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

Requested: October 23, 1995

Introduced and read first time: January 10, 1996

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: January 19, 1996

CHAPTER ____

1 AN ACT concerning

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

3 [TAG ftpo]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)

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1 BY repealing

- 2 Article 48A - Insurance Code
- 3 Section 182(f) and (g)
- 4 Annotated Code of Maryland
- 5 (1994 Replacement Volume and 1995 Supplement)

6 BY adding to

- 7 Article 48A - Insurance Code
- 8 Section 182(f) and (g)
- 9 Annotated Code of Maryland
- 10 (1994 Replacement Volume and 1995 Supplement)

11 BY repealing and reenacting, with amendments,

- 12 Article - Insurance
- 13 Section 10-204, 10-205, 10-208, 10-211(c), 10-404, 10-405, and 10-408(c)
- 14 Annotated Code of Maryland
- 15 (1995 Volume)
- 16 (As enacted by Chapter 36 of the Acts of the General Assembly of 1995)

17 BY repealing

- 18 Article - Insurance
- 19 Section 10-209, 10-407, and 10-409
- 20 Annotated Code of Maryland
- 21 (1995 Volume)
- 22 (As enacted by Chapter 36 of the Acts of the General Assembly of 1995)

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

25 **Article 48A - Insurance Code**

26 41.

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

29 (4) Certificates of qualification:

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

31 (7) Public adjuster's license:

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

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

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

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35 (8) Adviser's license:

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

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

3 (iii) Biennial renewal or continuation of license....\$200.
00

4 181.

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

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

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

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

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

32 (2) ONCE AN APPLICANT HAS BEEN NOTIFIED THAT THE APPLICANT
33 HAS PASSED THE EXAMINATION REQUIRED UNDER THIS SECTION OR IS OTHERWISE
34 ELIGIBLE TO BE LICENSED, THE APPLICANT SHALL SUBMIT THE APPLICABLE
35 LICENSE FEE PRESCRIBED IN § 41(7)(I) OR (II) OF THIS ARTICLE.

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

38 (e) (1) Every public adjuster license shall expire on the thirty-first day of
39 December of every odd-numbered year, but if an application for the renewal of any such
40 certificate shall have been filed with the Commissioner before January first of any year
41 the license sought to be renewed shall continue in full force and effect until the issuance

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1 by the Commissioner of the new license or until five days after the Commissioner shall
2 have refused in writing to issue such new license and shall have served notice of such
3 refusal on the applicant therefor.

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

6 (I) A RENEWAL APPLICATION IN THE FORM PRESCRIBED BY THE
7 COMMISSIONER; AND

8 (II) THE BIENNIAL LICENSE RENEWAL FEE PRESCRIBED BY §
9 41(7)(III) OF THIS ARTICLE.

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

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

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

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

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

41 [(k)] (J) This section shall not apply to an adjuster for or an agent or employee of
42 an insurer or group of insurers under common control or ownership, who as
43 representative of such insurer or group, adjusts loss or damage under policies issued by

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1 such insurer or group, nor to a broker acting as adjuster without compensation for an
2 insured for whom he is acting as a broker. This section shall not apply to attorneys at law
3 who are not regularly engaged in the services authorized by this section to be performed
4 by public adjusters and who do not hold themselves out by sign, advertisement or
5 otherwise as offering such services to the general public.

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

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

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

14 182.

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

38 (D) (1) THE COMMISSIONER MAY ISSUE AN INSURANCE ADVISER'S LICENSE
39 TO ANY INDIVIDUAL WHO IS TRUSTWORTHY AND COMPETENT TO ACT AS AN
40 INSURANCE ADVISER IN SUCH MANNER AS NOT TO JEOPARDIZE THE PUBLIC
41 INTEREST AND WHO HAS COMPLIED WITH THE PREREQUISITES HEREIN
42 PRESCRIBED.

43 (2) A LICENSE MAY BE ISSUED TO:

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

3 (II) A RESIDENT OF THIS STATE WHO:

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

6 2. HAS BEEN CONFERRED THE CHARTERED PROPERTY
7 CASUALTY UNDERWRITER (C.P.C.U.) DESIGNATION BY THE AMERICAN INSTITUTE
8 FOR PROPERTY AND LIABILITY UNDERWRITERS, INC., AND IS A MEMBER, IN GOOD
9 STANDING, OF THE SOCIETY OF CHARTERED PROPERTY AND CASUALTY
10 UNDERWRITERS;

11 3. HAS BEEN CONFERRED THE CHARTERED LIFE
12 UNDERWRITER (C.L.U.) DESIGNATION BY THE AMERICAN COLLEGE OF LIFE
13 UNDERWRITERS AND IS A MEMBER, IN GOOD STANDING, OF THE AMERICAN
14 SOCIETY OF CHARTERED LIFE UNDERWRITERS AND CHARTERED FINANCIAL
15 CONSULTANTS;

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

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

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

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

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

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

39 (II) Licensees may conduct their insurance advisory business as a sole
40 proprietorship, partnership, association, or corporation, provided that every individual

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1 who acts as an insurance adviser shall be licensed in accordance with the provisions of this
2 subtitle, provided the trade name is registered with the Insurance Commissioner.

3 ~~(H) A NONRESIDENT LICENSEE MAY NOT ACT AS AN INSURANCE~~
4 ~~ADVISER FOR LIFE INSURANCE AND HEALTH INSURANCE.~~

5 [(4) In addition to the requirements of paragraph (1) of this subsection, the
6 licensee must be trustworthy and competent to act as an insurance adviser in such manner
7 as not to jeopardize the public interest, and must have complied with the prerequisites
8 herein prescribed.]

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

20 (F) (1) FOR ANY APPLICATION FOR AN INSURANCE ADVISER'S LICENSE,
21 THE COMMISSIONER SHALL SATISFY HIMSELF OF THE TRUSTWORTHINESS AND
22 COMPETENCE OF THE APPLICANT TO ACT AS AN INSURANCE ADVISER IN THIS
23 STATE.

24 (2) (I) IN ORDER TO DETERMINE THE TRUSTWORTHINESS AND
25 COMPETENCE OF ANY APPLICANT DESCRIBED IN SUBSECTION (D)(2)(I) OF THIS
26 SECTION TO ACT AS AN INSURANCE ADVISER, THE COMMISSIONER SHALL REQUIRE
27 THAT THE APPLICANT TAKE AND PASS, TO THE SATISFACTION OF THE
28 COMMISSIONER, AN EXAMINATION.

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

33 (3) IN THE CASE OF A NONRESIDENT APPLICANT, THE COMMISSIONER
34 SHALL BE SATISFIED AS TO THE TRUSTWORTHINESS AND COMPETENCE OF THE
35 APPLICANT UPON THE FILING OF A CERTIFICATION FROM AN APPROPRIATE
36 OFFICIAL OF THE APPLICANT'S STATE OF RESIDENCE CERTIFYING THAT THE
37 APPLICANT HOLDS A CURRENTLY VALID LICENSE OR CERTIFICATE TO ACT AS AN
38 INSURANCE ADVISER IN THE APPLICANT'S STATE OF RESIDENCE.

39 [(g) At the time of application for every such license and for every annual renewal
40 thereof, there shall be paid to the Commissioner by each individual applicant, other than
41 an applicant to whom a license is issued because of his membership, in good standing, of
42 one of the actuarial organizations specified in subsection (d) of this section, the fee
43 prescribed in § 41; provided, however, that if such applicant is a nonresident licensed as

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1 an insurance adviser in the state of his residence the fee for such license and renewals
2 thereof shall be the same as the fees payable in the applicant's state of residence, but such
3 licensed adviser shall not advise as to life and health insurance.]

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

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

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

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

14 (I) A RENEWAL APPLICATION IN THE FORM PRESCRIBED BY THE
15 COMMISSIONER; AND

16 (II) THE BIENNIAL LICENSE RENEWAL FEE PRESCRIBED BY §
17 41(8)(III) OF THIS ARTICLE.

