

SENATE BILL 95

C3, C4

0lr0040

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)**

Requested: September 16, 2019

Introduced and read first time: January 8, 2020

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: January 21, 2020

CHAPTER _____

1 AN ACT concerning

2 **Public Adjusters – Disbursement of Insurance Settlement Payments**

3 FOR the purpose of obligating public adjusters to disburse insurance settlement payments
4 received on behalf of the insured within a certain time period after the date of the
5 payment from an insurer; and generally relating to the disbursement of insurance
6 settlement payments by public adjusters.

7 BY repealing and reenacting, with amendments,
8 Article – Insurance
9 Section 10–414
10 Annotated Code of Maryland
11 (2017 Replacement Volume and 2019 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Insurance**

15 10–414.

16 (a) A public adjuster is obligated to:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



(1) serve with objectivity and complete loyalty the interest of the client alone; [and]

(2) render to the insured the information, counsel, and service that will best serve the insured's insurance claim needs and interests, within the knowledge, understanding, and opinion in good faith of the public adjuster; AND

(3) DISBURSE INSURANCE SETTLEMENT PAYMENTS RECEIVED ON BEHALF OF THE INSURED WITHIN ~~30~~ 15 BUSINESS DAYS AFTER THE DATE OF THE PAYMENT FROM AN INSURER.

(b) A public adjuster may not allow an unlicensed employee or representative of the public adjuster to conduct business for which a license is required under this subtitle.

(c) Unless full written disclosure has been made to the insured in accordance with § 10-411 of this subtitle, a public adjuster may not have a direct or indirect financial interest in any aspect of a claim, other than the salary, fee, commission, or other consideration established in the written contract with the insured.

(d) A public adjuster may not acquire any interest in salvage of property subject to a public adjuster contract with the insured unless the public adjuster obtains written permission from the insured.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.