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SENATE BILL NO. 208

Offered January 14, 2026

A BILL to amend and reenact §§ 38.2-812 through 38.2-815, 38.2-1824, 38.2-1866, 38.2-1867, 38.2-1868.1, 38.2-1869, 38.2-1871, and 38.2-1873 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 18 of Title 38.2 an article numbered 4.2, consisting of sections numbered 38.2-1845.24 through 38.2-1845.42, relating to property and casualty insurance; regulation and licensing of all-lines adjusters.

Patron—DeSteph

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-812 through 38.2-815, 38.2-1824, 38.2-1866, 38.2-1867, 38.2-1868.1, 38.2-1869, 38.2-1871, and 38.2-1873 of the Code of Virginia are amended and reenacted and the Code of Virginia is amended by adding in Chapter 18 of Title 38.2 an article numbered 4.2, consisting of sections numbered 38.2-1845.24 through 38.2-1845.42, as follows:

Article 3.

Unlicensed Public Adjusters.

§ 38.2-812. Definitions.

For the purposes of this article, ~~public~~ unless the context requires a different meaning:

"All-lines adjuster" has the same meaning as set forth in § 38.2-1845.24.

"Public adjuster" ~~shall have~~ has the same meaning as set forth in § 38.2-1845.1.

§ 38.2-813. What constitutes appointment of agent for service of process.

A. The Clerk of the Commission shall be deemed to be appointed by any unlicensed public adjuster as its agent for the service of process pursuant to § 13.1-758 if any of the following acts are effected by mail or otherwise in the Commonwealth by such unlicensed public adjuster: (i) the investigation, negotiation, adjustment, or provision of advice to insureds in relation to first party claims arising under insurance contracts that insure real or personal property located in the Commonwealth; (ii) the solicitation of public adjusting for such contracts; (iii) the collection of fees, commissions, salaries, or other considerations for such contracts; or (iv) the transaction of any other insurance business in connection with such contracts.

B. The Clerk of the Commission shall be deemed to be appointed by any unlicensed all-lines adjuster as its agent for the service of process pursuant to § 13.1-758 if any of the following acts are effected by mail or otherwise in the Commonwealth by such unlicensed all-lines adjuster: investigating, negotiating, or settling property, casualty, or workers' compensation claims for insurers or for self-insurers.

§ 38.2-814. How process or notice served.

Service of process or notice upon any unlicensed public adjuster or unlicensed all-lines adjuster in any suit, action, or proceeding arising out of or in connection with the acts enumerated in § 38.2-813 in the Commonwealth shall be made in the manner prescribed in § 13.1-758.

§ 38.2-815. Other legal service not limited.

Nothing in this article shall limit the right to serve any process or notice upon any unlicensed public adjuster or unlicensed all-lines adjuster in any other manner permitted by law.

§ 38.2-1824. Kinds of agents' licenses and appointments issued.

A. 1. The Commission shall issue the following kinds of agents' licenses and appointments under this chapter: Life and annuities insurance agent; health agent; property and casualty insurance agent; personal lines agent; limited lines credit insurance agent; limited lines life and health insurance agent; limited lines property and casualty insurance agent; motor vehicle rental contract insurance agent; restricted nonresident life and annuities insurance agent; restricted nonresident health agent; restricted nonresident property and casualty insurance agent; restricted nonresident personal lines agent; public adjuster; all-lines adjuster; surplus lines broker; title insurance agent; variable contract agent; and viatical settlement broker. For the purposes of nonresident reciprocal licensing as provided in § 38.2-1836, the Commission may issue a license for any other limited line of insurance that the Commission may deem it necessary to recognize.

2. The Commission shall permit insurers, within each insurer's authority, to make the following kinds of appointments: life and health insurance, property and casualty insurance, and title insurance. The appointed agent's authority is limited to that provided by his license and may not be expanded by his appointment or by his contractual agreement with an insurer.

B. The licenses of all individuals and business entities who on August 31, 2002, hold limited licenses to write accident and sickness insurance, or automobile insurance, or casualty insurance, or fidelity and surety bonds, or fire insurance, or life insurance and annuities, shall have such licenses automatically converted to

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the nearest equivalent license type provided in subsection A and shall henceforth be subject to all prelicensing, renewal, and continuing education requirements applicable to such new license type.

Article 4.2.

Licensing of All-Lines Adjusters.

§ 38.2-1845.24. Definitions.

As used in this article, unless the context requires a different meaning:

"All-lines adjuster" means a company adjuster or an independent adjuster.

"All-lines adjusting" means investigating, negotiating, or settling property, casualty, or workers' compensation claims for insurers or for self-insurers.

"Company adjuster" means an individual employed by an insurer or self-insurer to engage in all-lines adjusting.

"Home state" means the District of Columbia and any state or territory of the United States, except the Commonwealth, or any province of Canada in which an all-lines adjuster maintains such person's principal place of residence or principal place of business and is licensed by that jurisdiction to act as a resident all-lines adjuster.

"Independent adjuster" means an individual or business entity who receives, either directly or indirectly, a salary, fee, commission, or other compensation for engaging in all-lines adjusting on behalf of an insurer or self-insurer and the insurer's or self-insurer's tax treatment of the individual is consistent with that of an independent contractor rather than an employee.

"License" means a document issued by the Commission authorizing an individual or business entity to act as an all-lines adjuster. The license itself does not create any actual, apparent, or inherent authority in the licensee to represent, commit, or bind an insurer.

"Proof of compliance" means all documents, forms, and fees specified by the Commission for filing proof of completion of Commission-approved continuing education courses for the appropriate number of hours and for the appropriate content.

"Received by the Commission" means delivered into the possession of the Commission or its administrator at the business address of the Commission's administrator.

§ 38.2-1845.25. License required of resident all-lines adjusters.

A. No person shall engage in the business of all-lines adjusting without first applying for and obtaining a license from the Commission, except as provided in § 38.2-1845.26.

