

ADJUSTER LICENSING MODEL ACT
Submitted by The American Association of Independent Claims Adjusters
November, 2006

*(Modeled on Public Adjuster Model Act (PALMA), as
Adopted by the NAIC – September, 2005)*

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Section 1. Purpose and Scope

This Act governs the qualifications and procedures for the licensing of Adjusters. It specifies the duties of and restrictions on Adjusters. To the extent that any other provision of state law requires a license otherwise required by this Act, such other provision is hereby superseded.

Section 2. Definitions

- A. “Adjuster” means a person who acts on behalf of a person who is not an insured or claimant and undertakes to ascertain and determine the amount of a claim, loss or damage, under insurance contracts covering property, casualty, or workers compensation risks, and undertakes to effect settlement of such claim, loss or damage on behalf of that person.

- B. “Business entity” means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity. [NAIC’s Public Adjuster Licensing Model Act (PALMA) Section2B]

- C. “Company Employee Adjuster” means an individual employee of an insurer authorized in this state or of a business entity authorized as an adjuster in this state, who acts as an adjuster on behalf of his or her employer.
- D. “Employee” means a common law employee as described in 20 CFR §404.1007.
- E. “Home State” means the District of Columbia and any state or territory of the United States in which an adjuster maintains his or her principal place of residence or principal place of business and is licensed to act as an adjuster if such state requires such licensure. In the case of an adjuster residing in, or having a principal place of business in, a state that does not license adjusters, or does not license adjusters for the line of business sought, the adjuster may designate as their “Home State” any state in which the adjuster is licensed in good standing after having met all pre-licensing requirements as if they were a resident adjuster in that state.[NAIC’s PALMA Section 2E];
- F. “Individual” means a natural person. [NAIC’s PALMA Section 2F]
- G. “Person” means an individual or a business entity. [NAIC’s PALMA Section 2G]
- H. “Uniform individual application” means the current version of the National Association of Insurance Commissioners (NAIC) Uniform Individual Application for resident and nonresident individuals. [NAIC’s PALMA Section 2I]
- I. “Uniform business entity application” means the current version of the National Association of Insurance Commissioners (NAIC) Uniform Business Entity Application for resident and nonresident business entities. [NAIC’s PALMA Section 2J]

Section 3. Licensure

A. License or Exemption Required

A person shall not act or hold himself out as an adjuster in this state unless the person is licensed as an adjuster in accordance with this Act or is exempt from licensure as an adjuster under this Act.

B. Lines of Authority

1. The state may provide for and issue licenses limited to specified lines of authority in the manner otherwise provided for the issuance of a license under this chapter. At a minimum, the department shall provide for the following license types:

- (1) All Lines Adjuster;
- (2) Property Adjuster;
- (3) Casualty Adjuster; and
- (4) Workers Compensation Adjuster.

Drafting Note: All Lines Adjuster authority must be inclusive of every kind of insurance requiring adjuster licensing in the state.

2. The license shall specifically designate the kinds of insurance that may be handled by the person.
3. The person may not adjust claims in a kind of insurance other than that for which the adjuster is specifically licensed. [Derived from TEX. INS. CODE § 4101.102(c) (2005).]

C. Exceptions to License Requirement

Notwithstanding the provisions of this Section, a license as an adjuster shall not be required of the following:

1. An attorney-at-law when acting in his or her professional capacity as an attorney.
2. A person employed only for the purpose of obtaining facts surrounding a loss or furnishing technical assistance to a licensed adjuster, including, but not limited to, photographers, estimators, appraisers, private investigators, engineers, and handwriting experts; [Derived from TEX. INS. CODE § 4101.002(3) (2006); UTAH CODE ANN. § 31A-26-201(2)(g) (2006).]
3. A person who performs clerical duties and does not negotiate with parties relative to disputed or contested claims; [Derived from TEX. INS. CODE § 4101.002(5) (2006); MISS. CODE ANN. § 83-17-401(a)(v) (2006).]
4. A medical-only processor for workers compensation claims [state may insert other types of claims as applicable, such as automobile personal injury protection or medical payment benefits claims] that reviews and makes payment determination on medical provider bills only without making general compensability determinations.
5. A licensed health care provider or employee of a licensed health care provider, who is not responsible for determining compensability;
6. A managed care organization or any employee thereof, an employee of any organization providing managed care services so long as that employee is not determining compensability.
7. A person who settles reinsurance or subrogation claims,
8. An officer or director of an insurer authorized in this state; or any manager thereof, individual or corporate, or the manager, agent or general agent of any department thereof, individual or corporate, or attorney in fact of any reciprocal insurer or Lloyds underwriter. [Derived from N.Y. INS. LAW § 2101(g)(1)(A) (2006).]
9. A producer licensed in this state or a salaried employee of a producer. [UTAH CODE ANN. § 31A-26-201(2)(d) (2006).]

