

Bill No.: \_\_\_\_\_

Requested: \_\_\_\_\_

Committee: \_\_\_\_\_

Drafted by: Departmental

Typed by: Fran

Stored – 09/26/19

Proofread by \_\_\_\_\_

Checked by \_\_\_\_\_

By: **Leave Blank (By Request – Departmental – Maryland Insurance Administration)**

A BILL ENTITLED

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.



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

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

6           **(3)    DISBURSE INSURANCE SETTLEMENT PAYMENTS RECEIVED ON**  
7 **BEHALF OF THE INSURED WITHIN 30 DAYS AFTER THE DATE OF THE PAYMENT FROM**  
8 **AN INSURER.**

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

11          (c)    Unless full written disclosure has been made to the insured in accordance with  
12 § 10–411 of this subtitle, a public adjuster may not have a direct or indirect financial  
13 interest in any aspect of a claim, other than the salary, fee, commission, or other  
14 consideration established in the written contract with the insured.

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

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