

SUMMARY OF PUBLIC ADJUSTER LEGISLATION

SB 1098 & HB 661

Public Adjuster Fees

- Prohibits charging a fee unless a written contract was executed prior to payment of the claim and the adjuster provided adjusting services on the claim.
- Prohibits charging more than: (residential and commercial residential only)
 - 15% on non-hurricane claims
 - 10% on initial hurricane claims
 - 15% on re-opened/supplemental hurricane claims.
- Prohibits basing a fee for work on a supplemental hurricane claim on the amount paid to the policyholder on the initial claim.

Prohibited Practices

- Soliciting directly or indirectly between the hours of 9:00 pm and 8:00 am.
- Soliciting or entering into a contract until at least 72 hours after occurrence of the loss or 14 days in the event of a hurricane, unless contacted by policyholder.
- Giving or offering to give a monetary loan or advance to a client or prospective client.
- Giving or offering to give anything with a value in excess of \$25 for advertising or as an inducement to enter into a contract with a public adjuster.

Qualifications for Licensure

- Resident applicants must have 2 years of experience in adjusting claims as a licensed insurance agent, independent adjuster or company employee adjuster; **or** 12 semester hours or 18 quarter hours of college level credits in property/casualty insurance courses.
- Resident applicants must have completed 12 months of employment as a public adjuster apprentice.
- All applicants must pass the public adjuster exam.
- Nonresident applicants must have been continuously licensed in their home state for the past three years.

Examination for Licensure

- Requires the Department to create a specific examination for public adjusters.
- Requires passage of the examination before reinstatement of a suspended license or issuance of a new license to a person whose previous license was terminated for any reason.
- Requires non-resident adjusters to pass Florida's exam.

Public Adjuster Apprentice License

- Applicant must have experience or education concerning the adjusting of damages or losses.
- Applicant must file a surety bond in the amount of \$50,000 with the department.
- Supervisor is responsible and accountable for the acts of the apprentice related to claims adjusting.
- Apprentice must complete at least 12 months of employment as a public adjuster apprentice.

Continuing Education Requirements

- Public adjusters must take courses that are specifically designed for public adjusters, not company adjusters.
- Courses for public adjusters must include information on duties and responsibilities under law and rules of the department as well as on standard policy forms.
- Non-resident adjusters can comply by meeting their own state's continuing education requirements.

Contracts

- Contract must contain a statement that notifies consumers that it is a felony to knowingly and with intent to injure, defraud, or deceive any insurer, file a statement of claim or proof of loss containing any false, incomplete, or misleading information.
- Consumers can terminate a contract with a public adjuster without penalty within three business days from the execution of the contract or within three business days from the date the claim is reported to the insurer, whichever is later.

Proof of Loss Certification

- Requires public adjusters to sign a statement under oath certifying that estimates in proof of loss are reasonable and that the proof of loss does not contain any false, incomplete, or misleading information.
- Preparation of a proof of loss that contains false, misleading or incomplete information with intent to defraud is a felony pursuant to s. 817.234.