

AN ACT

relating to the regulation of insurance adjusters.

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

SECTION 1. Section 4101.002(a), Insurance Code, is amended to read as follows:

(a) This chapter does not apply to:

(1) an attorney who:

(A) adjusts insurance losses periodically and incidentally to the practice of law; and

(B) does not represent that the attorney is an adjuster;

(2) a salaried employee of an insurer who is not regularly engaged in the adjustment, investigation, or supervision of insurance claims;

(3) a person employed only to furnish technical assistance to a licensed adjuster, including:

(A) an attorney;

(B) an engineer;

(C) an estimator;

(D) a handwriting expert;

(E) a photographer; and

(F) a private detective;

(4) an agent or general agent of an authorized insurer who processes an undisputed or uncontested loss for the insurer

1 under a policy issued by the agent or general agent;

2 (5) a person who performs clerical duties and does not
3 negotiate with parties to disputed or contested claims;

4 (6) a person who handles claims arising under life,
5 accident, and health insurance policies;

6 (7) a person:

7 (A) who is employed principally as:

8 (i) a right-of-way agent; or

9 (ii) a right-of-way and claims agent;

10 (B) whose primary responsibility is the
11 acquisition of easements, leases, permits, or other real property
12 rights; and

13 (C) who handles only claims arising out of
14 operations under those easements, leases, permits, or other
15 contracts or contractual obligations;

16 (8) an individual who is employed to investigate
17 suspected fraudulent insurance claims but who does not adjust
18 losses or determine claims payments;

19 (9) a public insurance adjuster licensed under Chapter
20 4102; ~~or~~

21 (10) an individual who:

22 (A) collects claim information from, or
23 furnishes claim information to, an insured or claimant and enters
24 data into an automated claims adjudication system; and

25 (B) is employed by a licensed independent
26 adjuster or its affiliate under circumstances in which no more than
27 25 individuals performing duties described by Paragraph (A) are

1 supervised by a single licensed independent adjuster or a single
2 licensed agent; or

3 (11) an individual employed by an insurer or an
4 affiliate of the insurer who adjusts a loss not to exceed \$500, or
5 authorizes a payment on a claim for a loss for which there is a
6 specified coverage limit of \$500 or less, arising from a
7 first-party claim under a property and casualty insurance policy.

8 SECTION 2. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 718 passed the Senate on April 19, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 718 passed the House on May 19, 2017, by the following vote: Yeas 144, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor