

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SB 266

INTRODUCER: Senator Burton

SUBJECT: Public Adjuster Contracts

DATE: January 12, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	Pre-meeting
2.	_____	_____	CF	_____
3.	_____	_____	RC	_____

I. Summary:

SB 266 provides that an insured person that is a vulnerable adult or who lacks capacity to consent, as those terms are defined in s. 415.102, F.S., or the legal representative of such insured person, may rescind a contract for public adjuster services to adjust a claim at any time without penalty or further obligation. Any public adjuster or public adjuster apprentice found to violate this provision is subject to discipline by the Department of Financial Services.

The bill should have an insignificant impact, if any, on state or local government.

The bill takes effect on July 1, 2026.

II. Present Situation:

Insurance Adjusters

Part VI, ch. 626, F.S., regulates insurance adjusters, which includes public adjusters, independent adjusters, and company employee adjusters. A “public adjuster” is any person, other than a licensed attorney, who, for compensation, prepares, completes, or files an insurance claim for an insured or third-party claimant in negotiating or settling an insurance claim on behalf of an insured or third party.¹ An “independent adjuster” is any person licensed as an all-lines adjuster who is self-appointed or appointed and employed by an independent adjusting firm or other independent adjuster, and who undertakes on behalf of 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.² A “company employee adjuster” is any person licensed as an all-lines adjuster who is appointed and employed on an insurer’s staff of adjusters or a wholly owned subsidiary of the insurer, and who undertakes on behalf of such insurer or

¹ Section 626.854(1), F.S.

² Section 626.855, F.S.

other insurers under common control or ownership to ascertain and determine the amount of any claim, loss, or damage payable under a contract of insurance, or undertakes to effect settlement of such claim, loss, or damage.³

Public Adjusters

Public adjusters are licensed by the Department of Financial Services (DFS) and are required to meet pre-licensing requirements, which include submitting an application, paying required fees, complying with requirements as to knowledge, experience, or instruction, and submitting fingerprints. A policyholder who has sustained an insured loss may hire a public adjuster. The public adjuster will inspect the loss site, analyze the damages, assemble claim support data, review the insured's coverage, determine current replacement costs, and confer with the insurer's representatives to adjust the claim.⁴ The definition of "public adjuster" excludes:

- A licensed health care provider or employee thereof who prepares or files a health insurance claim form on behalf of a patient.
- A licensed health insurance agent who assists an insured with coverage questions, medical procedure coding issues, balance billing issues, understanding the claims filing process, or filing a claim, as such assistance relates to coverage under a health insurance policy.
- A person who files a health claim on behalf of another and does so without compensation.⁵

Contracts and Disclosures

Florida law prohibits a public adjuster from charging a fee unless a written contract is entered into prior to the payment of the claim.⁶ All contracts for public adjuster services must be in writing in at least 12-point type and be titled "Public Adjuster Contract." All such contracts and all proof of loss statements must prominently display the following statement in minimum 18-point bold type before the space reserved in the contract for the signature of the insured:

"Pursuant to s. 817.234, Florida Statutes, any person who, with the intent to injure, defraud, or deceive an insurer or insured, prepares, presents, or causes to be presented a proof of loss or estimate of cost or repair of damaged property in support of a claim under an insurance policy knowing that the proof of loss or estimate of claim or repairs contains false, incomplete, or misleading information concerning any fact or thing material to the claim commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, Florida Statutes."⁷

A public adjuster may not receive compensation for services provided before the date the insured receives an unaltered copy of the executed contract or the date executed contract is submitted to the insurer.⁸ A public adjuster contract for a property and casualty claim must include:

- The full name, permanent business address, phone number, e-mail address, and license number of the public adjuster;

³ Section 626.856, F.S.

⁴ <https://www.bankrate.com/insurance/homeowners-insurance/hiring-a-public-adjuster/#when-should-you-hire-a-public-adjuster> (last visited December 11, 2025).

⁵ Section 626.854(2), F.S.

⁶ Section 626.854(6)(a), F.S.

⁷ Section 626.8796(1), F.S., and s. 626.8797, F.S.

⁸ Section 626.8796(3), F.S.

