

VIRGINIA ACTS OF ASSEMBLY - 2026 SESSION

CHAPTER 142

An Act to amend and reenact §§ 38.2-1845.1, 38.2-1845.10, 38.2-1845.11, 38.2-1845.12, 38.2-1845.13, 38.2-1845.14, 38.2-1845.16, 38.2-1845.18, 38.2-1845.20, 38.2-1845.21, and 38.2-1845.23 of the Code of Virginia and to amend the Code of Virginia by adding in Article 4.1 of Chapter 18 of Title 38.2 a section numbered 38.2-1845.24, relating to insurance; standards of conduct for licensed public adjusters; unauthorized practice of public adjusting.

[H 437]

Approved April 6, 2026

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-1845.1, 38.2-1845.10, 38.2-1845.11, 38.2-1845.12, 38.2-1845.13, 38.2-1845.14, 38.2-1845.16, 38.2-1845.18, 38.2-1845.20, 38.2-1845.21, and 38.2-1845.23 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Article 4.1 of Chapter 18 of Title 38.2 a section numbered 38.2-1845.24 as follows:

§ 38.2-1845.1. Definitions.

As used in this article, *unless the context requires a different meaning:*

"Catastrophic disaster" means an event where the President of the United States or the Governor of the Commonwealth has declared a state of emergency.

"Home state" means the District of Columbia and any state or territory of the United States, except Virginia, or any province of Canada, in which a public adjuster maintains such person's principal place of residence or principal place of business and is licensed by that jurisdiction to act as a resident public adjuster.

"License" means ~~a document~~ *an authorization issued by the Commission authorizing* to an individual or business entity *by the Commission* to act as a public adjuster. The license itself does not create any authority, actual, apparent, or inherent, in the licensee to represent, commit, or bind an insurer.

"Negotiate" means ~~the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of public adjusting concerning any of the substantive benefits, terms, or conditions of the contract acting solely in relation to a first party claim arising under an insurance contract insuring real or personal property on behalf of a policyholder, including by investigating, evaluating, providing advice, preparing a claim, or advocating on behalf of or assisting the policyholder, in the settlement of a claim for loss or damage covered by an insurance contract.~~

"Policyholder" means *a person who has contracted with a property and casualty insurer for insurance coverage or is a named insured.*

"Proof of compliance" means all documents, forms, and fees specified by the Commission for filing proof of completion of Commission-approved continuing education courses for the appropriate number of hours and for the appropriate content.

"Public adjuster" means an individual or business entity who receives, either directly or indirectly, a salary, fee, commission, or other compensation for engaging in public adjusting *services*.

"Public adjusting" means soliciting, investigating, negotiating, adjusting, or providing advice to ~~an insured~~ *a policyholder* in relation to first party claims arising under insurance contracts that insure the real or personal property of ~~an insured~~ *a policyholder* for the purpose of effecting the settlement of a claim on behalf of the ~~insured~~ *policyholder*. Public adjusting includes advertising or representing oneself as a public adjuster; however, public adjusting does not include acting in any manner in relation to liability claims for personal injury or property damage, other third-party claims, or uninsured or underinsured bodily injury liability *motor vehicle* claims. A licensed insurance agent who only provides advice to ~~an insured~~ *a policyholder* in relation to first party claims arising under insurance contracts sold, solicited, or negotiated by the agent that insure the real or personal property of ~~an insured~~ *a policyholder* shall not be deemed to be engaged in public adjusting.

"Public adjusting services" means performing any act of public adjusting.

"Received by the Commission" means delivered into the possession of the Commission or its administrator at the business address of the Commission's administrator.

"Soliciting" means attempting to persuade or asking or urging ~~an insured~~ *a policyholder* to enter into a public adjusting contract by describing the terms of the contract, including any fees or commissions, and offering to negotiate a claim of loss on behalf of the ~~insured~~ *policyholder* *or initiating contact with any person, whether in person, by mail, by telephone, or otherwise, and seeking, causing, urging, advising, or attempting to have any person enter into any contract for public adjusting services.* "Soliciting" does not include simply recommending a public adjuster to a person.

"Unauthorized practice of public adjusting" means providing public adjusting services without a license as required in §§ 38.2-1845.2 and 38.2-1845.5.