10. A company employee adjuster. [Derived from NEV. REV. STAT. ANN. § 684A.020(d) (2006.)]

11. A person acting under the authority of a license issued pursuant to [insert applicable cross reference to any Third Party Administrator (TPA) licensing statutes applicable in the enacting jurisdiction] provided that the person does not act as an adjuster with respect to any type of insurance for which an adjuster license is required under this Act other than workers compensation or disability insurance.

12. A person who negotiates or settles claims arising under a life or health insurance policy or an annuity contract. [NAIC PALMA Section 4D2]

Drafting Note: The model act is drafted to eliminate redundant licensure requirements with respect to the activities engaged in by the license holder. If the state separately licenses Third Party Administrators or similar business entities, those licensed entities should not be required to obtain separate adjuster licenses, provided that the type of claims administered within the scope of adjuster regulation are limited to the same sort of workers compensation and/or disability claims that are already authorized.

Section 4. Application for License

A. An individual applying for an adjuster license shall make application to the commissioner on the uniform individual application and a business entity applying for an adjuster license shall make application to the commissioner on the uniform business entity application. [NAIC's PALMA Section 4A]

B. The applicant shall declare under penalty of perjury [NAIC's uniform applications] and under penalty of refusal, suspension, or revocation of the license that the statements made in the application are true, correct, and complete to the best of the applicant's knowledge and belief. [NAIC's PALMA Section 4B]

Section 5. Home State Individual and Business Entity License

A. Before issuing an adjuster license to an applicant under this section, the commissioner shall find that the applicant:

- (1) Is a resident of this state or is a nonresident who is not eligible for a license under Section 8 and is eligible to designate this state as his or her home state;
- (2) Has not committed any act that is a ground for denial, suspension, or revocation of license set forth in Section 10;
- (3) Is trustworthy, reliable, and of good reputation, evidence of which may be determined by the commissioner, provided, however, that no independent third party background check will be required to be submitted by a license applicant;
- (4) Has paid the fees set forth in [insert appropriate reference to state law or regulation]. [NAIC's PALMA Section 5A(5)]

(5) Has an office in a designated home state with public access by reasonable appointment and/or regular business hours. [NAIC PALMA Section 5A(6)]

B. If the applicant is an individual, the commissioner shall also find that the applicant:

(1) Is at least eighteen (18) years of age; and [NAIC's PALMA Section 5B(1)]

(2) Has successfully passed the adjuster examination. [NAIC's PALMA Section 5B(2)] or qualifies for an exemption from examination under Section 8 of this Act.

C. If the applicant is a business entity:

(1) The commissioner shall find:

(a) That the business entity is a corporation, partnership, or other entity organized under the laws of this state or any other state or territory of the United States and, if so required, admitted to conduct business in this state by the secretary of state; and

(b) That the business entity has submitted the application, appropriate fees, and any other information required by the department.

(2) The commissioner may refuse to issue a license or certificate of authority if the commissioner determines that the business entity or any officer, director, partner, or other person who has the right or ability to control the business entity is not competent, trustworthy, financially responsible or of good personal and business reputation, or has had any insurance license or certificate of authority revoked for cause or currently placed on suspension by any jurisdiction, or if the commissioner determines that any grounds set forth in Section 10 of this Act exists with respect to the business entity.

(3) The business entity will have the ability to pay any sums up to \$10,000 [TEX.. ADMIN.. CODE Section 19.705-707 (2006)] which it might become legally obligated to pay on account of any claim made against it by any person caused by any negligent act, error, or omission of the business entity or any person for whose acts the business entity is legally liable in the conduct of its business under this code.

