

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.1224 Adjuster; application for license; forms; examination; investigations and interrogatories; waiver; decision; issuance of license; qualifications; additional restrictions; licenses to certain persons prohibited; "home state" defined.**

Sec. 1224. (1) An application for a license to act as an adjuster shall be made to the commissioner on forms prescribed by the commissioner.

(2) Within a reasonable time after receipt of a properly completed application form under subsection (1), the commissioner may subject the applicant to a written examination, and may conduct investigations and propound interrogatories concerning the applicant's qualifications, residence, business affiliations, and any other matter that the commissioner considers necessary or advisable to determine compliance with this chapter, or for the protection of the public. The commissioner may waive the examination requirements of this subsection for a person who has been licensed as an adjuster within the preceding 12 months. The commissioner shall make a decision on the application within 60 days after receipt of a properly completed application form.

(3) After examination, investigation, and interrogatories, the commissioner shall issue a license to act as an adjuster to an applicant if the commissioner determines that the applicant possesses reasonable understanding of the provisions, terms, and conditions of the insurance with which the applicant will deal, possesses reasonable understanding of the insurance laws of this state, intends in good faith to act as an adjuster, possesses a good business reputation, and possesses good moral character to act as an adjuster. Persons currently licensed and new licenses issued are subject to any additional restrictions under which a resident of this state would be licensed in the jurisdiction in which the applicant resides. Any such restriction shall be imposed by the commissioner upon the date set for payment of the license fee. The commissioner shall not issue a new license or accept an annual license fee continuing a current license to either of the following:

(a) A person residing in a state that denies a comparable license to a resident of this state solely because of residency.

(b) A person who is employed either directly or indirectly by an adjuster that is a resident of a state, or by an adjuster's business that has a majority of shareholders, members, officers, directors, or owners that are residents of a state, that denies a comparable license to a resident of this state solely because of residency. An affidavit from an applicant establishing compliance with this subdivision may be relied on by the commissioner to show compliance with this subdivision.

(4) The commissioner shall not issue a license to act as an adjuster to a person who is employed by, owns stock in, is an officer or director of, or in any other manner is connected with, a fire repair contractor.

(5) The commissioner shall not issue a nonresident license to act as an adjuster to an individual who is a resident of Canada unless the individual has received a resident license to act as an adjuster from another state or declared another state his or her home state.

(6) As used in this section:

(a) "Home state" means either of the following:

(i) The state in which the adjuster maintains his or her principal place of residence or business and is licensed to act as a resident adjuster.

(ii) If the state of the adjuster's principal place of residence or business does not license adjusters, the state in which the adjuster is licensed and in good standing and that is designated by the adjuster as the adjuster's home state.

(b) "State" means that term as defined in section 3o of 1846 RS 1, MCL 8.3o.

**History:** Add. 1972, Act 133, Eff. Mar. 30, 1973;—Am. 1978, Act 86, Imd. Eff. Mar. 29, 1978;—Am. 1980, Act 390, Imd. Eff. Jan. 7, 1981;—Am. 1981, Act 1, Imd. Eff. Mar. 30, 1981;—Am. 2000, Act 35, Imd. Eff. Mar. 17, 2000;—Am. 2001, Act 228, Eff. Mar. 1, 2002;—Am. 2012, Act 462, Imd. Eff. Dec. 27, 2012.

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