
OLR BILL ANALYSIS

SB 319

AN ACT EXEMPTING CERTAIN INDIVIDUALS FROM CASUALTY ADJUSTER LICENSING REQUIREMENTS.

SUMMARY:

This bill exempts specified people from the casualty adjuster licensing requirement, including certain cellular mobile telephone claims employees, licensed insurance producers, managing general agents, and attorneys-in-fact for reciprocal insurers. Current law exempts only Connecticut attorneys in the general practice of law who are in good standing. Unless exempt, no one may adjust casualty claims without first obtaining a license from the insurance commissioner. By law, a violator is fined up to \$2,000, imprisoned up to one year, or both.

EFFECTIVE DATE: October 1, 2012

LICENSING EXEMPTIONS

Certain Cellular Mobile Telephone Claims Employees Exempted

The bill exempts from the casualty adjuster licensing requirement a Connecticut-licensed casualty adjuster's employee who collects or furnishes claim information and enters data into an automated claims adjudication system for cellular mobile telephone claims. The employee must be one of no more than 25 such employees under the supervision of (1) the licensed casualty adjuster or (2) a Connecticut-licensed insurance producer who is employed by the licensed casualty adjuster.

The bill defines an "automated claims adjudication system" as a preprogrammed computer system designed for the collection, data entry, calculation, and resolution of cellular mobile telephone claims. The system must be used only by a supervised employee or a

Connecticut-licensed casualty adjuster or insurance producer. It must comply with all claims payment requirements under Connecticut law. Finally, (1) an officer of the business entity that is licensed as a casualty adjuster in Connecticut and (2) a Connecticut-licensed casualty adjuster must certify that the system complies with the bill.

Others Exempted

The bill also exempts from the casualty adjuster licensing requirement:

1. a Connecticut-licensed insurance producer or managing general agent authorized by an insurer to adjust claims in Connecticut on the insurer's behalf, and
2. an attorney-in-fact of a reciprocal insurer who is authorized by that insurer to adjust claims in Connecticut on the insurer's behalf. (A reciprocal insurer is a member of an association of entities that insure themselves and each other. An attorney-in-fact is someone specifically named by another through a written "power of attorney" to act for that person in conducting the appointer's business.)

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 19 Nay 0 (03/13/2012)