

1 **ARTICLE 12B. ADJUSTERS.**

2 **§33-12B-1. Definitions.**

3 (a) An "adjuster" is any individual who, for compensation, fee
4 or commission, investigates and settles claims arising under
5 property, casualty or surety insurance contracts, on behalf solely
6 of either the insurer or insured. A licensed attorney who is
7 qualified to practice law in this state is deemed not to be an
8 adjuster for the purposes of this article.

9 (b) "Automated claims adjudication system" means a
10 preprogrammed computer system designed for the collection, data
11 entry, calculation and final resolution of portable electronics
12 insurance claims which:

13 (1) May only be used by a licensed adjuster, licensed producer
14 or supervised individuals operating pursuant to section four-a of
15 this article;

16 (2) Must comply with all claims payments requirements of the
17 insurance code; and

18 (3) Must be certified as compliant with this section by a
19 licensed adjuster that is an officer of the entity which employs
20 the individuals operating pursuant to section four-a of this
21 article.

22 ~~(b)~~ (c) "Company adjuster" means an adjuster representing the

1 interests of the insurer, including an independent contractor and
2 a salaried employee of the insurer.

3 ~~(e)~~ (d) "Home state" means the District of Columbia or any
4 state or territory of the United States in which an adjuster
5 maintains his or her principal place of residence or business and
6 in which he or she is licensed to act as a resident adjuster. If
7 a person's principal place of residence or business does not
8 license adjusters for the type of adjuster license sought in this
9 state, he or she shall designate as his or her home state any state
10 in which he or she has such a license.

11 ~~(d)~~ (e) "Public adjuster" means an independent contractor
12 representing solely the financial interests of the insured named in
13 the policy.

14 ~~(e)~~ (f) "Crop adjuster" means a person who adjusts crop
15 insurance claims under the federal crop insurance program
16 administered by the United States Department of Agriculture.

17 **§33-12B-4a. Exemptions from license.**

18 Individuals who collect claim information from, or furnish
19 claim information to, insureds or claimants and who conduct data
20 entry including entering data into an automated claims adjudication
21 system are exempt from licensure under this article: *Provided*, That
22 the individuals are under the supervision of a licensed adjuster or

1 licensed producer: *Provided however*, That no more than twenty-five
2 persons are under the supervision of one licensed adjuster or
3 licensed producer.

4 **§33-12B-9. Licensing of nonresident adjusters.**

5 (a) A nonresident applicant for an adjuster license who holds
6 a similar license in his or her home state may be licensed as a
7 nonresident adjuster in this state if the applicant's home state
8 has established, by law or regulation like requirements for the
9 licensing of a resident of this state as a nonresident adjuster.

10 (b) As a condition of continuing a nonresident adjuster
11 license, the licensee must maintain a license in his or her home
12 state.

13 (c) If a nonresident adjuster desires to become a resident
14 adjuster he or she must apply to become one within ninety days of
15 establishing legal residency in this state.

16 (d) If a nonresident adjuster has his or her license
17 suspended, terminated or revoked by his or her home state, the
18 adjuster must immediately notify the commissioner of that action.

19 (e) A resident of Canada may not be licensed as a nonresident
20 adjuster under this section unless that person has obtained a
21 resident or home state adjuster license in another state.

NOTE: The purpose of this bill is to create an exemption from licensure as an adjuster for certain individuals who conduct data entry into an automated claims adjudication system for portable electronics insurance claims.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.

§33-12B-4a is new; therefore, strike-throughs and underscoring have been omitted.