- The full name and license number of the public adjusting firm;
- The insured's full name, street address, phone number, and e-mail address;
- A brief description of the loss;
- The percentage of compensation for the public adjuster's services in minimum 18-point bold type before the space reserved in the contract for the signature of the insured;
- The type of claim, including an emergency claim, nonemergency claim, or supplemental claim;
- The initials of the named insured on each page that does not contain the insured's signature;
- The signatures of the public adjuster and all named insureds; and
- the signature date.⁹

An unaltered copy of the executed contract must be provided to the insured at the time of execution and to the insurer, or the insurer's representative, within 7 days after execution.¹⁰ A public adjusting firm that adjusts claims primarily for commercial entities with operations in more than one state and that does not directly or indirectly perform adjusting services for insurers or individual homeowners is deemed to comply with the contract requirements if, at the time a proof of loss is submitted, the public adjusting firm remits to the insurer an affidavit signed by the public adjuster or public adjuster apprentice that identifies:

- The full name, permanent business address, phone number, e-mail address, and license number of the public adjuster or public adjuster apprentice.
- The full name of the public adjusting firm.
- The insured's full name, street address, phone number, and e-mail address, together with a brief description of the loss.
- An attestation that the compensation for public adjusting services will not exceed the limitations provided by law.
- The type of claim, including an emergency claim, nonemergency claim, or supplemental claim.¹¹

An insured or claimant may cancel a contract with a public adjuster without penalty within 10 days after the date on which the contract is executed.¹² A public adjuster's contract must contain the following statement in minimum 18-point bold type which states:

You, the insured, may cancel this contract for any reason without penalty or obligation to you within 10 days after the date of this contract. If this contract was entered into based on events that are the subject of a declaration of a state of emergency by the Governor, you may cancel this contract for any reason without penalty or obligation to you within 30 days after the date of loss or 10 days after the date on which the contract is executed, whichever is longer. You may also cancel the contract without penalty or obligation to you if I, as your public adjuster, fail to provide you and your insurer a copy of a written estimate within 60 days of the execution of the contract, unless the failure to provide the estimate within 60 days is caused by factors beyond my control, in accordance with s. 627.70131(5)(a)2.,

⁹ Section 626.8796(2), F.S.

¹⁰ *Id.*

¹¹ *Id.*

¹² Section 626.854(7), F.S.

Florida Statutes. The 60-day cancellation period for failure to provide a written estimate shall cease on the date I have provided you with the written estimate.¹³

A public adjuster is required to provide to the insured or claimant a written estimate of the loss to assist in any claim for insurance proceeds within 60 days after the date of the contract.¹⁴

Charges, Fees, and Gifts

Florida law¹⁵ limits the compensation a public adjuster may charge. These limits are:

- If a public adjuster enters into a contract with an insured or claimant to reopen a claim, or files a supplemental claim, that seeks additional payments for a claim that has been previously paid, the public adjuster may not charge based on a previous claim payment for the same cause of loss. The charge must be based only on the claim payments or settlements obtained through the public adjuster's work after entering into the contract. Compensation for the reopened or supplemental claim may not exceed 20 percent of the reopened or supplemental claim payment.¹⁶
- A public adjuster may not charge in excess of:
 - Ten percent of the amount of insurance claim payments or settlements, exclusive of attorney fees and costs, paid to the insured by the insurer for claims based on events that are the subject of a declaration of a state of emergency by the Governor. This provision applies to claims made during the year after the declaration of emergency. After that year, the limitations in the following bullet points apply.¹⁷
 - Twenty percent of the amount of insurance claim payments or settlements, exclusive of attorney fees and costs, paid to the insured by the insurer for claims that are not based on events that are the subject of a declaration of a state of emergency by the Governor.¹⁸
 - One percent of the amount of insurance claim payments or settlements, paid to the insured by the insurer for any coverage part of the policy where the claim payment or agreement to pay is equal to or greater than the policy limit for that part of the policy, if the payment or written commitment to pay is provided within 14 days after the date of loss or within 10 days after the date on which the contract is executed, whichever is later.¹⁹
 - Zero percent of the amount of insurance claim payments or settlements, paid to the insured by the insurer for any coverage part of the policy where the claim payment or agreement to pay occurs before the date on which the contract is executed.²⁰
- For purposes of calculating permissible compensation, compensation may not be based on the deductible portion of a claim.²¹
- Compensation may not be based on amounts attributable to additional living expenses, unless such compensation is affirmatively agreed to in a separate agreement that includes a disclosure in substantially the following form: "I agree to retain and compensate the public

¹³ *Id.*

¹⁴ Section 626.854(12)(a), F.S.

