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**By: Chairman, Finance Committee (Departmental - Insurance Administration, Maryland)**

Requested: October 23, 1995

Introduced and read first time: January 10, 1996

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Public Adjusters and Insurance Advisers - Licensing**

3 FOR the purpose of clarifying that public adjusters and insurance advisers are required to  
4 pay an application fee prior to taking an examination to qualify for a license;  
5 repealing certain examination fees; clarifying the manner of payment of certain  
6 required fees; clarifying the current exemption from the examination for insurance  
7 advisers; clarifying the requirements for an applicant for an insurance adviser's  
8 license; providing that licenses to act as a public adjuster or an insurance adviser  
9 may be issued only to individuals and repealing certain provisions of law relating to  
10 corporate, association, and partnership licensees; repealing certain provisions of law  
11 relating to the issuance of limited insurance advisers licenses; providing for the  
12 future codification of certain provisions of this Act; and generally relating to the  
13 examination and qualification of insurance advisers and public adjusters.

14 BY repealing and reenacting, without amendments,  
15 Article 48A - Insurance Code  
16 Section 41(4)(vii), (7), and (8)  
17 Annotated Code of Maryland  
18 (1994 Replacement Volume and 1995 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article 48A - Insurance Code  
21 Section 181 and 182(d) and (j)  
22 Annotated Code of Maryland  
23 (1994 Replacement Volume and 1995 Supplement)

24 BY repealing  
25 Article 48A - Insurance Code  
26 Section 182(f) and (g)  
27 Annotated Code of Maryland  
28 (1994 Replacement Volume and 1995 Supplement)

29 BY adding to

2

1 Article 48A - Insurance Code  
2 Section 182(f) and (g)  
3 Annotated Code of Maryland  
4 (1994 Replacement Volume and 1995 Supplement)

5 BY repealing and reenacting, with amendments,  
6 Article - Insurance  
7 Section 10-204, 10-205, 10-211(c), 10-404, 10-405, and 10-408(c)  
8 Annotated Code of Maryland  
9 (1995 Volume)  
10 (As enacted by Chapter 36 of the Acts of the General Assembly of 1995)

11 BY repealing  
12 Article - Insurance  
13 Section 10-209, 10-407, and 10-409  
14 Annotated Code of Maryland  
15 (1995 Volume)  
16 (As enacted by Chapter 36 of the Acts of the General Assembly of 1995)

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

19 **Article 48A - Insurance Code**

20 41.

21 The Commissioner shall collect in advance, and the persons so served shall pay the  
22 following fees to the Commissioner:

23 (4) Certificates of qualification:

24 (vii) Application fee.....\$25.00

25 (7) Public adjuster's license:

26 (i) Original license within 1 year of renewal.....\$25.00

27 (ii) Original license over 1 year from renewal.....\$50.00

28 (iii) Biennial renewal or continuation of license.....\$50.00

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29 (8) Adviser's license:

30 (i) Original license within 1 year of renewal.....\$100.00

31 (ii) Original license over 1 year from renewal.....\$200.00

32 (iii) Biennial renewal or continuation of license.....\$200.

00

1 181.

2 (a) The term "public adjuster" shall include every person who solicits business or  
3 holds himself or itself out to the public as an adjuster of claims for losses or damages  
4 arising out of policies of fire and allied lines insurance, or who receives any compensation  
5 or reward for the giving of advice or assistance to the assured in the adjustment of claims  
6 for such losses, and all persons who for compensation or reward, whether by way of salary  
7 or commission or otherwise, directly or indirectly, solicit business, investigate or adjust  
8 losses or advise the assured with reference to claims for such losses, on behalf of any  
9 other person, engaged in the business of adjusting loss or damage by fire or other  
10 contingency covered by a policy of fire and allied lines of insurance.

11 (b) No person shall, directly or indirectly, act as a public adjuster, or receive for or  
12 because of services rendered in the adjustment of any claim or claims for loss or damage  
13 by fire or allied coverage under a policy or policies of insurance upon property within this  
14 State any money or commission or other thing of value, without first procuring a license  
15 to act as a public adjuster.

16 (c) The Commissioner shall issue such public adjuster licenses ONLY to  
17 individuals[, partnerships, associations or corporations, applying therefor,] whom he  
18 deems to be trustworthy and competent to transact business as public adjusters in such  
19 manner as to safeguard the interests of the public. [A license issued to a corporation,  
20 partnership or association shall authorize only the officers and directors of the  
21 corporation, or the members of the partnership or association, specified in the license, to  
22 act for the licensee in the adjustment of losses.]

