

CHAPTER 522C

LICENSING OF PUBLIC ADJUSTERS

Referred to in §87.4, 296.7, 331.301, 364.4, 505.28, 505.29, 669.14, 670.7

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522C.1 Purpose.

The purpose of [this chapter](#) is to govern the qualifications and procedures for licensing public adjusters in this state, and to specify the duties of and restrictions on public adjusters, including limitation of such licensure to assisting insureds only with first-party claims.

[2007 Acts, ch 137, §24](#)

522C.2 Definitions.

As used in [this chapter](#), unless the context otherwise requires:

1. “*Business entity*” means a corporation, association, partnership, limited liability company, limited liability partnership, or any other legal entity.
2. “*Commissioner*” means the commissioner of insurance.
3. “*Fingerprints*” means an impression of the lines on a human finger taken for the purposes of identification. The impression may be electronic or in ink converted to an electronic format.
4. “*First-party claim*” means a claim filed by a person insured under the insurance policy against which the claim is made.
5. “*Individual*” means a natural person.
6. “*Person*” means an individual or a business entity.
7. “*Public adjuster*” means any person who for compensation or any other thing of value acts on behalf of an insured by doing any of the following:
 - a. Acting for or aiding an insured in negotiating for or effecting the settlement of a first-party claim for loss or damage to real or personal property of the insured.
 - b. Advertising for employment as a public adjuster of first-party insurance claims or otherwise soliciting business or representing to the public that the person is a public adjuster of first-party insurance claims for loss or damage to real or personal property of an insured.
 - c. Directly or indirectly soliciting business investigating or adjusting losses, or advising an insured about first-party claims for loss or damage to real or personal property of the insured.
8. “*Uniform business entity application*” means the current version of the national association of insurance commissioners’ uniform business entity application for resident and nonresident business entities.
9. “*Uniform individual application*” means the current version of the national association of insurance commissioners’ uniform individual application for resident and nonresident individuals.

[2007 Acts, ch 137, §25](#)

522C.3 Authority of the commissioner.

1. The commissioner shall adopt rules pursuant to [chapter 17A](#) as necessary to administer and enforce [this chapter](#).
2. The commissioner shall adopt rules including but not limited to all of the following:
 - a. Advertising standards.
 - b. Continuing education requirements for licensees.
 - c. Contracts between public adjusters and insureds.
 - d. Required disclosures by licensees.
 - e. Examinations for licensure.
 - f. Exemptions.
 - g. License bonds and errors and omissions insurance requirements.
 - h. License requirements and exclusions.

- i. Prohibited practices.
 - j. Record retention requirements.
 - k. Reporting requirements.
 - l. Requirements and limitations on fees charged by public adjusters.
 - m. Standards for reasonableness of payment.
 - n. Standards of conduct.
 - o. Penalties.
- [2007 Acts, ch 137, §26](#)

522C.4 License required.

A person shall not operate as or represent that the person is a public adjuster in this state unless the person is licensed by the commissioner in accordance with [this chapter](#).

[2007 Acts, ch 137, §27](#)

522C.5 Application for license.

1. A person applying for a public adjuster license shall make application on a uniform individual application or uniform business entity application as prescribed by the commissioner pursuant to rules adopted under [chapter 17A](#).

2. In determining eligibility for licensure under [this chapter](#), the commissioner shall require each individual applying for a public adjuster license to submit a full set of fingerprints with the application. The commissioner shall also require each business entity applying for licensure under [this chapter](#) to submit a full set of fingerprints for each individual who will be acting as a public adjuster on behalf of the business entity. The commissioner shall conduct a state and national criminal history record check on each applicant. The commissioner is authorized to submit fingerprints and any required fees to the state department of public safety, the state attorney general, and the federal bureau of investigation for the performance of such criminal record checks.

a. The commissioner may contract for the collection, transmission, and resubmission of fingerprints required under [this section](#) and may contract for a reasonable fingerprinting fee to be charged by the contractor for these services. Any fees for the collection, transmission, and retention of fingerprints submitted pursuant to [this subsection](#) shall be paid directly to the contractor by the applicant.

b. The commissioner may waive submission of fingerprints by any person who has previously furnished fingerprints if those fingerprints are on file with the central repository of the national association of insurance commissioners, its affiliates, or subsidiaries.

c. The commissioner may receive criminal history record information concerning an applicant that was requested by the state department of justice directly from the federal bureau of investigation.

d. The commissioner may submit electronic fingerprint records and necessary identifying information to the national association of insurance commissioners, its affiliates, or subsidiaries for permanent retention in a centralized repository whose purpose is to provide state insurance commissioners with access to fingerprint records in order to perform criminal history record checks.

[2007 Acts, ch 137, §28](#)

522C.6 Penalties.

1. The commissioner may place on probation, suspend, revoke, or refuse to issue or renew a public adjuster's license or may levy a civil penalty as provided in [section 505.7A](#) if a licensed public adjuster is found after hearing to be in violation of the requirements of [this chapter](#) or rules adopted or orders issued pursuant to [this chapter](#).

2. A person acting as a public adjuster without proper licensure or a public adjuster who willfully violates any provision of [this chapter](#) or any rule adopted or order issued under [this chapter](#) is guilty of a serious misdemeanor.

3. a. A licensed public adjuster who, after hearing, is found to have violated [this chapter](#) or any rule adopted or order issued pursuant to [this chapter](#), may be ordered to cease and

desist from engaging in the conduct resulting in the violation and may be assessed a civil penalty as provided in [section 505.7A](#).

b. A person who, after hearing, is found to have violated [this chapter](#) by acting as a public adjuster without proper licensure may be ordered to cease and desist from engaging in the conduct resulting in the violation and may be assessed a civil penalty according to the provisions of [chapter 507A](#).

c. If a person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of [this chapter](#) or any rule adopted or order issued pursuant to [this chapter](#), the commissioner may issue a summary order that includes a brief statement of findings of fact, conclusions of law, and policy reasons for the order, and that directs the person to cease and desist from engaging in the act or practice constituting the violation and that may assess a civil penalty or take other affirmative action as in the judgment of the commissioner is necessary to assure that the person complies with the requirements of [this chapter](#) as provided in [chapter 507A](#).

d. If a person does not comply with an order issued pursuant to [this subsection](#), the commissioner may petition a court of competent jurisdiction to enforce the order. The court shall not require the commissioner to post a bond in an action or proceeding under [this subsection](#). If the court finds, after notice and opportunity for hearing, that the person is not in compliance with an order, the court may adjudge the person to be in civil contempt of the order. The court may impose a civil penalty against the person for contempt in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation and may grant any other relief that the court determines is just and proper in the circumstances.

[2007 Acts, ch 137, §29](#); [2013 Acts, ch 124, §29](#)