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(Original Signature of Member)

115TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To reform uniformity and reciprocity among States that license insurance claims adjusters and to facilitate prompt and efficient adjusting of insurance claims, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. KUSTOFF of Tennessee (for himself, Mr. FOSTER, Mr. ROYCE of California, Mr. STIVERS, Mr. BLUM, and Mr. ROE of Tennessee) introduced the following bill; which was referred to the Committee on

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**A BILL**

To reform uniformity and reciprocity among States that license insurance claims adjusters and to facilitate prompt and efficient adjusting of insurance claims, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Claims Licensing Ad-  
5       vancement for Interstate Matters Act” or the “CLAIM  
6       Act”.

1 **SEC. 2. STATE FLEXIBILITY IN MULTISTATE ADJUSTER LI-**  
2 **CENSING REFORMS.**

3 (a) IN GENERAL.—Section 4 shall take effect upon  
4 the expiration of the 4-year period beginning on the date  
5 of the enactment of this Act unless, before the expiration  
6 of such period, those States that license independent  
7 claims adjusters have enacted—

8 (1) uniform laws and regulations governing the  
9 licensure of individuals and entities authorized to  
10 adjust insurance claims within the State; and

11 (2) reciprocity laws and regulations governing  
12 the licensure of nonresident individuals and entities  
13 authorized to adjust insurance claims within those  
14 States.

15 (b) UNIFORMITY REQUIRED.—States shall be deemed  
16 to have established the uniformity necessary to comply  
17 with subsection (a)(1) if the States—

18 (1) establish uniform criteria regarding the in-  
19 tegrity, personal qualifications, education, training,  
20 and experience of licensed independent claims ad-  
21 justers for—

22 (A) property and casualty insurance;

23 (B) workers compensation insurance; and

24 (C) such other lines as a State may choose  
25 to regulate.

1           (2) establish uniform continuing education re-  
2           quirements for licensed independent claims adjusters  
3           for each line of insurance under paragraph (1) that  
4           a State chooses to regulate;

5           (3) establish uniform ethics course require-  
6           ments for licensed independent claims adjusters in  
7           conjunction with the continuing education require-  
8           ments under paragraph (2);

9           (4) do not impose any requirement upon any  
10          independent claims adjuster to be licensed or other-  
11          wise qualified to do business as a nonresident that  
12          has the effect of limiting or conditioning that inde-  
13          pendent claims adjuster's activities because of its  
14          residence or place of operations; and

15          (5) utilize a uniform license application.

16          (c) RECIPROCITY REQUIRED.—States shall be  
17          deemed to have established the reciprocity required to  
18          comply with subsection (a)(2) if the following conditions  
19          are met:

20               (1) ADMINISTRATIVE LICENSING PROCE-  
21               DURES.—Each State that licenses independent  
22               claims adjusters permits an independent claims ad-  
23               juster that has a license for adjusting insurance  
24               claims in their home State to receive a license to ad-  
25               just insurance claims in those other States as a non-

1 resident to the same extent that such independent  
2 claims adjuster is permitted to adjust insurance  
3 claims in their home State without satisfying any  
4 additional requirements other than submitting—

5 (A) a request for licensure utilizing the  
6 uniform license application;

7 (B) a copy of, or evidence of, a valid li-  
8 cense held by the adjuster in their home State  
9 (unless such information is available in the Na-  
10 tional Insurance Producer Registry Producer  
11 Database); and

12 (C) the payment of any requisite fee to the  
13 appropriate authority.

14 (2) CONTINUING EDUCATION REQUIRE-  
15 MENTS.—Each State that licenses an independent  
16 claims adjuster accepts an insurance claims adjust-  
17 er's satisfaction of their home State's continuing  
18 education requirements for licensed insurance claims  
19 adjusters to satisfy the State's own continuing edu-  
20 cation requirements.

21 (3) NO LIMITING NONRESIDENT REQUIRE-  
22 MENTS.—A State does not impose any requirement  
23 upon any independent claims adjuster to be licensed  
24 or otherwise qualified to do business as a non-  
25 resident that has the effect of limiting or condi-

1       tioning that independent claims adjuster's activities  
2       because of its residence or place of operations.

3           (4) RECIPROCAL RECIPROCITY.—Each of the  
4       States that satisfies paragraphs (1), (2), and (3)  
5       grants reciprocity to residents of all of the other  
6       States that satisfy such paragraphs.

7       (d) DETERMINATION.—

8           (1) DETERMINATION.—A State shall be consid-  
9       ered to be in compliance with subsection (a) for pur-  
10      poses of this Act if the National Association of Reg-  
11      istered Agents and Brokers determines that, before  
12      the expiration of the 4-year period beginning on the  
13      date of the enactment of this Act, the State is in  
14      compliance with the requirements under such sub-  
15      section.