B. Each individual applicant for an all-lines adjuster license who is at least 18 years of age, who has satisfied the Commission that he (i) is of good character; (ii) has a reputation for honesty; (iii) has not committed any act that is a ground for the Commission to refuse to issue, deny, suspend, or revoke an all-lines adjuster license as set forth in § 38.2-1845.32; and (iv) has complied successfully with the other requirements of this article is entitled to and shall receive a license under this chapter in the form and manner prescribed by the Commission. The Commission may require, for resident licensing, proof of residency as described in subsection B of § 38.2-1800.1.

C. Each individual applicant for an all-lines adjuster license shall apply to the Commission in the form and manner prescribed by the Commission and shall provide satisfactory evidence of having met the following requirements:

1. Each applicant shall pass, within 183 calendar days prior to the date of application for such license, the all-lines adjuster examination as required by the Commission pursuant to and in accordance with the requirements set forth in § 38.2-1845.27.

2. Each applicant for an all-lines adjuster license shall submit a nonrefundable application processing fee in an amount and in a manner prescribed by the Commission at the time of initial application for such license. The fee shall be collected by the Commission and paid directly into the state treasury and credited to the fund for the maintenance of the Bureau of Insurance as provided in subsection B of § 38.2-400.

3. Prior to issuance of a license, each applicant shall attest that he has, and thereafter shall keep in force for as long as the license remains in effect, a bond in favor of the Commonwealth in the amount of \$50,000 with corporate sureties licensed by the Commission, on a form prescribed by the Commission. The bond shall be conditioned that the all-lines adjuster will conduct business under the license in accordance with the laws of the Commonwealth. The bond shall not be terminated unless at least 60 calendar days' prior written notice of the termination is filed with the Commission. If, prior to the expiration date of the bond, the licensed all-lines adjuster fails to file with the Commission a certification or attestation that a new bond satisfying the requirements of this section has been put into effect, the all-lines adjuster license shall terminate, and the licensee shall be required to satisfy any and all prelicensing requirements in order to apply for a new all-lines adjuster license. The Commission may ask for a copy of the bond or other evidence of financial responsibility at any time.

4. Each individual applicant for an all-lines adjuster license shall, at the time of applying for a new license, be fingerprinted in a form and manner prescribed by the Commission and shall provide personal descriptive information to be forwarded along with the applicant's fingerprints through the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purpose of obtaining criminal history

record information regarding such applicant. The results of the state and national records search shall be forwarded to the Commissioner or the Commissioner's designee, who shall be an employee of the Commission. The cost of fingerprinting and the criminal history records check shall be paid by the applicant. If an applicant's application for a license is denied, the Commission shall provide a copy of the information obtained from the Central Criminal Records Exchange to the applicant upon request. The information provided to the Commission shall not be disseminated except as provided in this subsection.

D. Except where prohibited by state or federal law, by submitting an application for a license, the applicant shall be deemed to have appointed the Clerk of the Commission as the agent for service of process on the applicant in any action or proceeding arising in the Commonwealth out of or in connection with the exercise of the license. Such appointment of the Clerk of the Commission as agent for service of process shall be irrevocable during the period within which a cause of action against the applicant may arise out of transactions with respect to subjects of insurance in the Commonwealth. Service of process on the Clerk of the Commission shall conform to the provisions of Chapter 8 (§ 38.2-800 et seq.).

E. Any individual who acts as an all-lines adjuster and who is also an officer, director, principal, or employee of a business entity acting as an all-lines adjuster in the Commonwealth shall be required to hold an appropriate individual license as an all-lines adjuster in the Commonwealth.

F. A business entity acting as an all-lines adjuster is required to obtain an all-lines adjuster license. Application shall be made in a form and manner acceptable to the Commission. Before approving the application, the Commission shall find that:

1. The business entity has paid the fee prescribed by the Commission;
2. The business entity has demonstrated proof of residency pursuant to subsection B of § 38.2-1800.1; and
3. The business entity has designated an individual employee, officer, director, manager, member, or partner licensed in the Commonwealth as an all-lines adjuster to be responsible for the business entity's compliance with the laws, rules, and regulations of the Commonwealth applicable to all-lines adjusters.

G. Prior to issuance of a license, each entity shall attest that the entity has, and thereafter shall keep in force for as long as the license remains in effect, a bond in favor of the Commonwealth in the amount of \$50,000 with corporate sureties licensed by the Commission, on a form prescribed by the Commission. The bond shall be conditioned that the all-lines adjuster will conduct business under the license in accordance with the laws of the Commonwealth. The bond shall not be terminated unless at least 60 calendar days' prior written notice of the termination is filed with the Commission. If, prior to the expiration date of the bond, the licensed all-lines adjuster fails to file with the Commission a certification or attestation that a new bond satisfying the requirements of this section has been put into effect, the all-lines adjuster license shall terminate, and the entity shall be required to satisfy any and all preclicensing requirements in order to apply for a new all-lines adjuster license. The Commission may ask for a copy of the bond or other evidence of financial responsibility at any time.

H. The Commission may require any documents reasonably necessary to verify the information contained in an application.

§ 38.2-1845.26. Exemptions from article.

This article shall not apply to (i) a licensed public adjuster engaging in the business of public adjusting; (ii) any attorney licensed in the Commonwealth; (iii) persons employed only for the purpose of obtaining facts surrounding a loss or furnishing technical assistance to a licensed all-lines adjuster, including photographers, estimators, private investigators, engineers, and handwriting experts; (iv) employees of a motor vehicle repair facility that prepare repair estimates; or (v) any person who settles subrogation claims between insurers.

§ 38.2-1845.27. Examinations.

A. Examinations for licenses shall be conducted at least monthly at the times and places prescribed by the Commission. Each applicant shall be required to pass the examination prescribed by the Commission as a condition for licensure unless otherwise exempted.

B. If the applicant fails to take the examination within 90 calendar days from the date his registration for the examination is accepted, the examination fee shall be forfeited, and the registration shall be considered withdrawn.

C. If the applicant fails to obtain the appropriate license from the Commission within 183 calendar days from the date he passes the examination, the examination grade shall be considered invalid, and the examination fee and application processing fee shall be forfeited. Such applicant shall be required to reapply for the examination and satisfy all appropriate preclicensing requirements.

