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ACP Commends New York Bills to Modernize State Insurance Code

WASHINGTON— The Association of Claims Professionals (ACP) today praised the introduction of two bills in the New York State Assembly that would cut consumer costs and streamline the claims adjusting process.

Assembly Bill [10952](#) introduced by Assemblyman **Michael Cusick** (D-District 63), would eliminate the outdated and costly policy that requires independent insurance adjusters to hold a surety bond, bringing New York in line with the 30 states requiring an independent adjuster license that do not have such requirements. Only three states other than New York maintain such outdated bond requirements.

Under the New York Insurance Code, independent claims adjusters are required to have a \$1,000 bond on file with the Department of Financial Services at all times, which adds unnecessary layers of bureaucracy to the adjuster licensing process. Not only does the surety bond requirement create frustrating barriers, it also does not serve any public benefit, economic or otherwise. This is because the vast majority of independent adjusters work for companies that themselves are licensed through the Department of Insurance and which would be liable for any malfeasance or adjusting errors. Industry representatives have been unable to identify a single instance where the Department has ever called upon such a bond for payment of a penalty, fine or restitution.

“Over the past 25 years, stakeholders have called on the New York Department of Insurance to allow adjusters’ employers to procure a single bond for all adjuster employees rather than require each individual to have their own personal bond,” said **Matthew Craig**, Senior Vice President - Regional Manager with TRISTAR Insurance Group. “We applaud this commonsense legislation which would finally update New York’s outdated insurance code for the modern economy, saving both taxpayers and consumers money each year.”

ACP also applauded Assemblyman Cusick for introducing **Assembly Bill [10948](#)** which would modernize the independent adjuster insurance application process by eliminating the requirement that an adjuster procure character references from five different individuals. The “five character reference” requirement is unique to New York among and serves no real purpose in the application process, particularly at a time when the vast majority of independent adjusters work for companies who already screen applicants before they join the company. Further, the provision particularly affects those who have

recently moved to New York and are seeking to get a license, given that they may not have the requisite number of local reference sources.

“The independent adjuster community thanks Assemblyman Cusick for his support on these important issues and looks forward to working with lawmakers to enact these bills into law,” said Craig.

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About Association of Claims Professionals (ACP)

The Association represents the interests of independent claims professionals. Since its inception in 2002, the Association has promoted adjuster licensing uniformity and reciprocity to enhance quality and ensure prompt and equitable reimbursement of claims. In 2016, the Association updated its name to the Association of Claims Professionals and repositioned itself to embrace the forward-looking vision of its member companies. ACP’s vision for the future is a claims management industry viewed as a trusted advisor and business partner by its customers and as a helpful and caring frontline responder by claimants. ACP companies are committed to providing career opportunities to attract the next generation of claims professionals. Learn more at claimsprofession.org.