

# House Bill 3619

Sponsored by COMMITTEE ON BUSINESS AND LABOR

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts individuals collecting and furnishing claim information and conducting data entry under supervision of licensed adjuster or insurance producer from requirement to obtain adjuster's license. Allows Canadian residents to be issued resident adjuster license. Requires applicant for corporate nonresident adjuster license to submit information regarding executive officers and directors.

## A BILL FOR AN ACT

1  
2 Relating to insurance adjusters; amending ORS 744.515, 744.525 and 744.528.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 744.515 is amended to read:

5 744.515. (1) A licensed resident insurance producer or salaried employee or officer of an au-  
6 thorized insurer may adjust and settle losses for the insurer that the insurance producer, employee  
7 or officer represents, without obtaining an adjuster's license.

8 (2) A person may make one adjustment before obtaining an adjuster's license if the person ap-  
9 plies for the license within two days after entering upon the adjustment, and in all other respects  
10 complies with the provisions of this chapter governing adjusters.

11 (3) A person holding a temporary permit under ORS 744.555 may perform acts authorized under  
12 ORS 744.555 without obtaining an adjuster's license.

13 (4) Any average adjuster or adjuster of maritime losses may adjust maritime losses without ob-  
14 taining an adjuster's license.

15 (5) A person may perform or provide repair or replacement service under home protection in-  
16 surance without obtaining an adjuster's license.

17 **(6)(a) An individual may act as an adjuster without obtaining an adjuster's license if the**  
18 **individual:**

19 **(A) Collects claim information from, or furnishes claim information to, insureds or**  
20 **claimants, or conducts data entry, including entry of data into an automated claims adjudi-**  
21 **cation system; and**

22 **(B) Is an employee of a licensed adjuster, or its affiliate, that employs no more than 25**  
23 **such individuals under the supervision of one licensed adjuster or one licensed insurance**  
24 **producer.**

25 **(b) As used in this subsection, "automated claims adjudication system" means a prepro-**  
26 **grammed computer system designed for the collection, data entry, calculation and final re-**  
27 **solution of portable consumer electronic insurance claims that:**

28 **(A) Is utilized only by a licensed adjuster, licensed insurance producer or individuals**  
29 **supervised by a licensed adjuster or licensed insurance producer;**

30 **(B) Is compliant with all claims payment requirements of the Insurance Code; and**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (C) Is certified as compliant by a licensed adjuster who is an officer of a business entity.

2 (c) A licensed insurance producer acting as a supervisor as described in paragraph (a)  
3 of this subsection is not required to obtain an adjuster's license.

4 **SECTION 2.** ORS 744.525 is amended to read:

5 744.525. (1) An applicant for a license as a resident adjuster shall apply for the license as pro-  
6 vided in ORS 744.001 and must meet the following requirements:

7 [(1)] (a) If the applicant is an individual, the applicant must establish a residence or place of  
8 transacting insurance business in this state prior to filing an application. If the applicant is a firm  
9 or corporation, the applicant must establish an office in this state that employs an individual li-  
10 censed under ORS 744.002 as an adjuster.

11 [(2)] (b) If the applicant is an individual, the applicant must pass any examination required by  
12 ORS 744.535.

13 [(3)] (c) The applicant must satisfy all other requirements established by the Director of the  
14 Department of Consumer and Business Services by rule.

15 **(2) Notwithstanding ORS 744.002 (3)(a) and subsection (1)(a) of this section, an individual**  
16 **who is a resident of Canada and is functioning as a supervising licensed adjuster or licensed**  
17 **insurance producer described in ORS 744.515 (6) may be issued a resident license under ORS**  
18 **744.001 and may designate Oregon as the individual's home state, if the individual has suc-**  
19 **cessfully passed any examination required by ORS 744.535 and has complied with all other**  
20 **applicable provisions of ORS chapter 744.**

21 **SECTION 3.** ORS 744.528 is amended to read:

22 744.528. (1) A person who resides in another state or a province of Canada and is licensed in  
23 that state or province as an adjuster may be licensed to act as a nonresident adjuster in this state  
24 as provided in this section if the state or province in which the person resides gives the same  
25 privilege to a resident adjuster of this state.

26 (2) An applicant for a license to act as a nonresident adjuster must do the following:

27 (a) Apply for the license on forms designed and furnished by the Director of the Department of  
28 Consumer and Business Services as provided in ORS 744.001.

29 (b) If the applicant is an individual, pass an examination required by ORS 744.535.

30 (c) **If the applicant is a firm or corporation, submit the names, addresses, Social Security**  
31 **numbers if applicable and, if required by the director, fingerprints, administrative histories,**  
32 **criminal background checks and biographical statements of:**

33 **(A) All executive officers and directors of the applicant;**

34 **(B) Any individual owning, directly or indirectly, more than 50 percent of the outstanding**  
35 **voting securities of the applicant; and**

36 **(C) All executive officers and directors of entities owning, directly or indirectly, more**  
37 **than 50 percent of the outstanding voting securities of the applicant.**

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