D. An individual who applies for a resident all-lines adjuster's license in the Commonwealth who was previously licensed as an all-lines adjuster in the individual's home state shall not be required to complete any preclicensing examination. This exemption is only available if the individual is currently licensed in the applicant's home state or if the application is received within 90 calendar days of the cancellation of the applicant's previous license in the applicant's home state and the applicant's home state issues a certification that, at the time of cancellation, the applicant was in good standing in that state or if the state's Producer Database records, maintained by the National Association of Insurance Commissioners or its affiliates or

183 subsidiaries, indicate that the all-lines adjuster is or was licensed in good standing in that state.

184 **§ 38.2-1845.28. Licensing nonresidents; reciprocal agreements with other states and Canadian**
185 **provinces.**

186 A. An individual or business entity that is not a resident as defined in subsection B of § 38.2-1800.1 but
187 that is a resident of another state, territory, or province of Canada shall receive a nonresident all-lines
188 adjuster license if:

189 1. The applicant presents proof in a form acceptable to the Commission that the applicant is currently
190 licensed or otherwise authorized as a resident all-lines adjuster and is in good standing in his home state;

191 2. The applicant has submitted the proper application for licensure or a copy of the application for
192 licensure submitted to his home state and has paid the fees required by § 38.2-1845.25;

193 3. The applicant's home state issues nonresident all-lines adjuster licenses to residents of the
194 Commonwealth on the same basis or will permit a resident of the Commonwealth to act as an all-lines
195 adjuster in such state without requiring a license;

196 4. The applicant, if a corporation, limited liability company, or limited partnership, has obtained from the
197 Clerk of the Commission a certificate of authority, certificate of registration, or certificate of limited
198 partnership, respectively; and

199 5. The applicant attests that the applicant has, and thereafter shall keep in force for as long as the license
200 remains in effect, a bond in favor of the Commonwealth in the amount of \$50,000 with corporate sureties
201 licensed by the Commission, on a form prescribed by the Commission. The bond shall be conditioned that the
202 all-lines adjuster will conduct business under the license in accordance with the laws of the Commonwealth.
203 The bond shall not be terminated unless at least 60 calendar days' prior written notice of the termination is
204 filed with the Commission. If, prior to the expiration date of the bond, the licensed all-lines adjuster fails to
205 file with the Commission a certification or attestation that a new bond satisfying the requirements of this
206 section has been put into effect, the all-lines adjuster license shall terminate, and the licensee shall be
207 required to satisfy any and all preclicensing requirements in order to apply for a new all-lines adjuster
208 license. The Commission may ask for a copy of the bond or other evidence of financial responsibility at any
209 time.

210 B. For the purposes of this article, any individual whose place of residence and place of business are in a
211 city or town located partly within the Commonwealth and partly within another state may be considered as
212 meeting the requirements for residency in the Commonwealth, provided the other state has established by law
213 or regulation similar requirements as to residence of such individuals.

214 C. The Commission may enter into a reciprocal agreement with an appropriate official of any other state
215 or province of Canada if such an agreement is required in order for a resident of the Commonwealth to be
216 similarly licensed as a nonresident in that state or province.

217 D. The Commission may verify the all-lines adjuster's license status through the Producer Database
218 records maintained by the National Association of Insurance Commissioners or its affiliates or subsidiaries.

219 E. The business entity shall designate an individual employee, officer, director, manager, member, or
220 partner licensed in the Commonwealth as an all-lines adjuster to be responsible for the business entity's
221 compliance with the laws, rules, and regulations of the Commonwealth applicable to all-lines adjusters.

222 F. The Commission may require any documents reasonably necessary to verify the information contained
223 in an application.

224 G. A licensed nonresident all-lines adjuster who changes his home state shall file a change of address
225 within 30 calendar days of the change of legal residence.

226 H. Any licenses issued to nonresidents pursuant to this section shall be terminated at any time that the
227 nonresident's equivalent authority in his home state is terminated, suspended, or revoked.

228 **§ 38.2-1845.29. Individual moving into the Commonwealth from another state or Canadian province.**

229 A. An individual holding a nonresident Virginian all-lines adjuster license who has moved into the
230 Commonwealth from another state or a province of Canada shall submit the application and pay the license
231 processing fee required by and in accordance with the requirements set forth in § 38.2-1845.25. An all-lines
232 adjuster with an active nonresident Virginian all-lines adjuster license may continue to operate under his
233 nonresident license for up to 90 calendar days while applying for a resident Virginian all-lines adjuster's
234 license. If a nonresident all-lines adjuster fails to obtain such resident license by the end of the 90-calendar-
235 day period, the equivalent nonresident license shall terminate.

236 B. An individual licensed as an all-lines adjuster in another state or province of Canada, but not holding
237 a nonresident Virginian all-lines adjuster license, who moves to the Commonwealth shall submit the
238 application to become a resident all-lines adjuster and shall pay the license processing fee set forth in
239 § 38.2-1845.25 within 90 calendar days of establishing residency in the Commonwealth as provided by
240 subsection B of § 38.2-1800.1. No preclicensing examination shall be required of that individual to obtain an
241 all-lines adjuster license. After establishing legal residence in the Commonwealth and prior to obtaining a
242 license as a resident all-lines adjuster, the individual shall be prohibited from conducting the business of all-
243 lines adjusting in the Commonwealth. An individual who fails to submit the application and license
244 processing fee within 90 calendar days of establishing legal residence in the Commonwealth shall be

required to satisfy all resident all-lines adjuster preclicensing requirements required by this article.

§ 38.2-1845.30. Refusal to issue; hearing; new application.

A. If the Commission is of the opinion that any applicant for an all-lines adjuster license is not of good character or does not have a good reputation for honesty, it may refuse to issue the license, subject to the right of the applicant to demand a hearing on the application. If the Commission refuses to issue a new license, it shall give the applicant at least 10 calendar days' notice in writing of the time and place of the hearing, if a hearing is requested. The notice shall contain a statement of the objections to the issuance of the license. The notice may be given to the applicant by registered or certified mail, sent to the last known address of record, or the last known business address if the address of record is incorrect, or delivered in any other lawful manner the Commission prescribes. The Commission may summon witnesses to testify with respect to the applicant, and the applicant may introduce evidence in his behalf. No applicant to whom a license is refused after a hearing shall again apply for a license until after the expiration of a period of five years from the date of the Commission's order or such other period as the Commission prescribes in its order.

