

By: Wise

H.B. No. 82

A BILL TO BE ENTITLED

1 AN ACT

2 relating to license reciprocity for out of state insurance
3 adjusters who provide services following a catastrophe or
4 emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 2(a), Chapter 407, Acts of the 63rd
7 Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's
8 Texas Insurance Code), is amended to read as follows:

9 (a) No person shall act as or hold himself out to be an
10 adjuster in this state unless then licensed therefor by this state,
11 except that an individual, who is undergoing education and training
12 as an adjuster under the direction and supervision of a licensed
13 adjuster, may for a period not exceeding 12 months act as an
14 adjuster without having an adjuster's license, if at the beginning
15 of such training period, the name of such trainee has been
16 registered as such with the commissioner. No license shall be
17 required under this article of a nonresident insurance adjuster
18 ~~[for the adjustment in this state of a single loss, or losses~~
19 ~~arising out of a catastrophe common to all such losses, or]~~ who is
20 acting as a temporary substitute for a licensed adjuster, unless as
21 outlined specifically in a separate section of this law.

22 SECTION 2. Section 5, Chapter 407, Acts of the 63rd
23 Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's
24 Texas Insurance Code), is amended to read as follows:

1 Sec. 5. EXCEPTION FOR CERTAIN CATASTROPHE OR EMERGENCY
2 ADJUSTERS. (a) A nonresident insurance adjuster may adjust,
3 without a license issued by this state, a single loss, or losses
4 arising out of a catastrophe or emergency common to all the losses,
5 if:

6 (1) the [~~In the event of a~~] catastrophe or emergency
7 [~~which~~] arises out of a disaster, act of God, riot, civil commotion,
8 conflagration or other similar occurrence in this state;

9 (2) the adjuster is licensed in another state; and

10 (3) the adjuster is employed by [~~, the commissioner~~
11 ~~shall, upon application, issue an emergency license to persons who~~
12 ~~are residents or nonresidents of this state and who may or may not~~
13 ~~be otherwise licensed adjusters. Such emergency license shall~~
14 ~~remain in force for a period not to exceed 90 days, unless extended~~
15 ~~for an additional period of 90 days by the commissioner. The~~
16 ~~applicant must be certified by (i) a person licensed under the~~
17 ~~provisions of this Act, or by (ii)] an insurer which maintains an
18 office in this state and is licensed to do business in this state.~~

19 (b) The emergency [~~licensed~~] adjuster and the [~~or~~] insurer
20 who employs the emergency adjuster [~~certifies said applicant~~] under
21 the provisions of this section of this Act shall be responsible for
22 the loss or claims practices of the emergency adjuster [~~license~~
23 ~~holder.~~

24 [~~Within five days of any applicant commencing work as an~~
25 ~~adjuster hereunder, the employer of such adjuster shall certify to~~
26 ~~the commissioner such application without being deemed in violation~~
27 ~~of this Act, provided that the commissioner may, after notice and~~

1 ~~hearing, revoke said emergency license upon the grounds as~~
2 ~~otherwise contained in this Act providing for revocation of an~~
3 ~~adjuster's license.~~

4 ~~[The fee for an emergency license shall be in an amount not to~~
5 ~~exceed \$20 as determined by the board and shall be due and payable~~
6 ~~within 30 days of the issuance of such emergency license].~~

7 SECTION 3. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2003.