"Vulnerable adult" means any person 18 years of age or older who is impaired by reason of mental

illness, intellectual or developmental disability, physical illness or disability, or other causes, including age, to the extent the adult lacks sufficient understanding or capacity to make, communicate, or carry out reasonable decisions concerning their well-being or has one or more limitations that substantially impair the adult's ability to independently provide for their daily needs or safeguard their person, property, or legal interests.

§ 38.2-1845.10. Grounds for placing on probation, refusal to issue or renew, revocation, or suspension of license.

The Commission may, in addition to or in lieu of a penalty imposed under § 38.2-218, place on probation, suspend, revoke, or refuse to issue or renew any person's license for any one or more of the following causes:

1. Providing materially incorrect, misleading, incomplete, or untrue information in the license application or any other document filed with the Commission;

2. Violating any insurance laws or violating any regulation, subpoena, or order of the Commission or of ~~another state's~~ an insurance regulatory authority of another state, district, or territory;

3. Aiding or abetting any person in violating any insurance law or violating any regulation, subpoena, or order of the Commission or of an insurance regulatory authority of another state, district, or territory;

4. Obtaining or attempting to obtain a license through misrepresentation or fraud;

~~4.~~ 5. Improperly withholding, misappropriating, or converting any moneys or properties received ~~in the course of doing business as a~~ while providing public adjuster adjusting services;

6. Financially exploiting a vulnerable adult;

~~5.~~ 7. Having been convicted of a felony, a crime of moral turpitude, or any criminal offense involving dishonesty or a breach of trust;

~~6.~~ 8. Having admitted to or been found to have committed any insurance unfair trade practice, as set forth in Chapter 5 (§ 38.2-500 et seq.), or fraud, *or having received anything of value as a result of an unfair or deceptive practice or fraud;*

~~7.~~ 9. Using fraudulent, coercive, or dishonest practices or demonstrating incompetence or untrustworthiness in the conduct of business in the Commonwealth or elsewhere, or demonstrating financial irresponsibility in the handling of policyholder, agency, or insurance company funds;

~~8.~~ 10. Having public adjuster license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory;

9. 11. Intentionally misrepresenting the terms of an insurance contract;

~~10.~~ 12. Knowingly accepting public adjusting ~~business~~ services from an individual who unlawfully solicited business and who is not licensed but who is required to be licensed under this article;

13. Engaging in the unauthorized practice of public adjusting;

~~11.~~ 14. Paying or sharing a commission, fee, or other valuable consideration to a person who is required to be licensed under this article and is not so licensed;

~~12.~~ 15. Forging another's name to any document related to an insurance transaction;

~~13.~~ 16. Improperly using notes or any other reference material to complete an examination for a public adjuster license;

~~14.~~ 17. Failing to comply with an administrative or court order imposing a child support obligation;

~~15.~~ 18. Failing to pay Virginia income tax or comply with any administrative or court order directing payment of state income tax; or

~~16.~~ 19. Failing to report to the Commission as required by § 38.2-1845.17.

§ 38.2-1845.11. Termination, suspension, or revocation of license.

A. A license issued to an individual public adjuster shall authorize him to act as a public adjuster until his license is otherwise terminated, suspended, or revoked.

B. A license issued to a business entity shall authorize such business entity to act as a public adjuster until such license is otherwise terminated, suspended, or revoked. The dissolution or discontinuance of a partnership, whether by intent or by operation of law, shall automatically terminate the public adjuster license issued to such partnership. The Bureau shall automatically terminate all public adjuster licenses within 90 calendar days of receiving notification from the Clerk of the Commission that the certificate of organization or charter of a domestic limited liability company or corporation respectively, whether by intent or by operation of law, has been terminated or that the certificate of registration or certificate of authority of a foreign limited liability company or corporation, respectively, has been revoked.

C. Except as provided in subsection B of § 38.2-1845.5, the license authority of any licensed resident public adjuster shall terminate immediately when such public adjuster has moved his residence from the Commonwealth, whether or not the Commission has been notified of such move.