B. The license of a business entity may be denied if the Commission finds, after notice and an opportunity to be heard, that a violation by an individual licensee acting at the direction of, on behalf of, or with the permission of the business entity was known to be a violation by one or more of the partners, officers, or managers acting on behalf of the business entity or if it can be demonstrated to the satisfaction of the Commission that responsibility for such violation by the individual can reasonably be imputed to one or more of the partners, officers, or managers acting on behalf of the business entity, and neither was the violation reported to the Commission nor corrective action taken.

C. In addition to or in lieu of any applicable denial of a license, a person may, after notice and an opportunity to be heard, be subject to a penalty pursuant to § 38.2-218.

D. The Commission shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this title against any person who is under investigation for or charged with a violation of this title, even if the person's license or registration has been surrendered, terminated, suspended, or revoked or has lapsed by operation of law.

§ 38.2-1845.31. Renewal application and fee; reinstatement; waiver.

A. Each individual licensed all-lines adjuster shall submit biennially to the Commission a renewal application in a form and manner prescribed by the Commission, along with the nonrefundable renewal application processing fee prescribed by the Commission for the renewal of the license. Licenses shall be renewed biennially based on the all-lines adjuster's month and year of birth. The license for an all-lines adjuster born in an even-numbered year shall expire at the end of the all-lines adjuster's birth month in even-numbered years. The license for an all-lines adjuster born in an odd-numbered year shall expire at the end of the all-lines adjuster's birth month in odd-numbered years. Any all-lines adjuster license for which the required renewal application and nonrefundable renewal application processing fee have been received by the Commission and all other applicable licensing and renewal provisions in this chapter have been met shall, unless the license has been terminated, suspended, or revoked, be renewed for a two-year period. Any all-lines adjuster license for which the renewal application and nonrefundable renewal application processing fee have not been received by the Commission in the manner prescribed by the Commission shall automatically be terminated.

B. Each business entity licensed as an all-lines adjuster shall submit biennially to the Commission a renewal application, along with a nonrefundable renewal application processing fee prescribed by the Commission, for the renewal of the license. Any all-lines adjuster license for which the renewal application and nonrefundable renewal application processing fee have been received by the Commission and all other applicable licensing and renewal provisions in this chapter have been met shall, unless the license has been terminated, suspended, or revoked, be renewed for a two-year period. Any license for which the renewal application and nonrefundable renewal application processing fee have not been received by the Commission shall automatically be terminated.

C. The nonrefundable renewal processing fee for each all-lines adjuster license shall be paid in a manner and in an amount prescribed by the Commission. All fees shall be collected by the Commission and paid directly into the state treasury and credited to the fund for the maintenance of the Bureau of Insurance as provided in subsection B of § 38.2-400.

D. No nonresident all-lines adjuster license shall be renewed unless the applicant meets the requirements for initial licensure as set forth in § 38.2-1845.28.

E. An individual all-lines adjuster whose license terminates due to failure to renew may, within 12 months from the renewal date, reinstate the same license without the necessity of passing a written examination by:

1. Submitting a renewal application;
2. Submitting a nonrefundable reinstatement processing fee equivalent to double the nonrefundable renewal application processing fee; and
3. Satisfying the relevant continuing education requirements.

F. An individual all-lines adjuster who is unable to comply with the license renewal requirements due to

military service or another extenuating circumstance such as a long-term illness or incapacity may request a waiver of those requirements. Requests for waivers of renewal requirements shall be made in a form and manner prescribed by the Commission. All-lines adjusters seeking a waiver of renewal requirements shall submit all documentation specified by the Commission so as to be received by the Commission no later than the last day of the renewal period. After the renewal period, all-lines adjusters who have failed to complete the renewal waiver requirements may request a waiver from the reinstatement requirements set forth in subdivisions E 1 and 2 within the 12-month reinstatement period. The Commission shall approve or disapprove the waiver request within 30 calendar days of receipt thereof and shall provide written notice of its decision to the applicant for waiver within five calendar days of rendering its decision. Any waiver granted pursuant to this section shall be valid only for the renewal period or reinstatement period for which the waiver request was made.

§ 38.2-1845.32. Grounds for placing on probation, refusal to issue or renew, revocation, or suspension of license.

The Commission may, in addition to or in lieu of a penalty imposed under § 38.2-218, place on probation, suspend, revoke, or refuse to issue or renew any person's license for any one or more of the following causes:

1. Providing materially incorrect, misleading, incomplete, or untrue information in the license application or any other document filed with the Commission;
2. Violating any insurance laws or violating any regulation, subpoena, or order of the Commission or of another state's insurance regulatory authority;
3. Obtaining or attempting to obtain a license through misrepresentation or fraud;
4. Improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing business as an all-lines adjuster;
5. Having been convicted of a felony, a crime of moral turpitude, or any criminal offense involving dishonesty or a breach of trust;
6. Having admitted to or been found to have committed any insurance unfair trade practice, as set forth in Chapter 5 (§ 38.2-500 et seq.), or fraud;
7. Using fraudulent, coercive, or dishonest practices or demonstrating incompetence or untrustworthiness in the conduct of business in the Commonwealth or elsewhere, or demonstrating financial irresponsibility in the handling of policyholder, agency, or insurance company funds;
8. Having an all-lines adjuster license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory;
9. Intentionally misrepresenting the terms of an insurance contract;
10. Knowingly accepting all-lines adjusting business from an individual who unlawfully solicited business and who is not licensed but who is required to be licensed under this article;
11. Paying or sharing a commission, fee, or other valuable consideration to a person who is required to be licensed under this article and is not so licensed;
12. Forging another's name to any document related to an insurance transaction;
13. Improperly using notes or any other reference material to complete an examination for an all-lines adjuster license;
14. Failing to comply with an administrative or court order imposing a child support obligation;
15. Failing to pay Virginia income tax or comply with any administrative or court order directing payment of state income tax; or
16. Failing to report to the Commission as required by § 38.2-1845.36.

