

By: Burnam

H.B. No. 123

A BILL TO BE ENTITLED

AN ACT

relating to specialized training for certain insurance adjusters.

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

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

Sec. 7B. SPECIALIZED TRAINING REGARDING WATER AND MOLD CLAIMS; CERTIFICATE. (a) The commissioner, by rule, shall prescribe a specialized training program for adjusters who handle claims involving water or mold damage. The training program must include training on how to prevent or reduce mold damage in water-related claims. The training program may be offered in conjunction with a continuing education program conducted under Section 7A of this Act.

(b) An adjuster may not handle a claim involving water or mold damage unless the adjuster has successfully completed the specialized training program prescribed by the commissioner in the adjustment of those claims.

(c) The department shall issue a certificate of completion to each adjuster who satisfies the requirements of this section. A certificate issued under this section is valid until the first anniversary of the date of issuance and may be renewed in the manner prescribed by the department. The department shall collect from each applicant for a certificate a certification fee set by the

1 department in an amount reasonable and necessary to cover the costs  
2 of administering this section.

3 (d) An adjuster who violates Subsection (b) of this section  
4 is subject to disciplinary action under Section 17 of this Act.

5 SECTION 2. (a) Not later than November 1, 2003, the  
6 commissioner of insurance shall adopt rules as required by Section  
7 7B, Chapter 407, Acts of the 63rd Legislature, Regular Session,  
8 1973 (Article 21.07-4, Vernon's Texas Insurance Code), as added by  
9 this Act.

10 (b) A person licensed as an insurance adjuster by the Texas  
11 Department of Insurance on September 1, 2003, is not required to  
12 comply with the requirements of Section 7B, Chapter 407, Acts of the  
13 63rd Legislature, Regular Session, 1973 (Article 21.07-4, Vernon's  
14 Texas Insurance Code), as added by this Act, and the rules adopted  
15 under that section until March 1, 2004.

16 SECTION 3. This Act takes effect September 1, 2003, and  
17 applies only to an insurance claim filed with an insurer on or after  
18 March 1, 2004.