16          (2) CONTINUED REVIEW.—With respect to any  
17      State that the National Association of Registered  
18      Agents and Brokers has determined to be in compli-  
19      ance with the requirements of subsection (a), the  
20      National Association of Registered Agents and Bro-  
21      kers shall continue to review and determine such  
22      State's compliance with the requirements of sub-  
23      section (a) on an annual basis. If the National Asso-  
24      ciation of Registered Agents and Brokers determines  
25      at any time that a State no longer is in compliance

1 with the requirements of subsection (a), section 4  
2 shall apply with respect to such State.

3 (3) JUDICIAL REVIEW.—The appropriate  
4 United States District Court shall have exclusive ju-  
5 risdiction over any challenge arising under this sec-  
6 tion. The court shall apply the standards set forth  
7 in section 706 of title 5, United States Code, in re-  
8 viewing any such challenge.

9 **SEC. 3. STATE AUTHORITIES.**

10 Nothing in this Act shall be construed to—

11 (1) require a State that does not have licensing  
12 requirements for independent claims adjusters to  
13 adopt any such requirements;

14 (2) subject to section 2, limit the right of a  
15 State to establish licensing fees or enforce its laws  
16 regarding the adjusting of insurance claims, pro-  
17 vided that such State fee is uniform regardless of  
18 the State of residence of the licensee in that State;  
19 or

20 (3) affect the jurisdiction and authority of a  
21 State insurance regulator to prescribe and enforce  
22 its insurance laws, rules, and regulations regulating  
23 independent claims adjuster activity in its jurisdic-  
24 tion.

1 **SEC. 4. AUTHORITY FOR INTERSTATE CLAIMS ADJUSTING.**

2 In the case of any State that requires and issues li-  
3 censes for independent claims adjusters but is not in com-  
4 pliance with section 2, after the expiration of the 4-year  
5 period beginning on the date of the enactment of this Act,  
6 an independent claims adjuster may apply to the National  
7 Association of Registered Agents and Brokers for Mem-  
8 bership for the purpose of licensure in each such State  
9 not in compliance with section 2, provided that such inde-  
10 pendent claims adjuster pays the requisite fees, including  
11 licensing fees. For purposes of this provision, upon such  
12 date an independent claims adjuster shall be determined  
13 to be a person that negotiates policies of insurance and  
14 offers advice, counsel, opinions or services related to insur-  
15 ance, as such terms are used in section 334(5) of Public  
16 Law 106–102, as amended by section 202(a) of Public  
17 Law 114–1 (15 U.S.C. 6764(5); 129 Stat. 27).

18 **SEC. 5. DEFINITIONS.**

19 For purposes of this Act, the following definitions  
20 shall apply:

21 (1) HOME STATE.—

22 (A) ACTUAL.—The term “home State”  
23 means, with respect to an independent claims  
24 adjuster, the State in which the adjuster main-  
25 tains his, her, or its principal place of residence

1 or business and is licensed upon having passed  
2 an exam as an independent claims adjuster.

3 (B) DESIGNATED.—If the State in which  
4 an independent claims adjuster maintains his or  
5 her principal place of residence or business does  
6 not issue an independent claims adjuster license  
7 or require an examination as a condition for  
8 such licensure for the line or lines of authority  
9 sought, such term means any other State in  
10 which the independent claims adjuster is so li-  
11 censed upon having passed an exam and that is  
12 designated by such adjuster as his or her home  
13 State.

14 (2) INDEPENDENT CLAIMS ADJUSTER.—The  
15 term “independent claims adjuster” means an indi-  
16 vidual, other than a public adjuster, who undertakes  
17 on behalf of insurers or self-insurers to investigate,  
18 evaluate, and negotiate the resolution of the amount  
19 of a property, casualty, liability, disability, or work-  
20 ers’ compensation claim, loss, or damage on behalf  
21 of an insurance policy or insurer or as a third-party  
22 on behalf of a self-insurer. Such term includes com-  
23 pany or staff adjusters, who are individuals, other  
24 than a public adjuster, employed by property cas-  
25 ualty insurers and undertake to investigate, evalu-



1       ate, and negotiate the resolution of a property, cas-  
2       ualty, liability, disability, or workers' compensation  
3       claim, loss, or damage on behalf of an insurance pol-  
4       icy or insurer.

5           (3) PUBLIC ADJUSTER.—The term “public ad-  
6       juster” means any person who, for compensation or  
7       any other thing of value, on behalf of the insured  
8       acts, aids, advertises, or solicits business to ascer-  
9       tain, determine, negotiate, or settle the amount of a  
10      claim, loss, or damage, solely in relation to first  
11      party claims arising under contracts that insure the  
12      real or personal property of the insured.

13          (4) STATE.—The term “State” means the  
14      States of the United States, the District of Colum-  
15      bia, the Commonwealth of Puerto Rico, the Com-  
16      monwealth of the Northern Mariana Islands, Guam,  
17      the Virgin Islands, American Samoa, and any other  
18      territory or possession of the United States.

19          (5) STATE LAW.—The term “State law” in-  
20      cludes all laws, decisions, rules, regulations, or other  
21      State action of any State having the effect of law;  
22      and a law of the United States applicable only to the  
23      District of Columbia shall be treated as a State law  
24      rather than as a law of the United States.