§ 38.2-1845.33. Termination, suspension, or revocation of license.

A. A license issued to an individual all-lines adjuster shall authorize him to act as an all-lines adjuster until his license is otherwise terminated, suspended, or revoked.

B. A license issued to a business entity shall authorize such business entity to act as an all-lines adjuster until such license is otherwise terminated, suspended, or revoked. The dissolution or discontinuance of a partnership, whether by intent or by operation of law, shall automatically terminate the all-lines adjuster license issued to such partnership. The Bureau shall automatically terminate all all-lines adjuster licenses within 90 calendar days of receiving notification from the Clerk of the Commission that the certificate of organization or charter of a domestic limited liability company or corporation respectively, whether by intent or by operation of law, has been terminated or that the certificate of registration or certificate of authority of a foreign limited liability company or corporation, respectively, has been revoked.

C. Except as provided in subsection B of § 38.2-1845.28, the license authority of any licensed resident all-lines adjuster shall terminate immediately when such all-lines adjuster has moved his residence from the Commonwealth, whether or not the Commission has been notified of such move.

D. The license authority of any business entity licensed as an all-lines adjuster shall terminate immediately if the sole licensed responsible all-lines adjuster designated pursuant to subdivision F 3 of § 38.2-1845.25 for the business entity's compliance with the insurance laws, rules, and regulations of the Commonwealth is removed for any reason and a new responsible all-lines adjuster has not been designated and the Commission notified within 30 calendar days of such removal and of the newly designated

responsible all-lines adjuster.

E. The Commission shall not revoke or suspend an existing license until the licensee is given an opportunity to be heard before the Commission. If the Commission proposes to revoke or suspend an existing license, it shall give the licensee at least 10 calendar days' notice in writing of the time and place of the hearing, if a hearing is requested. The notice shall contain a statement of the objections to the issuance of the license or the reason for its proposed revocation or suspension, as the case may be. The notice may be given to the licensee by registered or certified mail, sent to the last known address of record or the last known business address if the address of record is incorrect, or delivered in any other lawful manner the Commission prescribes. The Commission may summon witnesses to testify with respect to the licensee, and the licensee may introduce evidence on the licensee's behalf. No licensee whose license is revoked shall again apply for a license until after the expiration of a period of five years from the date of the Commission's order or such other period as the Commission prescribes in its order.

F. The license of a business entity may be suspended or revoked if the Commission finds, after notice and an opportunity to be heard, that a violation by an individual licensee acting at the direction of, on behalf of, or with the permission of the business entity was known to be a violation by one or more of the partners, officers, or managers acting on behalf of the business entity or if it can be demonstrated to the satisfaction of the Commission that responsibility for such violation by the individual can reasonably be imputed to one or more of the partners, officers, or managers acting on behalf of the business entity, and neither was the violation reported to the Commission nor corrective action taken.

G. In addition to or in lieu of any applicable denial, suspension, or revocation of a license, a person may, after notice and an opportunity to be heard, be subject to a penalty pursuant to § 38.2-218.

H. The Commission shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this title against any person who is under investigation for or charged with a violation of this title, even if the person's license or registration has been surrendered, terminated, suspended, or revoked or has lapsed by operation of law.

§ 38.2-1845.34. Standards of conduct for all-lines adjusters.

A. An all-lines adjuster shall be honest and fair in all communications with the insured, the insurer, and the public.

B. An all-lines adjuster shall give policyholders and claimants prompt, knowledgeable service and courteous, fair, and objective treatment at all times.

C. An all-lines adjuster shall not give legal advice and shall not deal directly with any policyholder or claimant who is represented by legal counsel without the consent of the legal counsel involved.

D. An all-lines adjuster shall comply with all local, state, and federal privacy and information security laws, if applicable.

E. An all-lines adjuster shall identify himself as an independent adjuster and, if applicable, identify his employer when dealing with any policyholder or claimant.

F. An all-lines adjuster shall not have any financial interest in any adjustment, or acquire for himself or any person any interest or title in salvage, without first receiving written authority from the principal.

§ 38.2-1845.35. Record retention.

The all-lines adjuster shall maintain sufficient records of his affairs so that the Commission may adequately ensure that the all-lines adjuster complies with all provisions of this chapter. The all-lines adjuster shall retain records pertaining to each claim handled for a minimum of five years after the claim is settled. The appropriate licensing authority may prescribe the specific record entries and documents to be kept.

§ 38.2-1845.36. Requirement to report to Commission.

A. Each licensed all-lines adjuster shall report within 30 calendar days to the Commission any change in his residence address, email address, or name.

B. In addition to the requirements of §§ 59.1-69 and 59.1-70, any individual or business entity licensed as an all-lines adjuster in the Commonwealth and operating under an assumed or fictitious name shall provide notice to the Commission, at the earlier of the time the application for an all-lines adjuster license is filed or within 30 calendar days from the date the assumed or fictitious name is adopted, setting forth the name under which the all-lines adjuster intends to operate in the Commonwealth. The Commission shall also be notified within 30 calendar days from the date of cessation of the use of such assumed or fictitious name.

C. Each licensed all-lines adjuster shall report to the Commission any conviction involving a felony, a crime of moral turpitude, or any criminal offense involving dishonesty or breach of trust in another jurisdiction or in the Commonwealth within 30 calendar days of the final disposition of the matter. This report shall include a copy of the order and other relevant legal documents.

D. Each licensed all-lines adjuster shall report to the Commission, within 30 calendar days of the final disposition of the matter, any administrative action taken against him in another jurisdiction or by another governmental agency in the Commonwealth. Such report shall include a copy of the order, consent order, or other relevant legal documents.

§ 38.2-1845.37. Information security program.