23 [(d) The fee prescribed in § 41 shall be paid to the Commissioner by the applicant  
24 for such public adjuster's license at the time the application is made, and biennially for  
25 the renewal thereof. If the applicant be a corporation, partnership or association, such fee  
26 shall be paid for each individual specified in the license.]

27 (D) (1) PRIOR TO TAKING AN EXAMINATION, AN APPLICANT SHALL PAY  
28 THE APPLICATION FEE PRESCRIBED UNDER § 41(4)(VII) OF THIS ARTICLE.

29 (2) ONCE AN APPLICANT HAS BEEN NOTIFIED THAT THE APPLICANT  
30 HAS PASSED THE EXAMINATION REQUIRED UNDER THIS SECTION, THE APPLICANT  
31 SHALL SUBMIT THE APPLICABLE LICENSE FEE PRESCRIBED IN § 41(7)(I) OR (II) OF  
32 THIS ARTICLE.

33 (3) A PERSON NOT REQUIRED TO TAKE AN EXAMINATION SHALL PAY  
34 THE APPLICABLE LICENSE FEE PRESCRIBED IN § 41(7)(I) OR (II) OF THIS ARTICLE.

35 (e) (1) Every public adjuster license shall expire on the thirty-first day of  
36 December of every odd-numbered year, but if an application for the renewal of any such  
37 certificate shall have been filed with the Commissioner before January first of any year  
38 the license sought to be renewed shall continue in full force and effect until the issuance  
39 by the Commissioner of the new license or until five days after the Commissioner shall  
40 have refused in writing to issue such new license and shall have served notice of such  
41 refusal on the applicant therefor.

42 (2) TO RENEW A PUBLIC ADJUSTER'S LICENSE, A LICENSEE SHALL  
43 SUBMIT TO THE COMMISSIONER:

4

1 (I) A RENEWAL APPLICATION IN THE FORM PRESCRIBED BY THE  
2 COMMISSIONER; AND

3 (II) THE BIENNIAL LICENSE RENEWAL FEE PRESCRIBED BY §  
4 41(7)(III) OF THIS ARTICLE.

5 (f) Before any original public adjuster license shall be issued by the  
6 Commissioner, there must be filed in his office a written application therefor. Such  
7 application shall be in the form prescribed by the Commissioner and must set forth (1)  
8 the name and address of the applicant[, and if the applicant be a partnership or  
9 association, the name and address of each member thereof, and if the applicant be a  
10 corporation, the name and address of each of its officers and directors]; (2) whether any  
11 other insurance license or certificate has been issued to the applicant[, and, if the  
12 applicant be an individual, whether any such license has been issued theretofore to any  
13 officer or director of such corporation]; (3) the business in which the applicant has been  
14 engaged for the year next preceding the date of the application, and, if employed by  
15 another, the name or names and address or addresses of such employer or employers; (4)  
16 such other information as the Commissioner may require of applicants to enable him to  
17 determine their trustworthiness and competency to transact the business of public  
18 adjuster in such manner as to safeguard the interest of the public.

19 (g) The Commissioner shall in order to determine the competency of such  
20 applicant for a license to act as a public adjuster require such applicant to submit to a  
21 written examination [for which a \$15 fee shall be charged].

22 (h) An application for a public adjuster license must be signed and verified by the  
23 applicant [and, if made by a partnership or association, by each member thereof, and if  
24 made by a corporation, by each officer and director thereof who is to be authorized to act  
25 as a public adjuster].

26 [(i) A corporate, association, or partnership licensee may at any time apply for the  
27 issuance of a supplemental license which authorizes the addition of qualified individuals  
28 to act as public adjusters.]

29 [(j)] (I) Whenever the Commissioner shall be satisfied that an applicant for, or  
30 holder of, a license (1) has violated any provisions of this article, (2) has made a material  
31 misstatement in the application for such license, (3) has engaged in fraudulent or  
32 dishonest practices, or (4) has demonstrated his incompetency or untrustworthiness to  
33 transact the business of a public adjuster, the Commissioner may refuse an original or  
34 renewal license or revoke the license, as the case may be, or he may suspend the license  
35 for such length of time as he may think proper.