Such ability to pay shall be maintained in one of the following ways:

(a) an errors and omissions policy insuring such business entity or partnership against errors and omissions in at least the sum of \$10,000 issued by an insurance company licensed to do business in this state or, if a policy cannot be obtained from a company licensed to do business in this state, a surplus lines insurance policy; or

(b) a bond executed by such business entity as principal and a surety company authorized to do business in this state, as surety, in the principal sum of \$10,000, payable to the department for the use and benefit of customers of

such business entity, conditioned that such business entity shall pay any final judgment recovered against it by any customer. A binding commitment to issue such a policy or bond shall be sufficient in connection with any application for license. [NAIC PALMA Section 12A(1)]

(4) The business entity shall provide annual financial statements or reports for the two (2) most recent fiscal years that prove that the applicant, or the applicant and its parent company on a consolidated basis, has a positive net worth. If the applicant has been in existence for less than two (2) fiscal years, the application shall include financial statements or reports, certified by an officer of the applicant and prepared in accordance with GAAP, for any completed fiscal years, and for any month during the recent fiscal year for which such financial statements or reports have been completed. Financial statements may be for the applicant or for a parent company with which it shares consolidated financial statements. A financial statement/annual report prepared on a consolidated basis shall include a columnar consolidating or combining worksheet that shall be filed with the report and include the following: a) amounts shown on the consolidated audited financial report shall be shown on the worksheet; b) amounts for each entity shall be stated separately, and c) explanations of consolidating and eliminating entries shall be included. The applicant shall also include such other information as the commissioner may require in order to review the current financial condition of the applicant.

(5) Each business entity licensed as an adjuster under this subchapter shall file, under oath, on a form developed by the department, biographical information for each of those executive officers and directors or unlicensed partners who administer the entity's day to day operations in this state.

D. The commissioner may require any documents reasonably necessary to verify the information contained in the application. [NAIC's PALMA Section 5C]

Section 6. Examination

A. An individual applying for an adjuster license pursuant to Section 4 shall pass a written examination unless exempt pursuant to Section 8. The examination shall test the knowledge of the individual concerning the duties and responsibilities of an adjuster under the license applied for and the insurance laws and regulations of this state. Examinations required by this section shall be developed and conducted under rules and regulations prescribed by the commissioner. [NAIC's PALMA Section 6A]

B. The commissioner may make arrangements, including contracting with an outside testing service, for administering examinations and collecting the non-refundable fee set forth in [insert appropriate reference to state law or regulation]. [NAIC's PALMA Section 6B]

C. Each individual applying for an examination shall remit a non-refundable fee as prescribed by the commissioner as set forth in [insert appropriate reference to state law or regulation]. [NAIC's PALMA Section 6C]

- D. An individual who fails to appear for the examination as scheduled or fails to pass the examination, shall reapply for an examination and remit all required fees and forms before being rescheduled for another examination. [NAIC's PALMA Section 6D]

Section 7. Exemptions from Examination

- A. An individual who applies for an adjuster license in this state who was previously licensed as an adjuster in another state based on an adjuster examination shall not be required to complete any prelicensing examination. This exemption is only available if the person is currently licensed in that state or if the application is received within twelve (12) months of the cancellation of the applicant's previous license and if the prior state issues a certification that, at the time of cancellation, the applicant was in good standing in that state or the state's producer database records, maintained by the NAIC, its affiliates, or subsidiaries, indicates that the adjuster or his or her company is or was licensed in good standing. [NAIC's PALMA Section 7A]
- B. A person licensed as an adjuster in another state based on an adjuster examination who moves to this state shall make application within ninety (90) days of establishing legal residence to become a resident licensee pursuant to Section 5. No prelicensing examination shall be required of that person to obtain an adjuster license. [NAIC's PALMA Section 7B]
- C. An individual who applies for an adjuster license in this state who was previously licensed as an adjuster in this state shall not be required to complete any prelicensing examination. This exemption is only available if the application is received within twelve (12) months of the cancellation of the applicant's previous license in this state and if, at the time of cancellation, the applicant was in good standing in this state. [NAIC's PALMA Section 7C]
- D. An individual who applies for an adjuster license in this state shall not be required to complete any pre-licensing examination if the commissioner determines that the individual has worked as a licensed adjuster, or is a graduate of an American Bar Association-recognized law school; or has experience or special education or training as to the handling of loss claims under insurance contracts covering the types of insurance for which adjusting activities are authorized under the license applied for and of sufficient duration and extent to make the individual reasonably competent to fulfill the responsibilities of an adjuster.

