

HB 2487 -- PUBLIC ADJUSTERS

SPONSOR: Gosen

This bill modifies provisions relating to public adjusters based on the NAIC public adjuster licensing model act. Limited liability companies, limited liability partnerships, and other legal entities are added to the definition of public adjusters.

Prohibits persons from acting as a public adjuster, entering into a contract to negotiate or effect a settlement of a claim for compensation, advocate on behalf of an insured or offer assistance on a claim, advertise or solicit for employment without first being licensed by the Director of the Department of Insurance.

The director may refuse to issue or not renew a license for intentionally providing incorrect materials, violations, material misrepresentations or fraud as outlined in the bill. Any applicant whose license is refused or not renewed by the director may petition for a hearing with the Administrative Hearing Commission as provided in the bill. The director shall retain discretion in refusing a license or renewal.

Requires public adjusters to notify the director within 30 days of any address change and report any administrative actions taken or filed against such person in another jurisdiction or by another governmental agency in this state within 30 days of final disposition of the matter.

Prohibits a public adjuster from soliciting or attempting to solicit an insured during the process of a loss-producing occurrence, as defined in the insured's insurance contract.

It is an unfair and deceptive insurance trade practice under the Unfair Trade Practice Act for such person to circulate information that is misleading, to coerce a party into settling an insurance claim, delay a claim or require payment before a claim is settled.

Requires a public adjuster's written contract to contain identifying information about the adjuster, his or her employer, telephone number, mailing and physical addresses and additional information as outlined in the bill. The contract must also detail the public adjuster's commission methodology with limitations as outlined.

The bill outlines the disciplinary actions available to the director for any improper acts of a public adjuster.