

HOUSE BILL 1047

By Matheny

AN ACT to amend Tennessee Code Annotated, Title 56,
relative to insurance adjusters.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-6-901(a), is amended by deleting the language "Public Adjuster" and substituting instead the language "Public and Independent Adjuster".

SECTION 2. Tennessee Code Annotated, Section 56-6-901(b), is amended by deleting the language "public adjusters" and substituting instead the language "public and independent adjusters".

SECTION 3. Tennessee Code Annotated, Section 56-6-902(8)(B)(ii), is amended by deleting the subdivision in its entirety and redesignating the existing subdivision accordingly.

SECTION 4. Tennessee Code Annotated, Section 56-6-902, is amended by adding the following new appropriately designated subdivision thereto:

() "Independent adjuster" means a person who:

(A) Independently contracts, for compensation, with insurers; and

(B) Investigates, negotiates or settles property, casualty or workers' compensation claims for insurers or workers' compensation claims for self-insurers.

SECTION 5. Tennessee Code Annotated, Section 56-6-903(a), is amended by deleting the language "public adjuster" and substituting instead the language "public or independent adjuster" wherever it appears.

SECTION 6. Tennessee Code Annotated, Section 56-6-903(c) and (d), are amended by deleting the language “public adjuster” and substituting instead the language “public or independent adjuster” wherever it appears.

SECTION 7. Tennessee Code Annotated, Section 56-6-903(d), is amended by deleting subdivision (6).

SECTION 8. Tennessee Code Annotated, Section 56-6-904, 56-6-905, 56-6-906, 56-6-907, 56-6-908, 56-6-910, 56-6-912, 56-6-918, and 56-6-920, are amended by deleting the language “public adjuster” and substituting instead the language “public or independent adjuster” wherever it appears.

SECTION 9. Tennessee Code Annotated, Title 56, Chapter 6, Part 9, is amended by adding the following new sections thereto:

56-6-921.

An independent adjuster shall maintain a copy of each contract between the independent adjuster and the insurer or self-insurer and comply with the record retention policy as agreed to in that contract.

56-6-922.

(a) An independent adjuster shall be honest and fair in all communications with the insured, the insurer and the public.

(b) An independent adjuster shall give policyholders and claimants prompt, knowledgeable service and courteous, fair and objective treatment at all times.

(c) An independent adjuster shall not give legal advice, and shall not deal directly with any policyholder or claimant who is represented by legal counsel without the consent of the legal counsel involved.

(d) An independent adjuster shall comply with all local, state and federal privacy and information security laws, if applicable.

(e) An independent adjuster shall identify such adjuster as an independent adjuster and, if applicable, identify such adjuster's employer when dealing with any policyholder or claimant.

(f) An independent adjuster shall not have any financial interest in any adjustment or acquire for such adjuster or any person any interest or title in salvage, without first receiving written authority from the principal.

SECTION 10. The commissioner of the department of commerce and insurance is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 11. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 12. This act shall take effect July 1, 2011, the public welfare requiring it.