36 [(k)] (J) This section shall not apply to an adjuster for or an agent or employee of  
37 an insurer or group of insurers under common control or ownership, who as  
38 representative of such insurer or group, adjusts loss or damage under policies issued by  
39 such insurer or group, nor to a broker acting as adjuster without compensation for an  
40 insured for whom he is acting as a broker. This section shall not apply to attorneys at law  
41 who are not regularly engaged in the services authorized by this section to be performed  
42 by public adjusters and who do not hold themselves out by sign, advertisement or  
43 otherwise as offering such services to the general public.

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1           [(l)] (K) An examination may not be required of any individual who was licensed  
2 as a public adjuster in this State on June 30, 1985.

3           [(m)] (L) Any person licensed as a public adjuster in accordance with the  
4 provisions of this section may be styled and known as a "certified public adjuster".

5           [(n)] (M) No public adjuster license shall be issued by the Commissioner to any  
6 applicant who has not been a bona fide resident of the State of Maryland continuously for  
7 at least one year next preceding the date of filing of any application under the provisions  
8 of this section.

9 182.

10           [(d) (1) The Commissioner may issue an insurance adviser's license to any  
11 person, (A) who is a resident of this State, or who is a nonresident licensed as an  
12 insurance adviser in that person's state of residence, and meets the requirements of  
13 clause (B), (C), (D), (E), (F), or (G) of this paragraph as a person, (B) who is a member,  
14 in good standing, of the Society of Actuaries, or of the Casualty Actuarial Society, or of  
15 the Conference of Actuaries in Public Practice, or (C) who has been conferred the  
16 Chartered Property Casualty Underwriter (C.P.C.U.) designation by The American  
17 Institute for Property and Liability Underwriters, Inc., and who is a member, in good  
18 standing, of The Society of Chartered Property and Casualty Underwriters, or (D) who  
19 has been conferred the Chartered Life Underwriter (C.L.U.) designation by The  
20 American College of Life Underwriters and who is a member, in good standing, of The  
21 American Society of Chartered Life Underwriters, or (E) who has been conferred the  
22 Certified Employee Benefit Specialist (C.E.B.S.) designation by the International  
23 Foundation of Employee Benefit Plans and who is a member, in good standing, of the  
24 International Society of Certified Employee Benefit Specialists, or (F) who has been  
25 conferred the Certified Financial Planner (C.F.P.) designation by the Certified Financial  
26 Planners Board of Standards, and whose designation as a C.F.P. is current and in good  
27 standing with the Certified Financial Planners Board of Standards, or (G) who has  
28 successfully completed a course of study equivalent to any course of study either required  
29 for membership in good standing in any of the societies or professional entities listed in  
30 clause (B), (C), (D), (E), or (F) of this paragraph as approved by the Commissioner, and  
31 who has been conferred the Certified Insurance Counselor designation by The Society of  
32 Certified Insurance Counselors.]

33           (D) (1) THE COMMISSIONER MAY ISSUE AN INSURANCE ADVISER'S LICENSE  
34 TO ANY INDIVIDUAL WHO IS TRUSTWORTHY AND COMPETENT TO ACT AS AN  
35 INSURANCE ADVISER IN SUCH MANNER AS NOT TO JEOPARDIZE THE PUBLIC  
36 INTEREST AND WHO HAS COMPLIED WITH THE PREREQUISITES HEREIN  
37 PRESCRIBED.

38           (2) A LICENSE MAY BE ISSUED TO:

39                       (I) A RESIDENT OF THIS STATE WHO TAKES AND PASSES THE  
40 EXAMINATION REQUIRED UNDER SUBSECTION (F) OF THIS SECTION;

41                       (II) A RESIDENT OF THIS STATE WHO:

42                               1. IS A MEMBER, IN GOOD STANDING, OF THE SOCIETY OF  
43 ACTUARIES OR OF THE CASUALTY ACTUARIAL SOCIETY;

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1                               2. HAS BEEN CONFERRED THE CHARTERED PROPERTY  
2 CASUALTY UNDERWRITER (C.P.C.U.) DESIGNATION BY THE AMERICAN INSTITUTE  
3 FOR PROPERTY AND LIABILITY UNDERWRITERS, INC., AND IS A MEMBER, IN GOOD  
4 STANDING, OF THE SOCIETY OF CHARTERED PROPERTY AND CASUALTY  
5 UNDERWRITERS;

6                               3. HAS BEEN CONFERRED THE CHARTERED LIFE  
7 UNDERWRITER (C.L.U.) DESIGNATION BY THE AMERICAN COLLEGE OF LIFE  
8 UNDERWRITERS AND IS A MEMBER, IN GOOD STANDING, OF THE AMERICAN  
9 SOCIETY OF CHARTERED LIFE UNDERWRITERS AND CHARTERED FINANCIAL  
10 CONSULTANTS;

