

ENROLLED SENATE
BILL NO. 543

By: Wright of the Senate

and

Smith (Dale) of the House

An Act relating to adjusters; prohibiting adjusters from owning or having pecuniary interest in businesses providing certain services or materials on behalf of certain insurance claimants or insureds; providing penalties; making act inapplicable to certain claims and municipalities and requiring certain written disclosure; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6220.1 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. No adjuster may, directly or indirectly, own or have a pecuniary interest in any business entity which provides construction or reconstruction related services on behalf of an insurance claimant or insured for which the adjuster is providing services, nor may the adjuster, directly or indirectly, own or have a pecuniary interest in any other business entity which furnishes any supplies, material, services, or equipment purchased by or on behalf of the claimant or insured in settlement of the claim, other than usual and customary supplies, materials, services, or equipment utilized in the adjusting process.

B. Any person who violates the provisions of this section shall be subject to disciplinary action or a civil fine, or both, as set forth in Section 6220 of Title 36 of the Oklahoma Statutes.

C. This section shall not apply to an adjuster providing services on a claim which is located in the county in which the adjuster maintains their principal place of business, or in a municipality having a population of less than six thousand (6,000) persons; provided, however, the adjuster shall give written disclosure of the potential conflict of interest to both the insured and insurer prior to the performance of any adjuster services.

SECTION 2. This act shall become effective November 1, 1995.

Passed the Senate the 8th day of May, 1995.

President of the Senate

Passed the House of Representatives the 17th day of May, 1995.

Speaker

of the House of
Representatives