

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 467 Insurance Adjuster Examination Requirements

**SPONSOR(S):** DuBose

**TIED BILLS:**           **IDEN./SIM. BILLS:** SB 534

<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR or BUDGET/POLICY CHIEF</b>
1) Insurance & Banking Subcommittee	17 Y, 0 N	Rowley	Luczynski
2) Commerce Committee	23 Y, 0 N	Rowley	Hamon

**SUMMARY ANALYSIS**

Current law generally requires passage of a written examination as part of the licensing process for insurance adjusters. The examination requirement is waived for all-lines adjuster applicants who have attained certain professional designations.

The bill provides an exemption to the all-lines adjuster licensing examination to individuals who possess an Accredited Insurance Claims Specialist (AICS) designation from Encore Claim Services.

The bill has no fiscal impact on state or local governments.

The bill has an effective date of July 1, 2021.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

The Department of Financial Services, through its Division of Insurance Agent and Agency Services, regulates the licensure of insurance adjusters.<sup>1</sup> An adjuster may be licensed as either an “all-lines adjuster” or a “public adjuster.”<sup>2</sup> An all-lines adjuster “is a person who, for money, commission, or any other thing of value, directly or indirectly undertakes on behalf of a public adjuster or an insurer to ascertain and determine the amount of any claim, loss, or damage payable under an insurance contract or undertakes to effect settlement of such claim, loss, or damage.”<sup>3</sup> Subject to certain exceptions, a public adjuster is someone who is paid by an insured to prepare and file a claim against an insurer.<sup>4</sup>

Among other requirements, an applicant for licensure as an all-lines adjuster must pass a written examination.<sup>5</sup> The examination requirement is waived for applicants who have attained certain professional designations.<sup>6</sup> Section 626.221(2)(j), F.S., exempts from examination applicants who have the following designations:

- Accredited Claims Adjuster (ACA) from a regionally accredited postsecondary institution in Florida;
- Associate in Claims (AIC) from the Insurance Institute of America;
- Professional Claims Adjuster (PCA) from the Professional Career Institute;
- Professional Property Insurance Adjuster (PPIA) from the HurriClaim Training Academy;
- Certified Adjuster (CA) from ALL LINES Training;
- Certified Claims Adjuster (CCA) from AE21 Incorporated;
- Claims Adjuster Certified Professional (CACP) from WebCE, Inc.; or
- Universal Claims Certification (UCC) from Claims and Litigation Management Alliance (CLM).<sup>7</sup>

Encore Claim Services (Encore) provides training, certification, and continuing education resources for individuals in the insurance industry.<sup>8</sup> Encore offers a 40-hour online course to assist individuals applying for all-lines adjuster licenses.<sup>9</sup>

### *Effect of the Bill*

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<sup>1</sup> Division of Insurance Agent and Agency Services, <https://myfloridacfo.com/Division/Agents/> (last visited Feb. 25, 2021).

<sup>2</sup> S. 626.864, F.S. An individual may be licensed as either an all-lines adjuster or a public adjuster, but not both. An all-lines adjuster may be appointed as one, but no more than one at a time, of the following: independent adjuster, public adjuster apprentice, or company employee adjuster.

<sup>3</sup> Ss. 626.015(2) and 626.8548, F.S.

<sup>4</sup> S. 626.854, F.S. “A ‘public adjuster’ is any person, except a duly licensed attorney at law as exempted under s. 626.860, who, for money, commission, or any other thing of value, directly or indirectly prepares, completes, or files an insurance claim for an insured or third-party claimant or who, for money, commission, or any other thing of value, acts on behalf of, or aids an insured or third-party claimant in negotiating for or effecting the settlement of a claim or claims for loss or damage covered by an insurance contract or who advertises for employment as an adjuster of such claims. The term also includes any person who, for money, commission, or any other thing of value, directly or indirectly solicits, investigates, or adjusts such claims on behalf of a public adjuster, an insured, or a third-party claimant. The term does not include a person who photographs or inventories damaged personal property or business personal property or a person performing duties under another professional license, if such person does not otherwise solicit, adjust, investigate, or negotiate for or attempt to effect the settlement of a claim.”

<sup>5</sup> S. 626.221, F.S.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> Encore Claim Services, <https://encoreclaimservices.com/> (last visited Feb. 26, 2021).

<sup>9</sup> *Id.*

The bill adds an exemption from the all-lines adjuster licensure examination for applicants who possess an Accredited Insurance Claims Specialist (AICS) designation from Encore Claim Services.

**B. SECTION DIRECTORY:**

**Section 1.** Amends s. 626.221, F.S., relating to examination requirement; exemptions.

**Section 2.** Reenacts s. 626.8734, F.S., relating to nonresident all-lines adjuster license qualifications.

**Section 3.** Provides an effective date of July 1, 2021.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

None.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

The bill may reduce licensure fees for some applicants who have the AICS designation by eliminating their need to pay the examination fee.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. The bill does not appear to affect county or municipal governments.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

None.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

#### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES