

## Industry Warning: Contractors

### Public Adjuster License Needed To Assist With Claims

Sometimes contractors attempt to help victims of disasters by offering assistance with their insurance claim. If they do so they may illegally be engaging in the practice of public adjusting without being properly licensed by the Department of Financial Services.

The definition of a public adjuster, as explained in Section [626.854](#), Florida Statutes, is any person, except an attorney, who, for money or any other thing of value (which would include securing a contract for repairs):

- Prepares, completes or files an insurance claim form for an insured
- Aids in any manner on behalf of an insured in negotiating for or effecting the settlement of a claim
- Advertises or solicits for employment as an adjuster of such claims

However, the contractor may discuss or explain a bid for construction or repair of covered property with the residential property owner who has suffered loss or damage covered by a property insurance policy, or the insurer of such property, if the contractor is doing so for the usual and customary fees applicable to the work to be performed as stated in the contract between the contractor and the insured.

If you are acting as a public adjuster in any manner by negotiating or effecting the settlement of an insurance claim on behalf of an insured and you are performing any of these services for money, commission or anything of value without being licensed as a public adjuster (Section 626.854, Florida Statutes), you could be subject to arrest and may be charged with a third-degree felony as provided by Section [626.8738](#), Florida Statutes.

If you should become licensed as a Public Adjuster, you cannot enter into a contract to do both the public adjusting and construction work on the same property per Florida Statute [626.8795](#), Public adjusters; prohibition of conflict of interest:

"A public adjuster may not participate, directly or indirectly, in the reconstruction, repair, or restoration of damaged property that is the subject of a claim adjusted by the licensee; may not engage in any other activities that may be reasonably construed as a conflict of interest, including soliciting or accepting any remuneration from, of any kind or nature, directly or indirectly; and may not have a financial interest in any salvage, repair, or any other business entity that obtains business in connection with any claim that the public adjuster has a contract or an agreement to adjust."

If you should have any questions about what activities constitute acting as a public adjuster, please contact the Department of Financial Services' Bureau of Investigation at 850-413-3136 or through its website, [www.MyFloridaCFO.com/Division/Agents](http://www.MyFloridaCFO.com/Division/Agents).