HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 5, 2013 Date

Committee on Business, Labor, Economic, & Workforce Development.

After consideration on the merits, the Committee recommends the following:

<u>HB13-1062</u> be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- Amend printed bill, page 5, line 4, after "ASSISTANCE" insert "OF AN
 INCIDENTAL NATURE".
- 3 Page 6, line 18, strike "A CLAIMANT" and substitute "AN INSURED".
- 4 Page 6, line 23, strike "THE CLAIMANT" and substitute "AN INSURED".
- 5 Page 7, strike lines 10 and 11 and substitute "COMMISSIONER THROUGH A
 6 SURETY BOND EXECUTED AND ISSUED BY AN INSURER".
- 7 Page 7, line 13, strike "(A)" and substitute "(I)".
- 8 Page 7, line 15, strike "(B)" and substitute "(II)".
- 9 Page 7, line 21, strike "(C)" and substitute "(III)".
- 10 Page 7, line 23, strike "LICENSEE; OR" and substitute "LICENSEE.".
- 11 Page 7, strike lines 24 through 27.
- 12 Page 8, strike lines 1 through 9.
- Page 8, strike lines 11 and 12 and substitute "SHALL NOTIFY THE
 COMMISSIONER UPON TERMINATION OF THE BOND, UNLESS OTHERWISE

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- 1 DIRECTED BY THE COMMISSIONER.".
- 2 Page 8, strike lines 15 and 16 and substitute:

3 "(d) THE COMMISSIONER SHALL SUMMARILY SUSPEND THE 4 AUTHORITY TO ACT AS A PUBLIC ADJUSTER IF THE EVIDENCE OF 5 FINANCIAL".

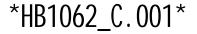
- 6 Page 9, strike lines 2 through 5.
- 7 Renumber succeeding subsections accordingly.
- 8 Page 10, strike lines 1 and 2 and substitute "THE WRITTEN CONTRACT9 WITH THE INSURED.".
- 10 Page 10, strike lines 7 and 8 and substitute:

11 "(f) A PUBLIC ADJUSTER SHALL NOT REFER OR DIRECT THE INSURED
12 TO GET".

- 13 Page 10, strike lines 15 through 26 and substitute:
- 14 "(g) A PUBLIC ADJUSTER SHALL NOT PARTICIPATE DIRECTLY OR
 15 INDIRECTLY IN THE RECONSTRUCTION, REPAIR, OR RESTORATION OF
 16 DAMAGED PROPERTY THAT IS THE SUBJECT OF A CLAIM ADJUSTED BY THE
 17 PUBLIC ADJUSTER.

(h) A PUBLIC ADJUSTER SHALL NOT ENGAGE IN ANY OTHER
ACTIVITIES THAT MAY REASONABLY BE CONSTRUED AS PRESENTING A
CONFLICT OF INTEREST, INCLUDING SOLICITING OR ACCEPTING ANY
REMUNERATION FROM, OR HAVING A FINANCIAL INTEREST IN, ANY
SALVAGE FIRM, REPAIR FIRM, OR OTHER FIRM THAT OBTAINS BUSINESS IN
CONNECTION WITH ANY CLAIM THE PUBLIC ADJUSTER HAS A CONTRACT OR
AGREEMENT TO ADJUST.".

- 25 Page 11, line 6, strike "CURRENT".
- 26 Page 11, line 9, strike "MALICIOUSLY".
- 27 Page 11, strike line 15 and substitute:
- 28 "(IV) (A) THE INSURED MAY RESCIND ANY CONTRACT OR OTHER



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1 FORM OF AGREEMENT FOR REPRESENTATION IN A PROPERTY OR CASUALTY 2 LOSS OR CLAIM IF THE INSURED EXERCISES THIS RIGHT OF RESCISSION IN 3 WRITING ADDRESSED TO THE INSURER AND THE PUBLIC ADJUSTER AND 4 PUTS THE WRITTEN RESCISSION, POSTAGE PREPAID, IN THE UNITED STATES 5 MAIL WITHIN SEVENTY-TWO HOURS AFTER SIGNING A SETTLEMENT 6 REPRESENTATION AGREEMENT. ALL PUBLIC ADJUSTERS TAKING A 7 REPRESENTATIVE AGREEMENT TO RESOLVE A PROPERTY OR CASUALTY 8 LOSS OR CLAIM ON BEHALF OF AN INSURED SHALL GIVE TO THE INSURED 9 WRITTEN NOTICE OF, AND DIRECTION AS TO, THE ABILITY TO EXERCISE THE 10 INSURED'S RIGHT OF RESCISSION.

(B) A PUBLIC ADJUSTER SHALL NOT ENTER INTO A CONTRACT".

Page 11, strike lines 17 and 18 and substitute "THE REQUIRED RESCISSION
PERIOD UNDER SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV);

Page 12, strike lines 2 through 4 and substitute "to carry out the
 provisions of this section, including: establishing nonrefundable fees and
 testing requirements for all applicants for licensure.".

17 Page 12, line 5, strike "(b)" and substitute "(a)".

18 Page 12, line 7, strike "(c)" and substitute "(b)".

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