D. The license authority of any business entity licensed as a public adjuster shall terminate immediately if the sole licensed responsible public adjuster designated pursuant to subdivision F 3 of § 38.2-1845.2 *or subdivision E of 38.2-1845.5* for the business entity's compliance with the insurance laws, rules, and regulations of the Commonwealth is removed for any reason and a new responsible public adjuster has not been designated and the Commission notified within 30 calendar days of such removal and of the newly designated responsible public adjuster.

E. The Commission shall not revoke or suspend an existing license until the licensee is given an opportunity to be heard before the Commission. If the Commission proposes to revoke or suspend an existing license, it shall give the licensee at least 10 calendar days' notice in writing of the time and place of the hearing, if a hearing is requested. The notice shall contain a statement of the objections to the issuance of the license or the reason for its proposed revocation or suspension; ~~as the case may be~~. The notice may be given to the licensee by registered or certified mail, sent to the last known address of record or the last known business address if the address of record is incorrect, or in any other lawful manner, the Commission prescribes. The Commission may summon witnesses to testify with respect to the licensee, and the licensee may introduce evidence in the licensee's behalf. No licensee whose license is revoked shall again apply for a license until after the expiration of a period of five years from the date of the Commission's order or such other period as the Commission prescribes in its order.

F. The license of a business entity may be suspended or revoked if the Commission finds, after notice and an opportunity to be heard, that a violation by an individual licensee acting at the direction of, on behalf of, or with the permission of the business entity was known to be a violation by one or more of the partners, officers, or managers acting on behalf of the business entity or if it can be demonstrated to the satisfaction of the Commission that responsibility for such violation by the individual can reasonably be imputed to one or more of the partners, officers, or managers acting on behalf of the business entity, and neither was the violation reported to the Commission nor corrective action taken.

G. In addition to or in lieu of any applicable denial, suspension, or revocation of a license, a person may, after notice and an opportunity to be heard, be subject to a penalty pursuant to § 38.2-218.

H. The Commission shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this title against any person who is under investigation for or charged with a violation of this title, even if the person's license or registration has been surrendered, terminated, suspended, revoked, or has lapsed by operation of law.

§ 38.2-1845.12. Standards of conduct for public adjusters.

A. A public adjuster shall be fair and honest in ~~any and~~ all respects in any communications with ~~an insured a policyholder~~ and with an insurer or its representatives.

B. No person except a public adjuster duly licensed under this article shall:

1. Accept a commission, fee, or other compensation for investigating or settling claims;
2. Prepare, complete, or file an insurance claim on behalf of ~~an insured a policyholder~~;
3. Aid or act on behalf of ~~an insured a policyholder~~ in negotiating for or effecting the settlement of a claim for loss or damage covered by an insurance contract;
4. Advertise for employment as a public adjuster; or
5. Solicit, investigate, or adjust a claim on behalf of a public adjuster or ~~an insured a policyholder~~.

C. No public adjuster shall have a financial interest in any aspect of ~~an insured's a policyholder's~~ claim other than the salary, fee, commission, or compensation that may be established in the written contract between the ~~insured policyholder~~ and the public adjuster. For the purposes of this subsection, "financial interest" includes participation by a public adjuster, directly or indirectly, in the reconstruction, repair, or restoration of damaged property that is the subject of a claim adjusted by that public adjuster.

D. No public adjuster shall ~~refer~~:

1. Refer or direct ~~an insured a policyholder~~ needing repairs or other services in connection with a loss to any person in which the public adjuster has an ownership interest nor to any person who will or is reasonably anticipated to provide the public adjuster with any direct or indirect compensation for the referral of any resulting business; or

2. Adjust a claim in which the policyholder has assigned duties, rights, or benefits contrary to § 38.2-2131 to a contractor or other vendor.

E. No public adjuster shall prevent or attempt to dissuade ~~an insured a policyholder~~ from communicating with an insurer, the insurer's adjuster, an independent adjuster representing the insurer, an attorney, or any other person regarding the settlement of the ~~insured's policyholder's~~ claim.

F. The public adjuster's full consideration for the public adjuster's services shall be stated in the written contract with the ~~insured policyholder~~. If the consideration is based on a share of the insurance proceeds, the exact percentage shall be specified.

G. Any choice of counsel to represent the ~~insured policyholder~~ shall be made solely by the ~~insured policyholder~~.

H. No public adjuster shall settle a claim unless the terms and conditions of the settlement are approved by the ~~insured policyholder~~ in writing.