Section 8. Nonresident License Reciprocity

- A. Unless denied licensure pursuant to Section 13, a nonresident person shall receive a nonresident adjuster license if: [NAIC's PALMA Section 8A]
 - (1) The person is currently licensed as a resident adjuster and in good standing in his, her, or its home state; [NAIC's PALMA Section 8B(1)]

- (2) The person has submitted the proper request for licensure, has paid the fees required by [insert appropriate reference to state law or regulation] [NAIC's PALMA Section 8A(2)], and, if a business entity, has provided proof of financial responsibility as required in Section 5 of this Act; and
 - (6) The person has submitted or transmitted to the commissioner the appropriate completed application for licensure. [NAIC's PALMA Section 8A(3)]; and
 - (4) The person's designated home state awards nonresident adjuster licenses to persons of this state on the same basis. [NAIC's PALMA Section 8A(4)].
- B. The commissioner may verify the adjuster's licensing status through any appropriate database, including the producer database maintained by the National Association of Insurance Commissioners, its affiliates, or subsidiaries. [NAIC's PALMA Section 8B]
 - C. As a condition to continuation of an adjuster license issued under this section, the licensee must maintain a resident adjuster license in his or her home state. The non-resident adjuster license issued under this section shall terminate and be surrendered immediately to the commissioner if the home state adjuster license terminates for any reason and is not replaced by an adjuster license from his or her new home state within 90 days.
 - D. A non-resident person licensed as an adjuster in this state who moves to this state shall notify the Department within 90 days of moving to this state, but shall not be required to submit a new application for home state licensure. The Department shall automatically convert the person's license from non-resident to home state status. The person may continue to engage in business in this state without interruption provided that he or she timely notifies the state as provided in this subsection.
 - E. The Commissioner shall issue home state certifications for any adjuster licensed in good standing pursuant to Section 5 of this Act.

Section 9. License

- A. Unless denied licensure under this Act, persons who have met the requirements of this Act shall be issued an adjuster license. [NAIC's PALMA Section 9A]
- B. Any person holding a license pursuant to this provision shall not be required to hold any other adjuster or insurance or self-insurance administrator license in this state pursuant to [insert applicable TPA law cross reference] or any other provision, including, but not limited to, licenses by the [Workers Compensation Commissions, the Department of Labor or other applicable cross reference] provided that it does not act as an adjuster with respect to life, health or annuity insurance other than disability insurance.

Drafting Note: The model act is drafted to eliminate redundant licensure requirements with respect to the activities engaged in by the license holder. If licensed as an adjuster, Third Party Administrators or similar business entity

licenses should not be required provided that the type of claims adjusted do not include life, health, or annuity insurance claims, other than disability claims.

- C. An adjuster license shall remain in effect unless revoked, terminated, or suspended as long as the request for renewal and fee set forth in [insert appropriate reference to state law or regulation] is paid and any other requirements for license renewal are met by the due date. [NAIC'S PALMA Section 9B]
- D. The licensee shall inform the commissioner by any means acceptable to the commissioner of a change of address, change of legal name, within thirty (30) days of the change. [NAIC's PALMA Section 9C]
- E. An adjuster who allows its license to lapse may, within twelve (12) months from the due date of the renewal, be issued a new adjuster license upon the commissioner's receipt of the request for renewal. However, a penalty in the amount of double the unpaid renewal fee shall be required for the issue of the new adjuster license. The new adjuster license shall be effective the date the commissioner receives the request for renewal and the late payment penalty. [NAIC's PALMA Section 9E]
- F. Any adjuster licensee that fails to apply for renewal of a license before expiration of the current license shall pay a lapsed license fee of twice the license fee and be subject to other penalties as provided by law before the license will be renewed. If the Department receives the request for reinstatement and the required lapsed license fee within sixty (60) days of the date the license lapsed, the Department shall reinstate the license retroactively to the date the license lapsed. If the Department receives the request for reinstatement and the required lapsed license fee after sixty (60) days but within one year of the date the license lapsed, the Department shall reinstate the license prospectively with the date the license is reinstated. If the person applies for reinstatement more than one year from date of lapse, the person shall reapply for the license under this Act. [NAIC PALMA Section 9F]
- G. An adjuster who is unable to comply with license renewal procedures due to military service, a long-term medical disability, or some other extenuating circumstance, may request a waiver of those procedures. The adjuster may also request a waiver of any examination requirement, fine, or other sanction imposed for failure to comply with renewal procedures. [NAIC's PALMA Section 9G]
- H. The license shall contain the licensee's name, city and state of business address, personal identification number, the date of issuance, the expiration date, and any other information the commissioner deems necessary. [NAIC's PALMA Section 9H]
- I. In order to assist in the performance of the commissioner's duties, the commissioner may contract with non-governmental entities, including the NAIC or any affiliates or subsidiaries that the NAIC oversees, to perform any ministerial functions, including the collection of fees and data, related to licensing that the commissioner may deem appropriate. [NAIC's PALMA Section 9I]

