

[HB 1185](#) “Consumer Protection” by [Representative Mike Giallombardo](#)

[SB 1398](#) “Consumer Protection” by Senator [Nick DiCeglie](#)

[LINE 444 TO 452](#)

Affecting 626.854

NO CONTRACTS WITHOUT INSURED’S WRITTEN
CONSENT OR PUBLIC ADJUSTER WILL PAY FOR
THOSE SERVICES

[LINE 456](#)

30 DAY RIGHT OF RESCISSION

(6)(a) When entering a contract for adjuster services after July 1, 2023, a public adjuster is prohibited from contracting with anyone other than the named insured unless the named insured provides written consent, subsequent to entering a contract for public adjusting services.

(b) In the event a public adjuster contracts with a third party in settling the named insured's claim, without first obtaining the insured's written consent, payment of the third party's fees shall be made from the public adjuster's fee.

If the contract was entered into based on events that are the subject of a declaration of a state of emergency by the Governor, an insured or claimant may cancel the public adjuster's contract to adjust a claim **without penalty or obligation** within 30 days after the date on which the contract is executed.

Right of rescission for public adjusters contracts in Florida are currently the highest in the nation at 10 days. This would increase to 30 days after a declared state of emergency when policyholders need the most help leaving small business owner public adjusters vulnerable to cancellations without payment even after substantial work is performed.

	<p>Section also requires an expanded Right of Rescission disclosure statement in 18 point font in the PA contract.</p>
<p><u>LINE 525</u></p> <p>TOTAL LOSS CLAIM RESTRICTIONS</p>	<p>prohibits public adjusters from taking a fee on any claim where an insurer pays or commits to pay a total loss within 14 days after the date loss is reported to insurer.</p> <p>Requires public adjuster in above circumstances to inform the insured that due to the insurers payment or commitment to pay the loss recovery amount might not be increased.</p> <p>Shall not be entitled to a percentage commission. Shall be entitled only to reasonable compensation for time spent and expenses incurred on the claim until the claim is paid or the insured receives a written commitment to pay from the insurer.</p>
<p><u>LINE 538 (12)</u></p> <p>EXISTING PUBLIC ADJUSTER FEE CAP REDUCED by 50%</p>	<p>(12) If the public adjuster enters into a contract with an insured or claimant after the insured or claimant unsuccessfully negotiates an insurance claim payment and the public adjuster is successful in obtaining a higher insurance claim payment, the public adjuster shall receive a commission consisting of 10 percent of the difference between the initial insurance claim payment offer made to the insured and the final insurance claim payment obtained through the work of the public adjuster after entering into the contract with the insured or claimant.</p> <p>This additional fee cap is punitive toward a licensees by reducing their fee limit by 50%</p>
<p><u>LINE 608</u></p> <p>ESTIMATE TO BE PROVIDED WITHIN 45 DAYS OR THE CONTRACT IS SUBJECT TO CANCELLATION</p>	<p>Current Statute already requires the public adjuster licensee to provide the insured with an estimate within 60 days. This went into effect in 2022.</p> <p>No such time limit exists for insurers or their adjusters to provide their estimates.</p>
<p><u>LINE: 775</u></p>	<p>Requires public adjuster applicants to carry errors</p>