I. No public adjuster shall acquire any interest in salvage property except with the express written permission of the ~~insured policyholder~~ after settlement with the insurer.

J. No public adjuster shall permit an unlicensed employee or representative of the public adjuster to conduct business for which a license is required under this article.

K. No public adjuster shall ~~represent or~~ act as a company adjuster or independent adjuster on the same claim.

L. No public adjuster shall enter into a contract or accept a power of attorney that vests in the public adjuster the effective authority to choose the persons who shall perform repair work.

M. No public adjuster shall solicit or attempt to solicit a client during the progress of a loss producing occurrence as covered by the insurance contract.

N. No public adjuster shall solicit a client for employment from 8:00 p.m. to 8:00 a.m. daily.

O. A public adjuster shall notify, in writing, the ~~insured~~ policyholder or claimant in advance of the name and location of any proposed contractor, architect, engineer, or similar professional before any bid or proposal by any of these persons may be used by the public adjuster in estimating the loss. The ~~insured~~ policyholder or claimant may exercise veto power of any of these persons, in which case that person shall not be used in estimating costs.

P. A public adjuster shall ensure that any professional used in formulating estimates, the practice of whose profession in the Commonwealth requires a license issued pursuant to Title 54.1, including any architect or engineer as defined in § 54.1-400 and any contractor as defined in § 54.1-1100, holds a current license from the appropriate licensing authority of the Commonwealth.

Q. No person shall advertise or promise to pay or rebate all or any portion of any insurance deductible as an inducement to the sale of the services of a public adjuster. As used in this subsection, the term "promise to pay or rebate" includes (i) granting any allowance or offering any discount against the fees to be charged, including, but not limited to, an allowance or discount in return for displaying a sign or other advertisement at the ~~insured's~~ policyholder's premises or (ii) paying the ~~insured~~ policyholder or any person directly or indirectly associated with the property any form of compensation, gift, prize, bonus, coupon, credit, referral fee, or other item of monetary value for any reason.

R. No public adjuster shall engage in any activity that may reasonably be construed as a conflict of interest, including soliciting or accepting any remuneration of any kind or nature, directly or indirectly, except as set forth in a public adjusting contract with ~~an insured~~ a policyholder.

S. No public adjuster shall pay or receive, directly or indirectly, any kickback, rebate, commission, thing of value, or other payment pursuant to any agreement or understanding, oral or otherwise, incident to a public adjusting contract. For the purposes of this section, "thing of value" means any payment, advance, funds, loan, service, or other consideration.

T. No public adjuster may act as an appraiser or umpire pursuant to the appraisal provisions of an insurance policy if that public adjuster or the public adjuster's firm is adjusting or has adjusted all or any part of the claim on property subject to that appraisal provision.

U. No public adjuster shall advise a policyholder to accept a settlement when the settlement would be disadvantageous to the policyholder or when repairs are not fully completed.

§ 38.2-1845.13. Contract between public adjuster and policyholder.

A. Public adjusters shall ensure that all contracts for their services are in writing and contain the following terms:

1. Legible full name of the public adjuster signing the contract, as specified in the records of the Commission;
2. Public adjuster's permanent home state business address and phone number;
3. Public adjuster's license number, as specified in the records of the Commission;
4. Title "Public Adjuster Contract";
5. The ~~insured's~~ policyholder's full name and street address and the insurance company's name and policy number;
6. A description of the loss and a description of the location of the loss, if applicable;
7. A description of services to be provided to the ~~insured~~ policyholder by the public adjuster and all terms and conditions of the engagement;
8. Signatures of the public adjuster and the ~~insured~~ policyholder;
9. The date the contract was signed by the public adjuster and the date the contract was signed by the ~~insured~~ policyholder;
10. Attestation language stating that the public adjuster is fully bonded pursuant to state law;
11. The full salary, fee, commission, compensation, or other consideration the public adjuster is to receive for services, subject to the provisions of § 38.2-1845.14; and
12. The right to rescind the contract within three business days after the contract has been signed by the ~~insured~~ policyholder or, in the event of a catastrophic disaster, the right to rescind the contract within five business days after the contract has been signed by the ~~insured~~ policyholder. Such rescission shall be in writing and mailed or delivered to the public adjuster at the address shown in the contract. Within 15 business days following receipt of the notice to rescind, the public adjuster shall return to the ~~insured~~ policyholder anything of value given by the ~~insured~~ policyholder under the contract.

