



LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

ADVISORY LETTER 2022-02

TO: ALL INDIVIDUAL TITLE INSURANCE PRODUCERS, AGENCY PRODUCERS LICENSED FOR THE LINE OF TITLE, AND TITLE INSURERS

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

RE: ACT 264 OF THE 2022 REGULAR SESSION OF THE LOUISIANA LEGISLATURE

DATE: JULY 29, 2022

Act No. 264 of the 2022 Regular Session of the Louisiana Legislature (“Act 264”) relative to the qualifications for an individual title insurance producer license and an agency producer license for the line of title insurance will become effective August 1, 2022. Act 264 enacts new statutory provisions and amends and reenacts existing provisions set forth in La. R.S. 22:512 and La. R.S. 22:513 of the Louisiana Insurance Code (Title 22) relative to the requirements for obtaining and maintaining a producer license for the line of title with respect to both individual and agency producers. The purpose of this Advisory Letter is to provide guidance regarding the issuance of new individual title insurance producer and agency producer licenses and the renewal of such licenses pursuant to the provisions promulgated in Act 264.

La. R.S. 22:513(B)(2) requires that an individual title insurance producer be either a resident of Louisiana or a full-time employee of a licensed agency producer with a principal place of business physically located in Louisiana. Act 264 helps to clarify the statute by defining several previously undefined terms, including “full-time employee” and “principal place of business.” A “principal place of business” is defined as “the place from which the officers or other principals of an agency title insurance producer direct, control, and coordinate the entity’s business activities.” Act 264 defines a “full-time employee” as “an individual with an employment or independent contractor relationship with an agency producer in which the individual provides full-time availability to the agency producer with whom the relationship exists and whose employment or contract relationship is exclusive to the agency producer and the agency producer’s affiliated businesses”. A new definition is also included for an “affiliated business,” which is defined as “a company or business in the same corporate system by virtue of common ownership, control, operation and management.” In addition to these new definitions, Act 264 also provides an amended definition for “agency title insurance producer” or “agency producer,” which is now defined as “a business entity appointed to represent a title insurer, whose principal place of business is physically located in this state and who has designated a resident individual

producer licensed for the line of title as responsible for complying with the insurance laws, rules, and regulations of this state.”

With respect to the qualifications and requirements pertaining to individual title insurance producer licenses and agency producer licenses for the line of title insurance, please be advised that effective immediately, no new producer license for the line of title insurance will be issued without the submission of all required documents, including the appropriate affidavit certifying compliance with the terms set forth in La. R.S. 22:512 and La. R.S. 22:513, as amended by Act 264. All non-resident individual title insurance producer license applicants shall complete and submit an executed “Affidavit of Non-Resident Individual Title Insurance Producer (Application for new license)” form to the Louisiana Department of Insurance (“LDI”) in accordance with the instructions set forth herein. Similarly, every Louisiana entity seeking an agency producer license for the line of title insurance shall complete and submit an executed “Affidavit of Resident Agency Producer (Application for new license)” form to the LDI pursuant to the instructions and guidance contained in this Advisory Letter. Submission of a completed and executed affidavit form, as appropriate, is required in addition to satisfying all other requirements for the issuance of a title producer license in Louisiana.

For a non-resident individual title insurance producer to maintain an existing producer license for the line of title after August 1, 2022, the individual title insurance producer must be a full-time employee of a resident agency producer licensed for the line of title in Louisiana. Every non-resident individual title insurance producer and their agency producer employer must complete the attached “Affidavit of Non-Resident Individual Title Insurance Producer (Renewal form for current license holder)” form and submit the executed form to the LDI no later than September 1, 2022. All licensed non-resident individual title insurance producers will also be required to provide the LDI with an updated “Affidavit of Non-Resident Individual Title Insurance Producer (Renewal form for current license holder)” form as part of each license renewal event that arises after August 1, 2022. However, a non-resident individual title insurance producer filing a license renewal after August 1, 2022, but before September 1, 2022, need only submit one completed affidavit form.

To maintain an existing agency producer license for the line of title after August 1, 2022, every agency producer must have a principal place of business situated within this state and must further designate a licensed resident individual title insurance producer who will be responsible for ensuring that the agency producer complies with Louisiana’s insurance laws, rules, and regulations. The designated individual must have a degree of affiliation with the agency producer, such as an ownership interest, a role as an officer, director, or employee, or such other relationship sufficient to cause or influence the agency producer’s compliance with all applicable laws. The designated individual title insurance producer, or other authorized representative of the agency producer, must

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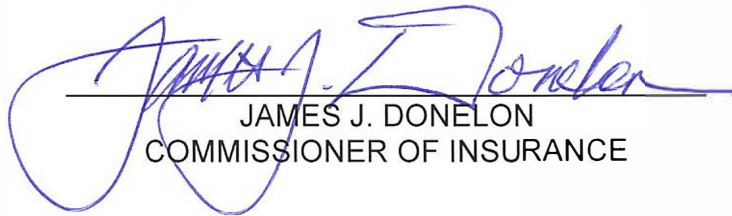
complete the attached “Affidavit of Resident Agency Producer (Renewal form for current license holder)” and submit the executed form to the LDI no later than September 1, 2022. Every agency producer licensed for the line of title shall also be required to complete and submit an executed affidavit form as part of each license renewal event that arises after August 1, 2022.

Resident individual title insurance producer applicants are not required to submit an affidavit form to the LDI in connection with an initial or renewal application for an individual title insurance producer license.

All applicants for a new or renewal individual title insurance producer license or agency producer license for the line of title insurance may submit the required documentation by uploading copies of the completed documents to the National Insurance Producer Registry (NIPR) Attachment Warehouse or by emailing copies of the completed documents to producerlicensing@ldi.la.gov. Emailed applications must include the transaction number issued by NIPR for the application.

If there are any questions or concerns regarding Advisory Letter 2022-02, please contact the Deputy Commissioner for the Office of Licensing, electronically at public@ldi.la.gov or by telephone at (225) 219-5941.

Baton Rouge, Louisiana, this 29th day of July 2022.



JAMES J. DONELON
COMMISSIONER OF INSURANCE