<p>Affecting FS 626.865</p> <p>REQUIRES ERRORS AND OMISSIONS FOR LICENSEE APPLICANTS</p>	<p>and omissions liability insurance in with a limit of \$500,000 which may be prohibitively expensive to the new licensee. E & O policies are underwritten based on revenue - new licensees would not be able to project their revenue so that an appropriate rate could be assessed. Additionally, there is already a \$50,000.00 bond requirement.</p> <p>Additionally, insurance company adjusters, real estate agents, any many other licensees are not held to this punitive standard. If this draconian language is to be required of public insurance adjusters, insurance company adjusters should be held to the same standard.</p>
<p>LINE: 789 626.865</p> <p>ADDS LANGUAGE PROHIBITING LICENSURE FOR ANYONE WHO HAS PLEAD GUILTY OR NO CONTEST TO A CRIM INVOLVING "THEFT OR DISHONESTY" REGARDLESS OF ADJUDICATION WITHIN THE LAST 10 YEARS</p>	<p>Adds a redundancy of disqualifications for licensing which essentially already exist in FL 626.207 for all licensees.</p> <p>This should also be required for insurance company adjusters, customer service representatives, agents, and any other licensee. Why only public adjusters?</p>
<p>LINE 828</p> <p>REQUIRES ERRORS AND OMISSIONS FOR LICENSEE APPLICANTS</p>	<p>Requires, at the time of application, that the PA file with the Department an errors and omissions policy in the minimum amount of \$500K. See notes from line 775 above.</p>
<p>LINE; 869 626.875 Office and Records</p> <p>CURRENT STATUTE ALREADY REQUIRES LICENSEES TO KEEP "The records of the adjuster relating to a particular claim " for 5 years"</p>	<p>Requires the public adjuster to be responsible for retaining information that the insurer may not have provided, such as the names of all adjusters assigned to the loss.</p>
<p>LINE 895 626.8751 Payment of Claim</p> <p>DIRECT PAY</p>	<p><i>Payment of claim.—When a claim is settled while the insured is represented by a public adjuster, the insurer shall issue the payment in check form. A total of two checks shall be issued. The first check shall be made payable to the public adjuster as payee, but not in excess of the amount of the public adjuster's fee, as indicated in the executed public adjuster contract signed by the insured and submitted to the insurer.</i></p> <p>The concern here is that while we may agree with</p>

	<p>the spirit of this provision, we believe it requires additional vetting to make sure both the policyholder and public adjusters' interests are protected.</p>
<p>LINE 910</p> <p>626.8796 Public Adjuster Contracts</p> <p>REQUIRES 18 POINT FONT FOR FRAUD STATEMENT</p> <p>REQUIRES UNALTERED COPY OF THE CONTRACT TO INSURED WITHIN THREE DAYS</p> <p>LINE 964</p> <p>PUNITIVE TO POLICYHOLDERS - THIS PROVISION PROHIBITS A PUBLIC ADJUSTER FROM PROMPTLY COMMENCING WORK</p> <p>LINE 967</p> <p>PROVIDES FOR RESCISSION OF CONTRACT IF ESTIMATE NOT PROVIDED WITHIN 45 DAYS - conflicts with existing 60 day language</p> <p>LINE 971</p> <p>DISCLOSURE FORM CREATED BY DFS REQUIRED PRIOR TO SIGNING PA CONTRACT OR THE CONTRACT IS INVALID AND UNENFORCEABLE</p>	<p>Requires that the title of a public adjuster contract be in 12 point font</p> <p>Requires that already required fraud statement now be in 18 point font and located near the signature of the consumer. Note - Public adjuster contracts already have an 18 point font requirement for the Right of Rescission</p> <p>An unaltered copy of the executed contract must be remitted to the insured at the time of execution and to the insurer within 3 30 days after execution.</p> <p>(3) The public adjuster shall not provide services until both the insured and insurer have been provided with unaltered copies of the executed contract.</p> <p>(4) The insured may rescind the contract for public adjuster services if the public adjuster has not submitted a written estimate to the insurer within 45 days of executing the contract.</p> <p>(5) Before the signing of the contract, the public adjuster shall provide the insured with a separate disclosure document to be signed by the insured, on a form adopted by the department, regarding the claim process that accomplishes the following: SEE BILL LANGUAGE FOR THESE VERY LONG PROPOSED REQUIREMENTS</p>
<p>LINE 1009</p> <p>626.8797 Proof of Loss Fraud Statements</p>	<p>18 point fraud statement would now be required on proof of loss forms.</p>