11                              4. HAS BEEN CONFERRED THE CERTIFIED EMPLOYEE  
12 BENEFIT SPECIALIST (C.E.B.S.) DESIGNATION BY THE INTERNATIONAL FOUNDATION  
13 OF EMPLOYEE BENEFIT PLANS AND IS A MEMBER, IN GOOD STANDING, OF THE  
14 INTERNATIONAL SOCIETY OF CERTIFIED EMPLOYEE BENEFIT SPECIALISTS;

15                              5. HAS BEEN CONFERRED THE CERTIFIED FINANCIAL  
16 PLANNER (C.F.P.) DESIGNATION BY THE CERTIFIED FINANCIAL PLANNERS BOARD  
17 OF STANDARDS, AND WHOSE DESIGNATION AS A C.F.P. IS CURRENT AND IN GOOD  
18 STANDING WITH THE CERTIFIED FINANCIAL PLANNERS BOARD OF STANDARDS; OR

19                              6. HAS SUCCESSFULLY COMPLETED A COURSE OF STUDY  
20 EQUIVALENT TO ANY COURSE OF STUDY REQUIRED FOR MEMBERSHIP IN GOOD  
21 STANDING IN ANY OF THE SOCIETIES OR PROFESSIONAL ENTITIES LISTED IN  
22 SUBITEMS 1 THROUGH 5 OF THIS ITEM AS APPROVED BY THE COMMISSIONER AND  
23 HAS BEEN CONFERRED THE CERTIFIED INSURANCE COUNSELOR DESIGNATION OF  
24 THE SOCIETY OF CERTIFIED INSURANCE COUNSELORS; OR

25                              (III) A NONRESIDENT OF MARYLAND WHO IS LICENSED AS AN  
26 INSURANCE ADVISER IN THEIR ACTUAL STATE OF RESIDENCE.

27                              [(2) The Commissioner may issue a limited insurance adviser's license  
28 restricting the authority of the licensee to an extent agreed upon with said licensee. Said  
29 limitations shall be set forth in the license. In all other respects, the granting of limited  
30 insurance advisers' licenses shall be governed by the provisions relating to insurance  
31 advisers as set out in this section.]

32                              (3) (I) [No] A license to act as an insurance adviser may be issued ONLY  
33 to [other than] an individual.

34                              (II) Licensees may conduct their insurance advisory business as a sole  
35 proprietorship, partnership, association, or corporation, provided that every individual  
36 who acts as an insurance adviser shall be licensed in accordance with the provisions of this  
37 subtitle, provided the trade name is registered with the Insurance Commissioner.

38                              (III) A NONRESIDENT LICENSEE MAY NOT ACT AS AN INSURANCE  
39 ADVISER FOR LIFE INSURANCE AND HEALTH INSURANCE.

40                              [(4) In addition to the requirements of paragraph (1) of this subsection, the  
41 licensee must be trustworthy and competent to act as an insurance adviser in such manner

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1 as not to jeopardize the public interest, and must have complied with the prerequisites  
2 herein prescribed.]

3 [(f) The Commissioner shall, in order to determine the trustworthiness and  
4 competency to act as an insurance adviser of each individual applicant, other than an  
5 applicant who is a member in good standing of one of the actuarial organizations or  
6 professional societies specified in subsection (d), require every such individual to take  
7 and pass, to the satisfaction of the Commissioner, a personal written examination. An  
8 examination fee of \$15 shall be charged. The Commissioner shall satisfy himself as to the  
9 trustworthiness of each individual applicant for such license who shall be a member in  
10 good standing of one of the actuarial organizations or professional societies specified in  
11 subsection (d). In the case of application for renewal license, such examination shall not  
12 be required, unless the Commissioner determines that an examination is advisable in  
13 order to determine the trustworthiness or competency of such individual.]

14 (F) (1) FOR ANY APPLICATION FOR AN INSURANCE ADVISER'S LICENSE,  
15 THE COMMISSIONER SHALL SATISFY HIMSELF OF THE TRUSTWORTHINESS AND  
16 COMPETENCE OF THE APPLICANT TO ACT AS AN INSURANCE ADVISER IN THIS  
17 STATE.

