

**United Policyholders**

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February 2, 2016

Representative David Livingston
House of Representatives
1700 W. Washington, Room 341
Phoenix, AZ 85007

VIA EMAIL: Dlivingston@azleg.gov

Re: H.B. 2342: Insurance; Licensed Entities – OPPOSE

Dear Representative Livingston:

We are writing to express our strong opposition to H.B. 2342 as written. Specifically, we oppose amending 20-321.01(D), which would statutorily authorize adjusters licensed out-of-state to adjust particular losses or catastrophic losses without an Arizona license. Arizona should not allow its strong claims handling rules to be comprimsed by such a measure.

The Arizona state adjuster licensing procedure ensures that individuals who are adjusting losses on behalf of insurers or insureds are, among other things, properly trained on the claims handling rules of each state, which are unique to each state. Allowing an individual who is not licensed in Arizona, to adjust Arizona losses, without the proper training on Arizona rules, would be harmful to consumers. We urge you to omit 20-321.01(D).

We understand the legitimate concern that in catastrophic situations, there may be a need for insurers to contract with out-of-state adjusters in order to adjust a large number of losses that may exceed their in-state licensed capacity. However, many states deal with this by emergency licensing procedures when the need arises, rather than by statute.

“We” are United Policyholders (“UP”), a non-profit 501(c)(3) organization founded in 1991 that is a voice and an information resource for insurance consumers in all 50 states. UP has assisted fire survivors in the Mount Lemmon fire. UP is funded by individual and business donations and foundation grants. UP’s work is supported by volunteers and staff in all 50 states. UP does not sell insurance or accept funding from insurance companies. UP offers a variety of resources to help consumers with the claims process at www.uphelp.org.

We urge you to amend or withdraw H.B. 2342. Thank you for your time and consideration.

Sincerely,

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Executive Director

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