¹⁵ Section 626.854(11), F.S.

¹⁶ Section 626.854(11)(a), F.S.

¹⁷ Section 626.854(11)(b)1., F.S.

¹⁸ Section 626.854(11)(b)2., F.S.

¹⁹ Section 626.854(11)(b)3., F.S.

²⁰ Section 626.854(11)(b)4., F.S.

²¹ Section 626.854(11)(c), F.S.

adjuster for adjusting my additional living expenses and securing payment from my insurer for amounts attributable to additional living expenses payable under the policy issued on my (home/mobile home/condominium unit).”²²

- The rate of compensation may not be increased based solely on the fact that the claim is litigated.²³
- Any maneuver, shift, or device through which the limits on compensation set forth in the subsection are exceeded is a violation of the chapter²⁴ and is punishable as provided under state law.²⁵

Prohibited acts

A public adjuster, a public adjuster apprentice, or any person or entity acting on behalf of a public adjuster or public adjuster apprentice may not give or offer to give:

- A monetary loan or advance to a client or prospective client.²⁶
- Directly or indirectly, any article of merchandise having a value in excess of \$25 to any individual for the purpose of advertising or as an inducement to entering into a contract with a public adjuster.²⁷

Section 626.854, F.S., prohibits public adjusters from engaging in certain conduct, including giving legal advice or acting on behalf of any person negotiating or settling certain claims.²⁸ An attorney who is licensed to practice law in Florida and in good standing with The Florida Bar is not required to hold a separate license under ch. 626, F.S., to adjust or participate in the adjustment of any claim, loss, or damage arising under policies or insurance contracts.²⁹

Public adjusters are also prohibited from directly or indirectly soliciting an insured or claimant except on Monday through Saturday of each week and only between the hours of 8 a.m. and 8 p.m. on those days.³⁰ A public adjuster or any other person who circulates or disseminates any advertisement, announcement, or statement containing any assertion, representation, or statement about the business of insurance that is untrue, deceptive, or misleading commits an unfair and deceptive insurance trade practice, and Florida law sets out specific statements which are considered deceptive or misleading.³¹

Disciplinary Guidelines

Section 626.8698, F.S., provides that the DFS may deny, suspend, or revoke the license of a public adjuster or public adjuster apprentice, and administer a fine not to exceed \$5,000 per act, for any of the following:

- Violating any provision of ch. 626, F.S., or a rule or order of the DFS;

²² Section 626.854(11)(d), F.S.

²³ Section 626.854(11)(e), F.S.

²⁴ Section 626.854(11)(f), F.S.

²⁵ See s. 626.8698, F.S. (providing disciplinary guidelines for public adjusters and public adjuster apprentices).

²⁶ Section 626.854(9), F.S.

²⁷ Section 626.854(10), F.S.

²⁸ Section 626.854(3), F.S.

²⁹ Section 626.860, F.S.

³⁰ Section 626.854(5), F.S.

³¹ Section 626.854(8), F.S. Section 626.9541, F.S., provides for unfair methods of competition and unfair or deceptive acts or practices.

- Receiving payment or anything of value as a result of an unfair or deceptive practice;
- Receiving or accepting any fee, kickback, or other thing of value pursuant to any agreement or understanding, oral or otherwise; entering into a split-fee arrangement with another person who is not a public adjuster; or being otherwise paid or accepting payment for services that have not been performed;
- Violating ss. 316.066 (written reports of crashes) or 817.234 (false and fraudulent insurance claims), F.S.;
- Soliciting or otherwise taking advantage of a person who is vulnerable, emotional, or otherwise upset as the result of a trauma, accident, or other similar occurrence; or
- Violating any ethical rule of the DFS.