B. The public adjuster shall provide a separate disclosure document to the ~~insured~~ policyholder stating (i) the ~~insured~~ policyholder is not required to hire a public adjuster but has the right to do so; (ii) the public adjuster is not an employee or representative of the insurer; (iii) the salary, fee, commission, or other consideration is the obligation of the ~~insured~~ policyholder, not the insurer; (iv) property insurance policies

obligate the ~~insured~~ *policyholder* to present a claim to the insurer for consideration; (v) the ~~insured~~ *policyholder* has the right to initiate direct communications with the ~~insured's~~ *policyholder's* attorney, the insurer, the insurer's adjuster, the insurer's attorney, and any other person regarding the settlement of the ~~insured's~~ *policyholder's* claim; and (vi) the ~~insured~~ *policyholder* may contact the Commission for the licensing status of the public adjuster.

C. A public adjuster shall provide the insurer with a notification letter, which has been signed by the ~~insured~~ *policyholder*, authorizing the public adjuster to represent the ~~insured's~~ *policyholder's* interest.

D. No public adjuster shall enter into a contract that prevents an ~~insured~~ *a policyholder* from pursuing any civil remedy after the revocation or cancellation period set forth in subdivision A 12.

E. Any contract for public adjusting services that is entered into by an ~~insured~~ *a policyholder* with a person who is in violation of § 38.2-1845.2 may be voided at the option of the ~~insured~~ *policyholder*.

§ 38.2-1845.14. Fees.

A. No public adjuster shall require, demand, or accept any fee, retainer, compensation, deposit, or thing of value prior to the settlement of a claim.

B. Except as provided in subsection C, no public adjuster shall charge, agree to, or accept as compensation or reimbursement any payment, commission, fee, or other thing of value that is not fair and reasonable in relation to the work performed. Any such commission, fee, or other thing of value shall include any expenses incurred by the public adjuster in the estimating and settlement of any claim.

C. In the event of a catastrophic disaster, no public adjuster shall charge, agree to, or accept as compensation or reimbursement any payment, commission, fee, or other thing of value equal to more than 10 percent of any insurance settlement proceeds. Any such commission, fee, or other thing of value shall include any expenses incurred by the public adjuster as part of the estimating and settlement of any claim.

D. No public adjuster shall charge a fee, commission, or other valuable consideration based, in whole or in part, on an amount paid to the ~~insured~~ *policyholder* by the insurer prior to the date of the written contract between the ~~insured~~ *policyholder* and the public adjuster.

E. A public adjuster's contract may not contain a provision that allows the public adjuster's percentage fee to be collected when money is due from an insurer, but not paid, or that allows a public adjuster to collect the entire fee from the first check issued by an insurer, rather than as a percentage of each check issued by an insurer.

F. A public adjuster's contract may not contain a provision that requires the ~~insured~~ *policyholder* to authorize an insurer to issue a check only in the name of the public adjuster.

G. A public adjuster's contract may not contain a provision that imposes collection costs or late fees.

H. The public adjuster's contract may specify that the public adjuster shall be named as a copayee on an insurer's payment of a claim, provided that (i) if the compensation is based on a share of the insurance settlement, the exact percentage shall be specified and (ii) initial expenses to be reimbursed to the public adjuster from the proceeds of the claim payment shall be specified by type, with dollar estimates set forth in the contract and with any additional expenses first approved by the ~~insured~~ *policyholder*.

I. If the insurer, not later than 72 hours after the date on which the loss is reported to the insurer, either pays or commits in writing to pay to the ~~insured~~ *policyholder* the policy limit of the insurance policy, the public adjuster shall (i) not receive a commission consisting of a percentage of the total amount paid by an insurer to resolve a claim, (ii) inform the ~~insured~~ *policyholder* that the loss recovery amount represents the maximum amount recoverable under the policy, and (iii) be entitled only to reasonable compensation from the ~~insured~~ *policyholder* for services provided by the public adjuster on behalf of the ~~insured~~ *policyholder*, based on the time spent on a claim and expenses incurred by the public adjuster.