18 (2) (I) IN ORDER TO DETERMINE THE TRUSTWORTHINESS AND  
19 COMPETENCE OF ANY APPLICANT DESCRIBED IN SUBSECTION (D)(2)(I) OF THIS  
20 SECTION TO ACT AS AN INSURANCE ADVISER, THE COMMISSIONER SHALL REQUIRE  
21 THAT THE APPLICANT TAKE AND PASS, TO THE SATISFACTION OF THE  
22 COMMISSIONER, AN EXAMINATION.

23 (II) IN THE CASE OF AN APPLICATION FOR A RENEWAL LICENSE,  
24 AN EXAMINATION IS NOT REQUIRED UNLESS THE COMMISSIONER DETERMINES  
25 THAT AN EXAMINATION IS ADVISABLE IN ORDER TO DETERMINE THE  
26 TRUSTWORTHINESS AND COMPETENCE OF THE LICENSEE SEEKING THE RENEWAL.

27 (3) IN THE CASE OF A NONRESIDENT APPLICANT, THE COMMISSIONER  
28 SHALL BE SATISFIED AS TO THE TRUSTWORTHINESS AND COMPETENCE OF THE  
29 APPLICANT UPON THE FILING OF A CERTIFICATION FROM AN APPROPRIATE  
30 OFFICIAL OF THE APPLICANT'S STATE OF RESIDENCE CERTIFYING THAT THE  
31 APPLICANT HOLDS A CURRENTLY VALID LICENSE OR CERTIFICATE TO ACT AS AN  
32 INSURANCE ADVISER IN THE APPLICANT'S STATE OF RESIDENCE.

33 [(g) At the time of application for every such license and for every annual renewal  
34 thereof, there shall be paid to the Commissioner by each individual applicant, other than  
35 an applicant to whom a license is issued because of his membership, in good standing, of  
36 one of the actuarial organizations specified in subsection (d) of this section, the fee  
37 prescribed in § 41; provided, however, that if such applicant is a nonresident licensed as  
38 an insurance adviser in the state of his residence the fee for such license and renewals  
39 thereof shall be the same as the fees payable in the applicant's state of residence, but such  
40 licensed adviser shall not advise as to life and health insurance.]

41 (G) (1) (I) PRIOR TO TAKING AN EXAMINATION, AN APPLICANT SHALL  
42 PAY THE APPLICATION FEE PRESCRIBED UNDER § 41(4)(VII) OF THIS ARTICLE.

8

1 (II) ONCE AN APPLICANT HAS BEEN NOTIFIED THAT THE  
2 APPLICANT HAS PASSED THE EXAMINATION REQUIRED UNDER THIS SECTION, THE  
3 APPLICANT SHALL SUBMIT THE APPLICABLE LICENSE FEE PRESCRIBED IN § 41(8)(I)  
4 OR (II) OF THIS ARTICLE.

5 (2) A PERSON NOT REQUIRED TO TAKE AN EXAMINATION SHALL PAY  
6 THE APPLICABLE LICENSE FEE PRESCRIBED IN § 41(8)(I) OR (II) OF THIS ARTICLE.

7 (3) TO RENEW AN INSURANCE ADVISER'S LICENSE, A LICENSEE SHALL  
8 SUBMIT TO THE COMMISSIONER:

9 (I) A RENEWAL APPLICATION IN THE FORM PRESCRIBED BY THE  
10 COMMISSIONER; AND

11 (II) THE BIENNIAL LICENSE RENEWAL FEE PRESCRIBED BY §  
12 41(8)(III) OF THIS ARTICLE.

13 (j) The Commissioner may at any time require such information as he deems  
14 necessary in respect to the business methods, policies, contracts and transactions of a  
15 person[, firm, association or corporation] licensed hereunder. Such information shall be  
16 furnished within ten days after receiving written request therefor, and in such form as the  
17 Commissioner may require.

18 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
19 read as follows:

20 **Article - Insurance**

21 10-204.

22 (a) To qualify for a license, an applicant must be an individual who meets the  
23 requirements of this section.

24 (b) An applicant must be trustworthy and competent to act as an adviser so as not  
25 to jeopardize the public interest.

26 [(c) (1) Except as otherwise provided in this subsection, an applicant must pass  
27 a personal written examination given by the Commissioner under this subtitle in order to  
28 determine the trustworthiness and competency of the applicant to act as an adviser.

29 (2) (i) The examination requirement of paragraph (1) of this subsection  
30 does not apply to an applicant who is a member in good standing of an actuarial  
31 organization or professional society listed in subsection (d) of this section.

32 (ii) The Commissioner shall determine the trustworthiness of each  
33 applicant for a license who is a member in good standing of an actuarial organization or  
34 professional society listed in subsection (d) of this section.

