

STATE OF NEW YORK

8539

2021-2022 Regular Sessions

IN ASSEMBLY

December 13, 2021

Introduced by M. of A. DILAN -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to public adjusters who have a financial or ownership interest in an individual or entity that performs the services, work, or repairs relating to an insurance claim

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subparagraph (B) of paragraph 2 of subsection (s) of
2 section 2108 of the insurance law, as added by chapter 546 of the laws
3 of 2013, is amended and a new subparagraph (C) is added to read as
4 follows:

5 (B) No public adjuster who has a financial or ownership interest in
6 the individual or entity that performs the services, work, or repairs,
7 shall refer the insured to the individual or entity [~~unless the finan-
8 cial or ownership interest is prominently and clearly disclosed to the
9 insured in the written memorandum described in subsection (p) of this
10 section~~]. If a public adjuster refers an insured to an individual who
11 is related to the individual by blood or affinity to the second degree
12 of consanguinity, or to an entity owned or controlled by such an indi-
13 vidual, for services, work, or repairs, relating to any insurance claim
14 for which the public adjuster represents the insured or has negotiated
15 or effected a settlement, then the public adjuster shall disclose the
16 relationship to the insured in the written memorandum described in
17 subsection (p) of this section.

18 (C) No individual or entity that performs services, work, or repairs
19 may perform the services, work, or repairs relating to any insurance
20 claim for which a public adjuster represents the insured or has negoti-
21 ated or effected a settlement where such public adjuster has a financial
22 or ownership interest in such individual or entity that performs the
23 services, work, or repairs.

24 § 2. This act shall take effect on the first of January next succeed-
25 ing the date on which it shall have become a law.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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