431 A. Each all-lines adjuster shall implement a comprehensive written information security program that
432 includes administrative, technical, and physical safeguards for the protection of policyholder information.
433 The administrative, technical, and physical safeguards included in the information security program shall be
434 appropriate to the size and complexity of the all-lines adjuster's business and the nature and scope of its
435 activities.

436 B. The information security program shall be designed to:

- 437 1. Ensure the security and confidentiality of policyholder information;
438 2. Protect against any anticipated threats or hazards to the security or integrity of the information; and
439 3. Protect against unauthorized access to or use of the information that could result in substantial harm
440 or inconvenience to any policyholder.

441 **§ 38.2-1845.38. What laws applicable; rulemaking authority.**

442 A. Except as otherwise provided in this article and except where the context otherwise requires, all of the
443 provisions of this title apply to this article.

444 B. Pursuant to the authority granted by § 38.2-223, the Commission may promulgate such rules and
445 regulations as may be necessary or appropriate for the administration and enforcement of this article.

446 **§ 38.2-1845.39. Immunities; confidentiality.**

447 A. Any documents, materials, or other information in the control or possession of the Commission that is
448 furnished by an insurer, agent, or all-lines adjuster or by an employee thereof acting on behalf of the insurer,
449 agent, or all-lines adjuster or obtained by the Commission in an investigation pursuant to this article shall be
450 confidential by law and privileged, shall not be subject to inspection or review by the general public, shall
451 not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil
452 action. However, the Commission is authorized to use the documents, materials, or other information in the
453 furtherance of any regulatory or legal action brought as a part of the Commission's duties.

454 B. Neither the Commission nor any person who received documents, materials, or other information while
455 acting under the authority of the Commission shall be permitted or required to testify in any private civil
456 action concerning any confidential documents, materials, or information subject to subsection A.

457 C. In order to assist in the performance of the Commission's duties under this chapter, the Commission:

458 1. May share documents, material, or other information, including confidential and privileged documents,
459 materials, or information subject to subsection A, with other state, federal, and international regulatory
460 agencies; the National Association of Insurance Commissioners and its affiliates or subsidiaries; and local,
461 state, federal, and international law-enforcement authorities, provided that the recipient agrees to maintain
462 the confidentiality and privileged status of the document, material, or other information.

463 2. May receive documents, materials, or information, including otherwise confidential and privileged
464 documents, materials, or information, from the National Association of Insurance Commissioners or its
465 affiliates or subsidiaries and from regulatory and law-enforcement officials of other foreign or domestic
466 jurisdictions, and shall maintain as confidential or privileged any document, material, or information
467 received with notice or the understanding that it is confidential or privileged under the laws of the
468 jurisdiction that is the source of the document, material, or information.

469 D. No waiver of any applicable privilege or claim of confidentiality in the documents, materials, or
470 information shall occur as a result of disclosure to the Commission under this section or as a result of
471 sharing as authorized in subsection C.

472 E. Nothing in this chapter shall prohibit the Commission from releasing final, adjudicated actions,
473 including for cause terminations that are open to public inspection pursuant to Chapter 4 (§ 12.1-18 et seq.)
474 of Title 12.1, to a database or other clearinghouse service maintained by the National Association of
475 Insurance Commissioners or its affiliates or subsidiaries.

476 **§ 38.2-1845.40. Authority of Commission to delegate certain functions.**

477 In order to assist in the performance of its duties, the Commission may contract with nongovernmental
478 entities, including the National Association of Insurance Commissioners and any affiliates or subsidiaries
479 that the National Association of Insurance Commissioners oversees, to perform any ministerial functions,
480 including licensing examination administration, collection of fees related to all-lines adjuster licensing, and
481 such other functions as the Commission may deem appropriate.

482 **§ 38.2-1845.41. Power of Commission to investigate affairs of persons engaged in the business of all-**
483 **lines adjusting; penalties for refusal to permit investigation.**

484 The Commission shall have the power to examine and investigate the business affairs of any person
485 engaged or alleged to be engaged in the business of all-lines adjusting in the Commonwealth to determine
486 whether the person has engaged or is engaging in any violation of this title. The Commission shall have the
487 right to examine all records relating to the business of all-lines adjusting by any such person in the
488 Commonwealth to determine whether the person is now or has been violating any of the provisions of this
489 title. Any licensee under this article or any person purporting to be a licensee under this article or any person
490 whose actions have led any person to believe that he is a licensee under this article who refuses to permit the
491 Commission or any of its employees or agents, including employees of the Bureau of Insurance, to make an
492 examination or who fails or refuses to comply with the provisions of this section, may, after notice and an

opportunity to be heard, be subject to any of the penalties relating to licensees under this article, as provided in this title, including the termination, denial, suspension, or revocation of his license.

§ 38.2-1845.42. False information and advertising generally.

No person shall knowingly make, publish, disseminate, circulate, or place before the public, or cause or knowingly allow, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement relating to (i) the business of all-lines adjusting or (ii) any person in the conduct of his business of all-lines adjusting which is untrue, deceptive, or misleading.

§ 38.2-1866. Continuing education requirements.

A. Every individual resident and nonresident (i) insurance consultant, (ii) life and annuities insurance agent, (iii) health agent, (iv) property and casualty insurance agent (v) personal lines agent, and (vi) title insurance agent shall, on a biennial basis, furnish evidence as set forth in this article that the continuing education requirements of this article have been satisfied. As used in this article, the term "agent" shall be construed to refer to any of the individual licensees referred to above.

B. Every (i) individual resident and nonresident public adjuster and (ii) individual resident and nonresident all-lines adjuster shall, on a biennial basis, furnish evidence as set forth in this article that the continuing education requirements of this article have been satisfied.

C. Any agent who holds a life and annuities license or a health agent license, or both, shall complete 16 hours of relevant continuing education credits.

D. Any agent who holds a personal lines license or a property and casualty license shall complete 16 hours of relevant continuing education credits.

E. Any agent who holds a title agent license shall complete 16 hours of relevant continuing education credits.

F. A public adjuster and an all-lines adjuster shall complete 24 hours of relevant continuing education credits.

G. Except as provided in subsection B and § 38.2-1871, any agent who holds licenses from more than one category of licenses identified in subsection A shall complete 24 hours of relevant continuing education credits with a minimum of eight credit hours in each such category.