J. In the event of a catastrophe or emergency which arises out of a disaster, act of God, riot, civil commotion, conflagration or other similar occurrence, the commissioner shall, upon application, issue an emergency license to persons who are residents or nonresidents of this state and who are otherwise qualified to adjust such claims provided they are engaged by a business entity that is properly licensed. Such emergency license shall remain in force for a period not to exceed 180 days, unless extended for an additional period of 90 days by the commissioner. The fee for an emergency license shall be in an amount not to exceed \$50 as determined by the Commissioner and shall be due and payable within 30 days of the issuance of such emergency license. [FLA. STAT. § 624.501 (2006) for fee amount]

Section 10. License Denial, Non-renewal, or Revocation

- A. The commissioner may place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license or may levy a civil penalty in accordance with [insert appropriate reference to state law] or any combination of actions, or otherwise restrict authority to transact under the license including prohibiting specified individuals from acting under a business entity license, provided that such individual personally participated in the conduct giving rise to the disciplinary actions for any one or more of the following causes: [NAIC's PALMA Section 11A]
- (1) Providing incorrect, misleading, incomplete, or materially untrue information in the license application; [NAIC's PALMA Section 11A(1)]
 - (2) Violating this Code, or violating a subpoena or order of the commissioner or of another state's insurance commissioner; [NAIC's PALMA Section 11A(2)]
 - (3) Obtaining or attempting to obtain a license through misrepresentation or fraud; [NAIC's PALMA Section 11A(3)]
 - (4) Improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business; [NAIC's PALMA Section 11A(4)]
 - (5) Intentionally misrepresenting the terms of an actual or proposed insurance contract.[NAIC's PALMA Section 11A(5)]
 - (6) Having been convicted of a felony; [NAIC's PALMA Section 11A(6)];
 - (7) Having admitted or been found to have committed any insurance unfair trade practice or insurance fraud; [NAIC's PALMA Section 11A(7)]
 - (8) Using fraudulent, coercive, or dishonest practices; or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere; [same as NAIC's PALMA Section 11A(8)]

- (9) Having an insurance license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory; [NAIC's PALMA Section 11A(9)]
- (10) Forging another's name to an application for insurance or to any document related to an insurance transaction. [NAIC PALMA Section 11A(10)]
- (11) Cheating, including improperly using notes or any other reference material, to complete an examination for an insurance license; [NAIC's PALMA Section 11A(11)]
- (12) Failing to comply with an administrative or court order imposing a child support obligation; or [NAIC's PALMA Section 11A(12)]
- (13) Failing to pay state income tax or comply with any administrative or court order directing payment of state income tax which remains unpaid. [NAIC's PALMA Section 11A(13)]

Drafting Note: Paragraph (13) is for those states that have a state income tax.

- B. In the event that the action by the commissioner is to deny an application for or not renew a license, the commissioner shall notify the applicant or licensee and advise, in writing, the applicant or licensee of the reason for the non-renewal or denial of the applicant's or licensee's license. The applicant or licensee may make written demand upon the commissioner within [insert appropriate time period from state's administrative procedure act] for a hearing before the commissioner to determine the reasonableness of the commissioner's action. The hearing shall be held within [insert time period from state law] and shall be held pursuant to [insert appropriate reference to state law]. [NAIC's PALMA Section 11B]
- C. In the event that the action by the commissioner is to penalize an individual adjusting under a license issued to a business entity, the individual shall be named in the complaint and the individual may make written demand upon the commissioner within [insert appropriate time period from state's administrative procedure act] for a hearing before the commissioner to determine the reasonableness of the commissioner's action. The hearing shall be held within [insert time period from state law] and shall be held pursuant to [insert appropriate reference to state law].
- D. The license of a business entity may be suspended, revoked, or refused if the commissioner finds, after hearing, that a violation of this Act by an individual transacting under the business entity license was known by one or more of the partners, officers or managers acting on behalf of the business entity and the violation was neither reported to the commissioner nor corrective action taken. [NAIC's PALMA Section 11C]
- E. In addition to or in lieu of any applicable denial, suspension, or revocation of a license, a person may, after hearing, be subject to a civil fine according to [insert appropriate reference to state law]. [NAIC's PALMA Section 11D]

