

CHAPTER 116

AN ACT concerning licensed public adjusters and amending P.L.1993, c.66.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 9 of P.L.1993, c.66 (C.17:22B-9) is amended to read as follows:

C.17:22B-9 License fees.

9. For applications made during the first year of operation of this act, there shall be paid to the commissioner by each individual applicant and by each proposed sublicensee a fee of \$300 for an initial license term of four years. Thereafter, the commissioner may adjust the amount of the license fee to produce revenues sufficient to support the regulatory obligations imposed on the department by this act. The term of all public adjuster licenses shall be for a period of two years. The commissioner shall refund to the applicant or proposed sublicensee the fee paid if the application is denied.

2. Section 10 of P.L.1993, c.66 (C.17:22B-10) is amended to read as follows:

C.17:22B-10 License renewal.

10. Every adjuster's license issued pursuant to this act may be renewed for a two-year period upon the filing of an application in conformity with section 6 of this act, which shall include proof of completion of continuing education requirements as established by this section.

a. The commissioner shall require every individual licensed as a public adjuster, and each sublicensee of a licensed adjuster that is a corporation, firm or association, as a condition of biennial license renewal pursuant to this section, to complete not less than 15 hours of continuing education. Each hour of instruction shall be equivalent to one credit.

b. The commissioner shall:

(1) establish standards for the continuing education of public adjusters, including the subject matter and content of courses of study;

(2) approve educational programs offering continuing education credits and the qualification of instructors; and

(3) approve other equivalent educational programs and establish procedures for the issuance of credit upon satisfactory proof of the completion of these programs.

c. The commissioner may, in his discretion, waive requirements for continuing education on an individual basis for reasons of hardship such as illness or disability, retirement of the license, or other good cause.

d. The commissioner may, in his discretion, waive the continuing education requirements set forth in subsection a. of this section for a public adjuster who is a non-resident licensee if the commissioner deems that such licensee has satisfactorily completed continuing education requirements for licensed public adjusters in the state in which he resides that are equivalent to New Jersey continuing education requirements.

3. Section 13 of P.L.1993, c.66 (C.17:22B-13) is amended to read as follows:

C.17:22B-13 Prohibited practices.

13. No individual, firm, association or corporation licensed under this act shall:

a. solicit the adjustment of a loss or damage occurring in this State from an insured, whether by personal interview, by telephone, or by any other method, between the hours of six p.m. and eight a.m. during the 24 hours after the loss has occurred;

b. enter into any agreement, oral or written, with an insured to negotiate or settle claims for loss or damage occurring in this State between the hours of six p.m. and eight a.m. during the 24 hours after the loss has occurred;

c. have any right to compensation from any insured for or on account of services rendered to an insured as a public adjuster unless the right to compensation is based upon a written memorandum, signed by the party to be charged and by the adjuster, and specifying or clearly defining the services to be rendered and the amount or extent of the compensation on a form and with such language as the commissioner may prescribe;

d. induce cancellation of a duly executed written memorandum between an insured and a public adjuster;

e. make any misrepresentation of facts or advise any person on questions of law in connection with the transaction of business as an adjuster; or

f. receive, accept or hold any moneys towards the settlement of a claim for loss or damage on behalf of an insured unless the public adjuster deposits the moneys in an interest bearing escrow account in a banking institution or savings and loan association in this State insured by an agency of the federal government. Any funds held in escrow together with interest accumulated thereon shall be the property of the insured until disbursement thereof pursuant to a written memorandum, signed by the insured and by the adjuster, specifying or clearly defining the services rendered and the amount of any compensation to be paid therefrom. In the event of the insolvency or bankruptcy of a public adjuster, the claim of an insured for any settlement moneys received, accepted or held by the adjuster shall constitute a statutory trust.

4. This act shall take effect on the 180th day next following enactment, and shall apply to all license renewals submitted on or after that date.

Approved January 5, 2011.