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

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

25 **Article - Insurance**

26 10-204.

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

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

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

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

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

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

2 (d) An applicant must:

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

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

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

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

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

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

26 (e) An applicant must be:

27 (1) a resident of this State; or

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

29 (C) A LICENSE MAY BE ISSUED TO:

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

32 (2) A RESIDENT OF THE STATE WHO:

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

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

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1 (III) HAS BEEN CONFERRED THE CHARTERED LIFE UNDERWRITER
2 (C.L.U.) DESIGNATION BY THE AMERICAN COLLEGE OF LIFE UNDERWRITERS AND IS
3 A MEMBER IN GOOD STANDING OF THE AMERICAN SOCIETY OF CHARTERED LIFE
4 UNDERWRITERS AND CHARTERED FINANCIAL CONSULTANTS;

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

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

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

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

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

23 (2) TO DETERMINE THE TRUSTWORTHINESS AND COMPETENCY OF AN
24 APPLICANT DESCRIBED IN SUBSECTION (C)(1) OF THIS SECTION, THE COMMISSIONER
25 SHALL REQUIRE THE APPLICANT TO TAKE AND PASS, TO THE SATISFACTION OF THE
26 COMMISSIONER, AN EXAMINATION.

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

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

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

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

11

1 10-205.

2 An applicant for a license shall:

3 (1) file with the Commissioner an application on the form that the
4 Commissioner provides; and

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

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

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

12 10-208.

13 [(a) A nonresident licensee may not act as an adviser for life insurance and health
14 insurance.

15 [(b) A license does not authorize the licensee to:

16 (1) adjust losses; or

17 (2) receive compensation from an insurer, broker, or agent for the sale or
18 placement of insurance.

19 [10-209.

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

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

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

25 10-211.

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

28 (1) otherwise is entitled to a license;

29 (2) files with the Commissioner a renewal application on the form that the
30 Commissioner provides;

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

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

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

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

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

9 10-404.

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

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

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

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

19 (III) AFTER AN APPLICANT HAS BEEN NOTIFIED THAT THE
20 APPLICANT HAS PASSED THE EXAMINATION OR IS OTHERWISE ELIGIBLE TO BE
21 LICENSED, THE APPLICANT SHALL PAY THE APPLICABLE LICENSE FEE REQUIRED BY
22 § 2-112 OF THIS ARTICLE.

23 (2) ~~(I)~~ The examination requirement of paragraph (1) of this subsection
24 does not apply to an individual who was licensed as a public adjuster in the State on June
25 30, 1985.

26 ~~(II) AN APPLICANT WHO IS NOT REQUIRED TO TAKE AN~~
27 ~~EXAMINATION SHALL PAY THE APPLICABLE LICENSE FEE REQUIRED BY § 2-112 OF~~
28 ~~THIS ARTICLE.~~

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

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

32 10-405.

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

34 (i)] file with the Commissioner an application on the form that the
35 Commissioner provides[; and

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

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

13

1 (b) The application form shall require:

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

3 [(2) the name and address of:

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

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

6 and

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

9 [(3)] (2) whether any other insurance license or certificate has been issued
10 to the applicant;

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

13 [(5)] (3) the business in which the applicant has been engaged for the year
14 immediately preceding the date of application and, if employed by another, the name and
15 address of each employer; and

16 [(6)] (4) any other information that the Commissioner requires of
17 applicants to enable the Commissioner to determine the trustworthiness and competence
18 of the applicant to transact business as a public adjuster so as to safeguard the interests
19 of the public.

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

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

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

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

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

26 [10-407.

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

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

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

33 10-408.

34 (c) [(1)] Before a license expires, the licensee may renew it for an additional
35 2-year term, if the licensee:

14

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

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

4 [(iii)] (3) pays to the Commissioner the renewal fee required by §
5 2-112 of this article.

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

8 [10-409.

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

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

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