory paragraph), and (3) and to enact R.S.  
4 22:1706(H)(11) and R.S. 37:2159.1(7) and (8), relative to property and casualty  
5 insurance; to provide for public adjusters; to provide for prohibited acts; and to  
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1693(G) and 1706(H)(introductory paragraph) are hereby  
9 amended and reenacted and R.S. 22:1706(H)(11) is hereby enacted to read as follows:

10 1693. License required; crime of unauthorized public adjusting

11 \* \* \*

12 G. Any business entity that violates any provision of Subsection D of this  
13 Section or R.S. 37:2159.2 shall be guilty of the crime of unauthorized practice of  
14 public adjusting for a business entity and shall be fined not more than five thousand  
15 dollars for each violation.

16 \* \* \*

§1706. Standards of conduct of public adjuster

\* \* \*

H. Public adjusters shall also adhere to all of the following general requirements:

\* \* \*

(11) A public adjuster shall not act as a contractor or subcontractor nor provide any construction, roofing, or repair services to the insured in connection with an insurance claim the adjuster has processed.

Section 2. R.S. 37:2159.1(Section Heading), (introductory paragraph), and (3) are hereby amended and reenacted and R.S. 37:2159.1(7) and (8) are hereby enacted to read as follows:

§2159.1. ~~Home improvement contracting~~ Contracting; prohibited acts; property insurance

The following acts are prohibited by persons or companies performing ~~home improvement~~ contracting services:

\* \* \*

(3) Providing an insured with an agreement authorizing repairs or construction without providing a good faith estimate of the itemized and detailed costs of services and materials for repairs undertaken pursuant to a property damage claim. A contractor shall be considered to have violated the provisions of this Paragraph if a person working on behalf of the contractor including but not limited to a compensated employee or a nonemployee who is compensated by the contractor violates the provisions of this Paragraph. A contractor does not violate this Paragraph if, as a result of the insurer adjusting a claim, the actual cost of repairs differs from the initial estimate.

\* \* \*

(7) Advertising or soliciting as insurance claims specialists.

(8) Advertising or soliciting as providing any insurance claim or policy interpretation related services to an insured.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 121 Reengrossed

2025 Regular Session

Adams

**Abstract:** Prohibits public adjusters and home improvement contractors with respect to insurance claims handling services and processed claims.

Present law (R.S. 22:1693(G)) provides for business entities acting as public adjusters without proper licensure. Provides that such a business entity is guilty of the crime of unauthorized practice of public adjusting. Further requires such an entity to be fined not more than \$5,000 per violation.

Proposed law retains present law and further provides that a business entity is guilty of the crime of unauthorized practice of public adjusting if the entity violates proposed law (R.S. 37:2159.2), which prohibits a contractor or subcontractor repairing or replacing the roof of a residential or commercial property from advertising, soliciting, or providing insurance claims handling or policy interpretation related services to an insured, including but not limited to contingency contracts, prior to the insured's initiation of a claim for damages.

Present law (R.S. 22:1706) generally provides standards of conduct for public adjusters and enumerates certain prohibitions.

Proposed law (R.S. 22:1706(H)(11)) retains present law and further prohibits a public adjuster from acting as a contractor or subcontractor or providing construction, roofing, or repair services to the insured in connection with an insurance claim processed by the adjuster.

Proposed law adds prohibitions to present law (R.S. 37:2159.1) regarding property insurance contracts. Prohibits persons from advertising or soliciting as insurance claims specialists or providing any insurance claim or policy interpretation related services to insureds.

(Amends R.S. 22:1693(G) and 1706(H)(intro. para.) and R.S. 37:2159.1(3); Adds R.S. 22:1706(H)(11) and R.S. 37:2159.1(7) and (8) and 2159.2)

Summary of Amendments Adopted by HouseThe House Floor Amendments to the original bill:

1. Add prohibitions to present law (R.S. 37:2159.1) regarding property insurance contracts.
2. Prohibit persons from advertising or soliciting as insurance claims specialists.
3. Prohibit persons from advertising or soliciting as providing any insurance claim or policy interpretation related services to insureds.