

VIRGINIA ACTS OF ASSEMBLY -- 2014 SESSION

CHAPTER 337

An Act to amend and reenact §§ 38.2-1845.5 and 38.2-1845.8 of the Code of Virginia, relating to the licensing of nonresident public adjusters.

[H 755]

Approved March 27, 2014

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-1845.5 and 38.2-1845.8 of the Code of Virginia are amended and reenacted as follows:

§ 38.2-1845.5. Licensing nonresidents; reciprocal agreements with other states and Canadian provinces.

A. An individual or business entity that is not a resident as defined in subsection B of § 38.2-1800.1 but that is a resident of another state, territory, or province of Canada shall receive a nonresident public adjuster license if:

1. The applicant presents proof in a form acceptable to the Commission that the applicant is currently licensed or otherwise authorized as a resident public adjuster and is in good standing in his home state;

2. The applicant has submitted the proper application for licensure or a copy of the application for licensure submitted to his home state and has paid the fees required by § 38.2-1845.2;

3. The applicant's home state issues nonresident public adjuster licenses to residents of the Commonwealth on the same basis or will permit a resident of the Commonwealth to act as a public adjuster in such state without requiring a license; ~~and~~

4. The applicant, if a corporation, limited liability company, or limited partnership, has obtained from the Clerk of the Commission a certificate of authority, certificate of registration, or certificate of limited partnership, respectively; *and*

5. *The applicant attests that the applicant has, and thereafter shall keep in force for as long as the license remains in effect, a bond in favor of the Commonwealth in the amount of \$50,000 with corporate sureties licensed by the Commission, on a form prescribed by the Commission. The bond shall be conditioned that the public adjuster will conduct business under the license in accordance with the laws of the Commonwealth. The bond shall not be terminated unless at least 60 calendar days' prior written notice of the termination is filed with the Commission. If, prior to the expiration date of the bond, the licensed public adjuster fails to file with the Commission a certification or attestation that a new bond satisfying the requirements of this section has been put into effect, the public adjuster license shall terminate, and the licensee shall be required to satisfy any and all prelicensing requirements in order to apply for a new public adjuster license. The Commission may ask for a copy of the bond or other evidence of financial responsibility at any time.*

B. For the purposes of this chapter, any individual whose place of residence and place of business are in a city or town located partly within the Commonwealth and partly within another state may be considered as meeting the requirements as a resident of the Commonwealth, provided the other state has established by law or regulation similar requirements as to residence of such individuals.

C. The Commission may enter into a reciprocal agreement with an appropriate official of any other state or province of Canada if such an agreement is required in order for a Virginia resident to be similarly licensed as a nonresident in that state or province.

D. The Commission may verify the public adjuster's licensing status through the Producer Database records maintained by the NAIC, its affiliates, or subsidiaries.

E. The business entity has designated an individual licensed in Virginia as a public adjuster to be responsible for the business entity's compliance with the laws, rules, and regulations of the Commonwealth applicable to public adjusters.

F. The Commission may require any documents reasonably necessary to verify the information contained in an application.

G. A licensed nonresident public adjuster who changes his home state shall file a change of address within 30 calendar days of the change of legal residence.

H. Any licenses issued to nonresidents pursuant to this section shall be terminated at any time that the nonresident's equivalent authority in his home state is terminated, suspended, or revoked.

§ 38.2-1845.8. Renewal application and fee.

A. Each licensed public adjuster shall remit biennially a renewal application in a form and manner acceptable to the Commission, along with the nonrefundable renewal application processing fee prescribed by the Commission for the renewal of the license. Any public adjuster license for which the required renewal application and nonrefundable renewal application processing fee has been received by the Commission shall, unless the license has been terminated, suspended, or revoked be renewed for a

two-year period. Any public adjuster license for which the required renewal application and nonrefundable renewal application processing fee has not been received by the Commission in the manner prescribed by the Commission shall automatically be terminated.

B. The nonrefundable renewal processing fee for each public adjuster license shall be paid in a manner and in an amount prescribed by the Commission. All fees shall be collected by the Commission and paid into the state treasury and credited to the fund for the maintenance of the Bureau of Insurance as provided in subsection B of § 38.2-400.

C. No nonresident public adjuster license shall be renewed unless the applicant meets the requirements for initial licensure as set forth in § 38.2-1845.5.