35 (3) The examination fee is \$15.

36 (d) An applicant must:

37 (1) be a member in good standing of the Society of Actuaries, the Casualty  
38 Actuarial Society, or the Conference of Actuaries in Public Practice;



1 (2) have been conferred the Chartered Property Casualty Underwriter  
 2 (C.P.C.U.) designation by The American Institute for Property and Liability  
 3 Underwriters, Inc. and be a member in good standing of the Society of Chartered  
 4 Property and Casualty Underwriters;

5 (3) have been conferred the Chartered Life Underwriter (C.L.U.)  
 6 designation by The American College of Life Underwriters and be a member in good  
 7 standing of The American Society of Chartered Life Underwriters and Chartered  
 8 Financial Consultants;

9 (4) have been conferred the Certified Employee Benefit Specialist  
 10 (C.E.B.S.) designation by the International Foundation of Employee Benefit Plans and be  
 11 a member in good standing of the International Society of Certified Employee Benefit  
 12 Specialists;

13 (5) have been conferred the Certified Financial Planner (C.F.P.)  
 14 designation by the Certified Financial Planners Board of Standards and be currently  
 15 designated as a C.F.P. and be a member in good standing of the Certified Financial  
 16 Planners Board of Standards; or

17 (6) have completed successfully a course of study equivalent to any course of  
 18 study required for membership in good standing in any society or professional entity listed  
 19 in items (1) through (5) of this paragraph as approved by the Commissioner and have  
 20 been conferred the Certified Insurance Counselor designation by The Society of Certified  
 21 Insurance Counselors.

22 (e) An applicant must be:

23 (1) a resident of this State; or

24 (2) a resident of another state who is licensed as an adviser in that state.]

25 (C) A LICENSE MAY BE ISSUED TO:

26 (1) A RESIDENT OF THE STATE WHO TAKES AND PASSES THE  
 27 EXAMINATION REQUIRED UNDER SUBSECTION (D) OF THIS SECTION;

28 (2) A RESIDENT OF THE STATE WHO:

29 (I) IS A MEMBER IN GOOD STANDING OF THE SOCIETY OF  
 30 ACTUARIES OR THE CASUALTY ACTUARIAL SOCIETY;

31 (II) HAS BEEN CONFERRED THE CHARTERED PROPERTY  
 32 CASUALTY UNDERWRITER (C.P.C.U.) DESIGNATION BY THE AMERICAN INSTITUTE  
 33 FOR PROPERTY AND LIABILITY UNDERWRITERS, INC. AND IS A MEMBER IN GOOD  
 34 STANDING OF THE SOCIETY OF CHARTERED PROPERTY AND CASUALTY  
 35 UNDERWRITERS;

36 (III) HAS BEEN CONFERRED THE CHARTERED LIFE UNDERWRITER  
 37 (C.L.U.) DESIGNATION BY THE AMERICAN COLLEGE OF LIFE UNDERWRITERS AND IS  
 38 A MEMBER IN GOOD STANDING OF THE AMERICAN SOCIETY OF CHARTERED LIFE  
 39 UNDERWRITERS AND CHARTERED FINANCIAL CONSULTANTS;

10

1 (IV) HAS BEEN CONFERRED THE CERTIFIED EMPLOYEE BENEFIT  
2 SPECIALIST (C.E.B.S.) DESIGNATION BY THE INTERNATIONAL FOUNDATION OF  
3 EMPLOYEE BENEFIT PLANS AND IS A MEMBER IN GOOD STANDING OF THE  
4 INTERNATIONAL SOCIETY OF CERTIFIED EMPLOYEE BENEFIT SPECIALISTS;

5 (V) HAS BEEN CONFERRED THE CERTIFIED FINANCIAL PLANNER  
6 (C.F.P.) DESIGNATION BY THE CERTIFIED FINANCIAL PLANNERS BOARD OF  
7 STANDARDS, IS CURRENTLY DESIGNATED AS A C.F.P., AND IS A MEMBER IN GOOD  
8 STANDING OF THE CERTIFIED FINANCIAL PLANNERS BOARD OF STANDARDS; OR

9 (VI) HAS COMPLETED SUCCESSFULLY A COURSE OF STUDY  
10 EQUIVALENT TO ANY COURSE OF STUDY REQUIRED FOR MEMBERSHIP IN GOOD  
11 STANDING IN ANY SOCIETY OR PROFESSIONAL ENTITY LISTED IN SUBITEMS (I)  
12 THROUGH (V) OF THIS ITEM AS APPROVED BY THE COMMISSIONER AND HAS BEEN  
13 CONFERRED THE CERTIFIED INSURANCE COUNSELOR DESIGNATION BY THE  
14 SOCIETY OF CERTIFIED INSURANCE COUNSELORS; OR

15 (3) A NONRESIDENT OF THE STATE WHO IS LICENSED AS AN  
16 INSURANCE ADVISER IN THE NONRESIDENT'S STATE OF RESIDENCE.