- F. The commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this Act and Title [insert appropriate reference to state law] against any person who is under investigation for or charged with a violation of this Act or Title [insert appropriate reference to state law] even if the person's license or registration has been surrendered or has lapsed by operation of law. [NAIC's PALMA Section 11E]

Section 11. Continuing Education

- A. An individual, who holds an adjuster license or who is a Company Employee Adjuster and who is not exempt under subsection B of this section, shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education courses, including ethics, as available via the designated home state, during each continuing education biennium. [NAIC's PALMA Section 13A]
- B. This section shall not apply to:
 - (1) Licensees not licensed for one (1) full year prior to the end of the applicable continuing education biennium; or [NAIC's PALMA Section 13B(1)]
 - (2) Licensees holding nonresident adjuster licenses who have met the continuing education requirements of their designated home state. [NAIC's PALMA Section 13B(2)]
- C. Only continuing education courses approved by the commissioner shall be used to satisfy the continuing education requirement of subsection A. [NAIC's PALMA Section 13C]

Section 12. Record Retention

- A. An adjuster shall maintain a complete record of each transaction as an adjuster.
- B. Records shall be maintained for at least five (5) years after the disposition of a claim with an insured, and such records shall be open to examination by the commissioner at all times. [NAIC's PALMA Section 17B]
- C. Records submitted to the commissioner in accordance with this section that contain information identified in writing as proprietary by the adjuster shall be treated as confidential by the commissioner and shall not be subject to [insert reference to open record laws] of this state. [NAIC's PALMA Section 17C]

Section 13. Standards of Conduct of Adjusters

- A. An adjuster shall be honest and fair in all communications with the insured the insurer, and the public. [NAPIA Code of Conduct 1 & 3]
- B. Policyholders and claimants are entitled to receive courteous, fair and objective treatment at all times, and are entitled to receive prompt and knowledgeable service;

- C. An adjuster shall not give legal advice, and shall not deal directly with any claimant who is represented by legal counsel without the consent of the legal counsel involved;
- D. An adjuster shall comply with all local, state and federal privacy and information security laws, if applicable;
- E. An adjuster shall identify himself as an adjuster, and, if applicable, identify his employer, when dealing with any policyholder or claimant;
- F. An adjuster shall not have any financial interest in any adjustment or acquire for himself or any person any interest or title in salvage, without first receiving written authority from his principal.

Section 14. Reporting of Actions

Each licensed business entity shall notify the state upon application for renewal of its license of:

- A. a felony conviction, of which the business entity has knowledge, for any individual associated with the business entity who is required to file biographical information with the department; and
- B. the addition of an officer, director, or partner who is required to file biographical information with the state.

Section 15. Regulations

The commissioner may, in accordance with [insert appropriate reference to state law], promulgate reasonable regulations as are necessary or proper to carry out the purposes of this Act [NAIC's PALMA Section 20] provided that they do not diminish the reciprocal or uniform requirements of these provisions among different states.

Section 16. Severability

If any provisions of this Act, or the application of a provision to any person or circumstances, shall be held invalid, the remainder of the Act, and the application of the provision to persons or circumstances other than those to which it is held invalid, shall not be affected. [NAIC's PALMA Section 21]

Section 17. Effective Date

This Act shall take effect [insert date]. [NAIC's PALMA Section 22]

Note on Citations in the Adjuster Licensing Model Act: Some of the citations of the Public Adjuster Model Act (PALMA) in the Adjuster Licensing Model Act (ALMA) are based on word-for-word references to the PALMA text. Other PALMA citations are not word-for-word, but incorporate the essence of the PALMA language in a certain section of the ALMA text.