

1 HJR706
2 120711-2
3 By Representative Ball
4 RFD: Rules
5 First Read: 25-MAR-10

2
3
4
5
6
7
8 URGING THE ATTORNEY GENERAL OF ALABAMA AND THE
9 ALABAMA DEPARTMENT OF INSURANCE TO INVESTIGATE CERTAIN
10 UNSCRUPULOUS PRACTICES IN THE ROOFING INDUSTRY.

11
12 WHEREAS, many roofers in Alabama are hardworking
13 pillars of the community who perform quality work for their
14 customers; and

15 WHEREAS, in any profession, not all individuals
16 within that profession act in a legal and ethical manner; and

17 WHEREAS, the serious economic conditions in this
18 country have created significant difficulty for honest
19 businessmen and businesswomen to conduct business; and

20 WHEREAS, bad economic times often create an
21 environment where individuals and companies engaging in
22 unscrupulous business practices take advantage of less
23 fortunate individuals and take work away from honest and
24 hardworking businessmen and businesswomen; and

25 WHEREAS, the roofing community in Alabama has
26 certain members of its profession who are engaging in
27 unscrupulous and illegal activity in an attempt to unjustly

1 enrich themselves, resulting in increased insurance claims
2 costs and premiums; and

3 WHEREAS, these roofing companies are targeting
4 senior citizens and other low-income groups in Alabama,
5 pushing them into filing questionable insurance claims for new
6 roofs against the will of the insureds; and

7 WHEREAS, some roofing companies in Alabama have
8 improperly represented themselves as working for insurers,
9 made false claims on the insureds' behalf and without their
10 consent, sought to provide rebates to customers, and are
11 harassing the elderly and low-income individuals to obtain
12 their business; and

13 WHEREAS, insurers in Alabama are experiencing a
14 significant increase in complaints by insureds relating to
15 improper business tactics by these few roofing companies; and

16 WHEREAS, the actions of these roofing companies,
17 including reporting claims on behalf of insureds, often
18 without the insureds' consent, or after employing aggressive
19 tactics in order to usurp the rights of the insureds, are
20 unethical and in many cases illegal; and

21 WHEREAS, in attempting to receive assignment
22 benefits from insureds to act on their behalf, as well as
23 seeking to contact insurance companies on behalf of the
24 insureds, these roofing companies are essentially attempting
25 to act as "Public Adjusters;" and

26 WHEREAS, a "Public Adjuster" who seeks to receive an
27 assignment of claim benefits in Alabama or to contact an

1 insurance company on behalf of an insured is in violation of
2 Section 34-3-6 of the Code of Alabama 1975; and

3 WHEREAS, the Attorney General, the State Bar
4 Association of Alabama, and the Department of Insurance have
5 all taken the position that such activity amounts to the
6 "unauthorized and unlicensed practice of law" and is not legal
7 in the State of Alabama; now therefore,

8 BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH
9 HOUSES THEREOF CONCURRING, That we hereby urge the Attorney
10 General of Alabama and the Alabama Department of Insurance to
11 investigate the matter discussed above, to take such measures
12 as are necessary to stop any unscrupulous, unethical, or
13 illegal practices in the roofing industry, and to report to
14 the Legislature any proposed changes to the law they may deem
15 necessary to contravene unethical or unscrupulous roofing
16 practices.

17 BE IT FURTHER RESOLVED, That copies of this
18 resolution will be delivered to the Attorney General and the
19 Department of Insurance.