H. Of the total required credits for each biennium, an agent shall complete three credit hours in insurance ethics, which may include insurance law and regulations applicable in the Commonwealth.

I. Of the total required credits for each biennium, a public adjuster and an all-lines adjuster shall complete three credit hours in insurance ethics.

J. Agents may receive no more than 75 percent of their required credits from courses provided by insurance companies or agencies. The Board, in its sole discretion, shall, at the time of course approval, determine whether any particular course shall be considered to be insurance company or agency sponsored and shall require all course sponsors to provide this information clearly and conspicuously to all those enrolling in that course.

§ 38.2-1867. Insurance continuing education board; approval of credits.

A. An insurance continuing education board, hereinafter called the Board, appointed by the Commission, shall approve all continuing education instructors, programs of instruction, and courses, including technical courses or agency management and operations courses, and shall evaluate credit hours for all programs or courses offered. The Board shall establish and monitor standards for the education of insurance agents and, public adjusters, and all-lines adjusters and set minimum requirements for course instructors. The Board shall have the authority to disapprove or withdraw approval of course sponsors, courses, or course instructors when the established standards are not satisfied, or where such standards have been violated.

B. The number of credits for each self-study course, correspondence course, or program of classroom instruction shall be determined in a manner prescribed by the Board. However, for an approved classroom course, a credit hour shall be equivalent to a classroom hour providing at least 50 minutes of continuous instruction or participation. No credits shall be granted for approved classroom courses unless notice to the Board is accompanied by proof of attendance by the course provider. No credits shall be granted for any correspondence or self-study course that does not include a test of the subject matter which shall be successfully completed by each agent requesting credit. The Board shall have the right to review and approve or disapprove the proposed test as part of the course approval process.

C. An instructor of an approved continuing education course shall be eligible to receive the same number of credits as a person enrolled in the course for the purpose of meeting the continuing education course requirements of this article. However, agents, public adjusters, all-lines adjusters, and instructors may apply credits for attending or teaching the same course only once during the two-year period set forth in subsection B of § 38.2-1868.1.

D. Any agent with excess credit hours accumulated during the two-year period set forth in subsection B of § 38.2-1868.1 may carry such hours forward to the next biennium only.

E. Members of the Board shall be appointed by the Commission as follows:

1. One active member of the Independent Insurance Agents of Virginia, as recommended by the Independent Insurance Agents of Virginia;
2. One active member of the Professional Insurance Agents of Virginia and the District of Columbia, as recommended by the Professional Insurance Agents of Virginia and the District of Columbia;
3. One active member of the National Association of Insurance and Financial Advisors of Virginia, as recommended by the National Association of Insurance and Financial Advisors of Virginia;
4. One active member of the Virginia Land Title Association, as recommended by the Virginia Land Title Association;
5. One active member of the Virginia chapter of the National Association of Benefits and Insurance Professionals, as recommended by the Virginia chapter of the National Association of Benefits and Insurance Professionals;
6. One active member of the Virginia chapter of the National African American Insurance Association, as recommended by the Virginia chapter of the National African American Insurance Association;
7. Three representatives of the property and casualty insurance industry;
8. Three representatives of the life and health insurance industry; and
9. One representative of the adult education or higher education field.

F. No person shall serve as a member of the Board if, in the opinion of the Commission, such person (i) prepares, submits for approval, or teaches insurance continuing education courses in ~~Virginia the Commonwealth~~ or in any other jurisdiction, other than as an incidental part of such person's employment, or (ii) no longer meets the criteria on which the original appointment to the Board was based pursuant to subsection E.

G. No meeting of the Board or any subcommittee of the Board shall be held unless timely notice of such meeting has been provided to the Commission's Bureau of Insurance. At any such meeting of the Board or any subcommittee of the Board, one or more representatives from the Bureau of Insurance shall be permitted to attend and to participate in such meeting, except that such Bureau of Insurance representative or representatives shall not have the right to vote on any matters before the Board.

H. Actions of the Board shall be exempt from the application of the Administrative Process Act (§ 2.2-4000 et seq.).

§ 38.2-1868.1. Proof of compliance with continuing education requirements; waivers.

A. As used in this article:

"Proof of compliance" means all fees prescribed by the Board and all documents and forms specified by the Board for demonstrating completion of Board-approved continuing education courses relevant to the license held and for the required number of hours.

"Received by the Board or its administrator" means delivered into the possession of the Board or its administrator in a form and manner prescribed by the Board.

B. Each agent ~~and~~, public adjuster, *and all-lines adjuster* holding one or more licenses subject to the continuing education requirements of this article shall complete all continuing education course or waiver requirements and shall submit to the Board or its administrator proof of compliance with such requirements in the form and manner required by the Board biennially, based on the agent's or public adjuster's month and year of birth. An agent ~~or~~, public adjuster, *or all-lines adjuster* born in an even-numbered year shall complete all continuing education course or waiver requirements and shall submit proof of compliance by the end of the agent's ~~or~~, public adjuster's, *or all-lines adjuster's* birth month in even-numbered years. An agent ~~or~~, public adjuster, *or all-lines adjuster* born in an odd-numbered year shall complete all continuing education course or waiver requirements and shall submit proof of compliance by the end of the agent's ~~or~~, public adjuster's, *or all-lines adjuster's* birth month in odd-numbered years.

C. A licensed agent ~~or~~, public adjuster, *or all-lines adjuster* who is unable to comply with the continuing education requirements of this article due to military service or other extenuating circumstances, including long-term illness or incapacity may request a waiver of such requirements. Requests for waivers of continuing education requirements shall be made in a form and manner prescribed by the Board. An agent ~~or~~, public adjuster, *or all-lines adjuster* seeking a waiver of some or all of the continuing education requirements shall submit all documentation, forms, and fees specified by the Board so as to be received by the Board or its administrator no later than the last day of the two-year period set forth in subsection B and in §§ 38.2-1825.1, 38.2-1840, ~~and~~ 38.2-1845.8, *and 38.2-1845.31*. After the two-year period, an agent ~~or~~, public adjuster, *or all-lines adjuster* who has failed to complete the continuing education requirements may request a waiver of the continuing education reinstatement requirements set forth in subsection E of § 38.2-1825.1, subsection E of § 38.2-1840, ~~and~~ subsection E of § 38.2-1845.8, *and subsection E of § 38.2-1845.31* within the 12-month reinstatement period described therein. The Board shall approve or disapprove the waiver request within 30 days of receipt thereof and shall provide written notice of its decision to the waiver applicant within five days of rendering its decision. Any waiver granted pursuant to this subsection shall be valid only for the biennium for which waiver application was made.

D. All fees specified by the Board shall be nonrefundable once received by the Commission, the Board, or

the Board's administrator, except that duplicate payments may be refunded.

§ 38.2-1869. Failure to satisfy requirements; termination of license.

A. Failure of an agent ~~or~~, public adjuster, *or all-lines adjuster* to complete all continuing education course or waiver requirements, pay any fee imposed by the Board, or otherwise furnish proof of compliance during the two-year period set forth in subsection B of § 38.2-1868.1, or to complete the license renewal requirements set forth in § 38.2-1825.1, 38.2-1840, ~~or~~ 38.2-1845.8, *or 38.2-1845.31* shall result in the termination, pursuant to § 38.2-1825.1, 38.2-1840, ~~or~~ 38.2-1845.8, *or 38.2-1845.31* of each license held by the agent or public adjuster for which the requirements of this article were not satisfied.

B. Neither the Board, its administrator, nor the Commission shall have the power to grant an agent or public adjuster additional time for completing the continuing education credits required by § 38.2-1866, or additional time for seeking waivers or submitting proof of compliance as required by § 38.2-1868.1.

C. An agent ~~or~~, public adjuster, *or all-lines adjuster* whose license has been terminated pursuant to § 38.2-1825.1, 38.2-1840, ~~or~~ 38.2-1845.8, *or 38.2-1845.31* for failure to satisfy the continuing education requirements of this article may appeal the determination of noncompliance to the Board. However, failure of an agent ~~or~~, public adjuster, *or all-lines adjuster* to provide notice of appeal in the form and manner prescribed by the Board within 30 calendar days following expiration of the two-year period set forth in subsection B of § 38.2-1868.1 and in §§ 38.2-1825.1, 38.2-1840, ~~and~~ 38.2-1845.8, *and 38.2-1845.31* shall be deemed a waiver by such agent or public adjuster of the right to appeal the determination of noncompliance with the Board.

D. Pursuant to the requirements of subsection C of § 38.2-1815 and §§ 38.2-1857.1 and 55.1-1003, respectively:

1. A resident variable contract agent whose life and annuities insurance agent license is terminated for failure to satisfy the requirements of this article shall also have such variable contract license terminated by the Commission;

2. A resident agent holding a license as a surplus lines broker whose property and casualty insurance agent license is terminated for failure to satisfy the requirements of this article shall also have such surplus lines broker license terminated by the Commission; and

3. An agent holding a registration as a title settlement agent whose title insurance agent license is terminated for failure to satisfy the requirements of this article shall also have such registration as a title settlement agent terminated by the Commission.

Any such license or registration so terminated may be applied for again after the agent has obtained, respectively, a new life and annuities insurance agent's license, a new property and casualty insurance agent's license, or a new title insurance agent's license and appointment, if appointment is required.

E. An insurance consultant who fails to renew his insurance consultant license by the date specified in § 38.2-1840, but who reinstates his insurance consultant license within 12 months following such renewal date shall be treated, for purposes of determining exemption from continuing education requirements pursuant to § 38.2-1871, as if such insurance consultant license had been renewed in a timely manner.

F. A resident public adjuster *or resident all-lines adjuster* whose license has been terminated under the terms of this section and whose license is not reinstated pursuant to § 38.2-1845.8 *or 38.2-1845.31* shall be permitted to make application for a new license if all of the requirements of § 38.2-1845.2 *or 38.2-1845.25* are met.

§ 38.2-1871. Licensees not subject to the continuing education requirements of this article.

A. A resident or nonresident agent ~~or~~, public adjuster, *or all-lines adjuster* who has been issued a license during the last 13 months of the two-year period set forth in subsection B of § 38.2-1868.1 and in §§ 38.2-1825.1, 38.2-1840, ~~and~~ 38.2-1845.8, *and 38.2-1845.31* shall be exempt from fulfilling the continuing education course requirements set forth in this article for that license for that biennium.

B. The following licensees are not subject to the continuing education course requirements set forth in this article:

1. Life and health insurance consultants who are also licensed both as life and annuities insurance agents and as health agents and who satisfy the continuing education course requirements needed for continuation of their life and annuities and health agent licenses;

2. Property and casualty insurance consultants who are also licensed as property and casualty agents and who satisfy the continuing education course requirements needed for continuation of their property and casualty agent license;

3. Nonresident agents who have met the continuing education requirements of their home state and whose home state gives credit to residents of the Commonwealth on the same basis;

4. Nonresident public adjusters *or nonresident all-lines adjusters* who have met the continuing education requirements of their home state and whose home state gives credit to residents of the Commonwealth on the same basis; and

5. Agents who have applied for and received a permanent exemption from the continuing education course requirements set forth in this article by December 31, 2018.

§ 38.2-1873. Continuing insurance education fees.

679 The continuing insurance education program established by this article shall be self-supporting, and any
680 costs incurred by the Board, its members, its administrator, or the Commission in connection with the good
681 faith execution of their respective duties pertaining to the continuing education of insurance agents ~~and~~,
682 public adjusters, *and all-lines adjusters* licensed in the Commonwealth shall be borne by the continuing
683 insurance education fees paid by agents, public adjusters, *all-lines adjusters*, course sponsors, and course
684 instructors, which fees, except for duplicate payments, shall be nonrefundable upon receipt.
685 **2. That the provisions of this act shall become effective on January 1, 2027.**