

Chapter 521

(Senate Bill 95)

AN ACT concerning

Public Adjusters – Disbursement of Insurance Settlement Payments

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

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

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

Article – Insurance

10–414.

(a) A public adjuster is obligated to:

(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.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.