17 (D) (1) THE COMMISSIONER SHALL DETERMINE THE TRUSTWORTHINESS  
18 AND COMPETENCY OF EACH APPLICANT TO ACT AS AN ADVISER IN THE STATE.

19 (2) TO DETERMINE THE TRUSTWORTHINESS AND COMPETENCY OF AN  
20 APPLICANT DESCRIBED IN SUBSECTION (C)(1) OF THIS SECTION, THE COMMISSIONER  
21 SHALL REQUIRE THE APPLICANT TO TAKE AND PASS, TO THE SATISFACTION OF THE  
22 COMMISSIONER, AN EXAMINATION.

23 (3) A NONRESIDENT APPLICANT SHALL SATISFY THE COMMISSIONER OF  
24 THE APPLICANT'S TRUSTWORTHINESS AND COMPETENCY BY FILING A  
25 CERTIFICATION FROM AN APPROPRIATE OFFICIAL OF THE APPLICANT'S STATE OF  
26 RESIDENCE CERTIFYING THAT THE APPLICANT HOLDS A CURRENTLY VALID  
27 LICENSE OR CERTIFICATE TO ACT AS AN INSURANCE ADVISER IN THE APPLICANT'S  
28 STATE OF RESIDENCE.

29 (E) (1) BEFORE TAKING THE EXAMINATION REQUIRED UNDER  
30 SUBSECTION (D) OF THIS SECTION, AN APPLICANT SHALL PAY THE APPLICATION FEE  
31 REQUIRED BY § 2-112 OF THIS ARTICLE.

32 (2) AFTER AN APPLICANT HAS BEEN NOTIFIED THAT THE APPLICANT  
33 HAS PASSED THE EXAMINATION, THE APPLICANT SHALL PAY THE APPLICABLE  
34 LICENSE FEE REQUIRED BY § 2-112 OF THIS ARTICLE.

35 (3) AN APPLICANT WHO IS NOT REQUIRED TO TAKE AN EXAMINATION  
36 SHALL PAY THE APPLICABLE LICENSE FEE REQUIRED BY § 2-112 OF THIS ARTICLE.

37 10-205.

38 An applicant for a license shall[:

39 (1)] file with the Commissioner an application on the form thatthe  
40 Commissioner provides[; and

11

1 (2) except for an applicant who is a member in good standing of an actuarial  
2 organization listed in § 10-204(d) of this subtitle, pay to the Commissioner:

3 (i) the fee required by § 2-112 of this article, if the applicant is a  
4 resident of this State; or

5 (ii) the fee that the state where the applicant resides charges a  
6 resident of this State for a license to act as an adviser in that state, if the applicant is not  
7 a resident of this State].

8 [10-209.

9 (a) (1) The Commissioner may issue a limited license that restricts the authority  
10 of the licensee to the extent agreed on with the licensee.

11 (2) Each limitation shall be stated in the license.

12 (b) The issuance of limited licenses is governed by the provisions relating to  
13 advisers under this subtitle.]

14 10-211.

15 (c) Before a license expires, the licensee periodically may renew it for an  
16 additional 2-year term, if the licensee:

17 (1) otherwise is entitled to a license;

18 (2) files with the Commissioner a renewal application on the form that the  
19 Commissioner provides;

20 (3) [except for an applicant who is a member in good standing of an  
21 actuarial organization listed in § 10-204(d) of this subtitle,] pays to the Commissioner[:

22 (i) the renewal fee required by § 2-112 of this article[, if the applicant  
23 is a resident of this State; or

24 (ii) the same fee that the state where the applicant resides charges a  
25 resident of this State for renewal of a license to act as an adviser in that state, if the  
26 applicant is not a resident of this State];

27 (4) is in compliance with the bond requirement of § 10-206 of this subtitle;  
28 and

29 (5) if the Commissioner determines that an examination is advisable to  
30 determine the trustworthiness or competence of a licensee, passes an examination given  
31 by the Commissioner.

32 10-404.

