

SENATE BILL NO. 103

BY SENATOR GARY SMITH

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

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AN ACT

To amend and reenact R.S. 22:1924 (A)(1) and to enact R.S. 22:1693(F) and (G), and 1923(2)(o), relative to public adjusters; to provide for the crime of unauthorized public adjusting; to provide for fraudulent insurance acts committed by licensed public adjusters; to provide for criminal penalties; to provide for licensed public adjuster contracts; to provide for violations related to fees charged by licensed public adjusters; to define acts committed by licensed public adjusters as fraudulent insurance acts; to provide relative to public adjuster contracts; to provide relative to certain standards of conduct for licensed public adjusters; to provide for restitution to certain victims; to provide relative to records retention; to provide for definitions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1924(A)(1) is hereby amended and reenacted and R.S. 22:1693(F) and (G), and 1923(2)(o) are hereby enacted to read as follows:

§1693. License required; **crime of unauthorized public adjusting**

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F.(1) Any natural person who violates any provision of Subsection A or C of this Section shall be guilty of the crime of the unauthorized practice of public adjusting and shall be subjected to a term of imprisonment at hard labor for not more than two years or fined not more than one thousand dollars, or both.

(2) Any natural person who participates or assists any business entity in violating any provision of Subsection D of this Section shall be guilty of the crime of unauthorized practice of public adjusting and shall be subjected to a term of imprisonment at hard labor for not more than two years or fined not

1 more than one thousand dollars, or both.

2 G. Any business entity that violates any provision of Subsection D of this
3 Section shall be guilty of the crime of unauthorized practice of public adjusting
4 for a business entity and shall be fined not more than five thousand dollars for
5 each violation.

6 * * *

7 §1923. Definitions

8 As used in this Part, the following terms shall have the meanings indicated
9 in this Section:

10 * * *

11 (2) "Fraudulent insurance act" shall include but not be limited to acts or
12 omissions committed by any person who, knowingly and with intent to defraud:

13 * * *

14 (o) Acts in violation of any of the following provisions of law related to
15 public adjusters and public adjusting:

16 (i) R.S. 22:1693(B).

17 (ii) R.S. 22:1703.

18 (iii) R.S. 22:1704.

19 (iv) R.S. 22:1705.

20 (v) R.S. 22:1706.

21 * * *

22 §1924. Prohibited activities and sanctions

23 A.(1)(a) Any person who, with the intent to injure, defraud, or deceive any
24 insurance company, or the Department of Insurance, or any insured or other party in
25 interest, or any third-party claimant commits any of the acts specified in Paragraph
26 (2) or (3) of this Subsection is guilty of a felony and shall be subjected to a term of
27 imprisonment, with or without hard labor, not to exceed five years, or a fine not to
28 exceed five thousand dollars, or both, on each count.

29 (b) In addition to the criminal penalties provided in Subparagraph (a)
30 of this Paragraph, the defendant shall make and payment of restitution to the

1 victim or victim company of any insurance payments to the defendant that the court
 2 determines ~~was~~ were not owed and the costs incurred by the victim or victim
 3 company associated with the evaluation and defense of the fraudulent claim,
 4 including but not limited to the investigative costs, attorney fees, and court costs.
 5 However, if the amount of the benefit ~~pursued~~ **that is the subject of the criminal**
 6 **act** does not exceed one thousand dollars, the term of imprisonment shall not exceed
 7 six months, ~~or the~~ **and any** fine shall not exceed one thousand dollars, ~~or both,~~ on
 8 each count.

* * *

10 Section 2. This Act shall become effective on July 1, 2019.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____