Vulnerable Adults

Section 415.102(28), F.S., defines “vulnerable adult” to mean “a person 18 years of age or older whose ability to perform the normal activities of daily living or to provide for his or her own care or protection is impaired due to a mental, emotional, sensory, long-term physical, or developmental disability or dysfunction, or brain damage, or the infirmities of aging.”

Section 415.102(15), F.S., defines “lacks capacity to consent” to mean “a mental impairment that causes a vulnerable adult to lack sufficient understanding or capacity to make or communicate responsible decisions concerning person or property, including whether or not to accept protective services.”

Section 415.103, F.S., requires any person who knows, or has reasonable cause to suspect, that a vulnerable adult has been exploited to immediately report such knowledge or suspicion to the central abuse hotline operated by the Department of Children and Family Services.³² For purposes of both ch. 415, F.S., and ch. 825, F.S., a “vulnerable adult” is a person 18 years of age or older whose ability to perform the normal activities of daily living or to provide for his or her own care or protection is impaired due to a mental, emotional, sensory, long-term physical, or developmental disability or dysfunction, or brain damage, or the infirmities of aging.³³

It is a second-degree misdemeanor³⁴ for a person to knowingly and willfully fail to report a case of known or suspected exploitation of a vulnerable adult or prevent another person from doing so.³⁵

III. Effect of Proposed Changes:

Section 1 amends s. 626.854, F.S., to provide that an insured person that is a vulnerable adult or who lacks capacity to consent, as those terms are defined in s. 415.102, F.S., or the legal representative of such insured person, may rescind a contract for public adjuster services to adjust a claim at any time without penalty or further obligation.

³² See *Abuse Hotline*, Florida Department of Children and Families, available at <https://www.myflfamilies.com/service-programs/abuse-hotline/report-online.shtml> (last visited on Feb. 28, 2023).

³³ Sections 415.102(28) and 825.101(16), F.S.

³⁴ A second degree misdemeanor is punishable by not more than 60 days in county jail and a fine not exceeding \$500. Sections 775.082 and 775.083, F.S.

³⁵ Section 415.111(1), F.S.

Section 2 amends s. 626.8698, F.S., to provide that soliciting or taking advantage of a person who is a vulnerable adult, as defined in s. 415.102, is a ground for discipline by the DFS against the license of a public adjuster or public adjuster apprentice.

Section 3 amends s. 626.8796, F.S., to provide that an insured person that is a vulnerable adult or who lacks capacity to consent, as those terms are defined in s. 415.102, F.S., or the legal representative of such insured person, may rescind a contract for public adjuster services to adjust a claim at any time without penalty or further obligation.

Section 4 provides that the bill is effective on July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may lead to certain public adjuster services contracts being rescinded before completion of the contract which could be to the benefit of an insured that is either a vulnerable adult or someone who lacks the capacity to consent to such contract.

C. Government Sector Impact:

The new provisions in the bill have the potential to lead to discipline by the DFS on the license of a public adjuster or public adjuster apprentice. It is not anticipated to have a significant impact, if any, on state or local government.

VI. Technical Deficiencies:

The bill uses the definition of “lacks capacity to consent” found in s. 415.102, F.S. That definition is “a mental impairment that causes a vulnerable adult to lack sufficient understanding or capacity to make or communicate responsible decisions concerning person or property, including whether or not to accept protective services.” Because the definition of “lacks capacity to consent” in s. 415.102, F.S., is limited to vulnerable adults, it is unnecessary in the bill because it does not capture any persons not captured by the definition of vulnerable adult in s. 415.102, F.S.

VII. Related Issues:

The bill amends s. 626.854, F.S., to allow vulnerable adults, adults who lack capacity to consent, and their legal representatives, to rescind a contract for public adjuster services at any time. The language here states that this rescission power is “notwithstanding any other provision of this chapter”. The bill also amends s. 626.8796, F.S., regarding public adjuster contracts, to the same effect. Given that both sections are in ch. 626, F.S., only one of the sections needs to be amended given that the right of rescission created by the bill applies regardless of any contrary provision in ch. 626, F.S.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 626.854, 626.8698, and 626.8796.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.