33 (a) To qualify for a license, an applicant must be [a person that] AN  
34 INDIVIDUAL WHO meets the requirements of this section.

35 (b) An applicant must be trustworthy and competent to transact business as a  
36 public adjuster so as to safeguard the interests of the public.

12

1 (c) (1) (I) Except as otherwise provided in this subsection, an applicant must  
2 pass a written examination given by the Commissioner under this subtitle in order to  
3 determine the competency of the applicant to act as a public adjuster.

4 (II) BEFORE TAKING THE EXAMINATION, AN APPLICANT SHALL  
5 PAY THE APPLICATION FEE REQUIRED BY § 2-112 OF THIS ARTICLE.

6 (III) AFTER AN APPLICANT HAS BEEN NOTIFIED THAT THE  
7 APPLICANT HAS PASSED THE EXAMINATION, THE APPLICANT SHALL PAY THE  
8 APPLICABLE LICENSE FEE REQUIRED BY § 2-112 OF THIS ARTICLE.

9 (2) (I) The examination requirement of paragraph (1) of this subsection  
10 does not apply to an individual who was licensed as a public adjuster in the State on June  
11 30, 1985.

12 (II) AN APPLICANT WHO IS NOT REQUIRED TO TAKE AN  
13 EXAMINATION SHALL PAY THE APPLICABLE LICENSE FEE REQUIRED BY § 2-112 OF  
14 THIS ARTICLE.

15 [(3) The examination fee is \$15.]

16 (d) An applicant must have been a resident of the State continuously for at least 1  
17 year immediately preceding the date of filing an application for a license.

18 10-405.

19 (a) [(1)] An applicant for an initial license shall[:

20 (i)] file with the Commissioner an application on the form that the  
21 Commissioner provides[: and

22 (ii) pay to the Commissioner the fee required by § 2-112 of this article.

23 (2) If the applicant is a partnership, association, or corporation, the fee shall  
24 be paid for each individual specified in the license].

25 (b) The application form shall require:

26 (1) the name and address of the applicant;

27 [(2) the name and address of:

28 (i) each partner of the partnership, if the applicant is a partnership;

29 (ii) each member of the association, if the applicant is an association;

30 and

31 (iii) each officer and each director of the corporation, if the applicant is  
32 a corporation;]

33 [(3)] (2) whether any other insurance license or certificate has been issued  
34 to the applicant;

35 [(4) if the applicant is an individual, whether any other insurance license or  
36 certificate has been issued to any officer or director of the corporation;]

13

1                   [(5)] (3) the business in which the applicant has been engaged for the year  
2 immediately preceding the date of application and, if employed by another, the name and  
3 address of each employer; and

4                   [(6)] (4) any other information that the Commissioner requires of  
5 applicants to enable the Commissioner to determine the trustworthiness and competence  
6 of the applicant to transact business as a public adjuster so as to safeguard the interests  
7 of the public.

8                   (c) An application shall be signed under oath by[:

9                   (1)] the applicant[, if the applicant is an individual;

10                  (2) each partner of the partnership, if the applicant is a partnership;

11                  (3) each member of the association, if the applicant is an association; or

12                  (4) each officer and each director of the corporation who is to be authorized  
13 to act as a public adjuster, if the applicant is a corporation].

14 [10-407.

15                  (a) A license issued to a partnership authorizes each partner specified in the  
16 license to act as a public adjuster for the partnership.

17                  (b) A license issued to an association authorizes each member specified in the  
18 license to act as a public adjuster for the association.

19                  (c) A license issued to a corporation authorizes each officer and each director  
20 specified in the license to act as a public adjuster for the corporation.]

21 10-408.

22                  (c) [(1)] Before a license expires, the licensee may renew it for an additional  
23 2-year term, if the licensee:

24                         [(i)] (1) otherwise is entitled to a license;

25                         [(ii)] (2) files with the Commissioner a renewal application on the  
26 form that the Commissioner provides; and

27                         [(iii)] (3) pays to the Commissioner the renewal fee required by §  
28 2-112 of this article.

29                         [(2) If the applicant is a partnership, association, or corporation, the renewal  
30 fee shall be paid for each individual specified in the license.]

31 [10-409.

32                   If a licensee that is a partnership, association, or corporation wishes to add to its  
33 license an additional qualified individual to act as a public adjuster, the licensee may  
34 apply to the Commissioner for issuance of a supplemental license that authorizes the  
35 individual to act as a public adjuster.]

36                   SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall  
37 take effect October 1, 1996.

1           SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall  
2 take effect October 1, 1997.