

HB 2323 -- Public Adjusters

Sponsor: Molendorp

This bill changes the laws regarding public adjusters. In its main provisions, the bill:

(1) Allows public adjusters to only solicit an insured or claimant directly or indirectly by any means on Monday through Saturday from 8:00 a.m. to 8:00 p.m. and prohibits any contact from being initiated or any contract from being entered into until at least 48 hours after the occurrence of an event that might be the subject of a claim under the insurance policy unless contact is initiated by the insured or claimant;

(2) Specifies that it is an unfair and deceptive insurance trade practice under the Unfair Trade Practices Act in Sections 375.930 - 375.948, RSMo, to disseminate any information with respect to the business of insurance which is false, deceptive, or misleading;

(3) Prohibits a public adjuster, a public adjuster apprentice, or anyone acting on his or her behalf from giving or offering to give a monetary loan or advance to a client or prospective client or giving any article of merchandise having a value exceeding \$25 for the purpose of advertising or as an inducement to enter into a contract;

(4) Requires a public adjuster's written contract to contain the adjuster's name, mailing and physical address, license number, telephone and fax number, a detailed explanation of any commission payable, and the adjuster's email and web site addresses and employer's name, address, and license number if applicable;

(5) Specifies the wording that contracts must contain on the signature page regarding the right to cancel and that the contract is not required to make a claim for loss or damage on an insurance policy; and

(6) Requires a contract to also specify that the adjuster cannot charge, agree to, or accept anything of value in excess of 10% of the amount of insurance claim payments when the claim is the subject of a declaration of a state of emergency by the Governor or 20% of the amount of all other insurance claim payments. If an insurer pays or commits in writing to pay the insured the policy limits of the insurance policy within 96 hours of a loss being reported, the public adjuster will only be compensated for his or her actual time and expenses provided to the insured before the claim was paid or the written commitment to pay was

received.

Any violation of these provisions will be a level two violation under Section 374.049.