§ 38.2-1845.16. Escrow or trust accounts.

A. All funds received by, accepted by, or held by a public adjuster on behalf of an ~~insured~~ *a policyholder* toward the settlement of a claim shall be handled in a fiduciary capacity and submitted for collection to or deposited in a separate noninterest-bearing fiduciary trust account or accounts in a financial institution licensed to do business in the Commonwealth no later than the close of the second business day from the receipt or acceptance of such funds. Such funds shall be held separately from any personal or nonbusiness funds, shall not be commingled or combined with other funds, and shall be reasonably ascertainable from the books of accounts and records of the public adjuster. The public adjuster shall maintain an accurate record and itemization of the funds deposited into this account. Any such funds held by such public adjuster shall be disbursed within 30 calendar days of any invoice received by such public adjuster upon approval of the ~~insured~~ *policyholder* or claimant that the work has been satisfactorily completed.

B. *The Commission may inform the attorney for the Commonwealth of the appropriate county or independent city if the Commission's investigation reveals that a person has misappropriated or diverted funds held in a fiduciary capacity.*

§ 38.2-1845.18. Information security program.

A. Each public adjuster shall implement a comprehensive written information security program that includes administrative, technical, and physical safeguards for the protection of policyholder information. The administrative, technical, and physical safeguards included in the information security program shall be

appropriate to the size and complexity of the public adjuster's business and the nature and scope of its activities.

B. The information security program shall be designed to:

1. Ensure the security and confidentiality of policyholder information;
2. Protect against any anticipated threats or hazards to the security or integrity of the information; and
3. Protect against unauthorized access to or use of the information that could result in substantial harm or inconvenience to any policyholder.

§ 38.2-1845.20. Immunities; confidentiality.

A. Any documents, materials, or other information in the control or possession of the Commission that is furnished by an insurer, agent, or public adjuster or by an employee thereof acting on behalf of the insurer, agent, or public adjuster or obtained by the Commission in an investigation pursuant to this article shall be confidential by law and privileged, shall not be subject to inspection or review by the general public, shall not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil action. However, the Commission is authorized to use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the Commission's duties.

B. Neither the Commission nor any person who received documents, materials, or other information while acting under the authority of the Commission shall be permitted or required to testify in any private civil action concerning any confidential documents, materials, or information subject to subsection A.

C. Any person providing documents, materials, or other information to the Commission pursuant to subsection A without malice, fraud, or bad faith shall be immune from civil liability.

D. In order to assist in the performance of the Commission's duties under this chapter, the Commission:

1. May share documents, material, or other information, including the confidential and privileged documents, materials, or information subject to subsection A, with other state, federal, and international regulatory agencies; the NAIC, its affiliates, or subsidiaries; and with local, state, federal, and international law-enforcement authorities, provided that the recipient agrees to maintain the confidentiality and privileged status of the document, material, or other information.

2. May receive documents, materials, or information, including otherwise confidential and privileged documents, materials, or information, from the NAIC, its affiliates, or subsidiaries and from regulatory and law-enforcement officials of other foreign or domestic jurisdictions and shall maintain as confidential or privileged any document, material, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information.

~~D.~~ E. No waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information shall occur as a result of disclosure to the Commission under this section or as a result of sharing as authorized in subsection ~~C~~ D.

~~E.~~ Nothing in this chapter shall prohibit the F. The Commission from releasing may release final, adjudicated actions including for cause terminations that are open to public inspection pursuant to Chapter 4 (§ 12.1-18 et seq.) of Title 12.1 § 12.1-19 to a database or other clearinghouse service maintained by the NAIC, its affiliates, or subsidiaries.

§ 38.2-1845.21. Authority of Commission to delegate certain functions.

~~In order to~~ To assist in the performance of its duties, the Commission may contract with nongovernmental entities, including the NAIC, any affiliates, or subsidiaries that the NAIC oversees, to perform any ministerial functions, including licensing examination administration, the collection of fees related to public adjuster licensing, and such other functions as the Commission may deem appropriate.

§ 38.2-1845.23. False information and advertising generally.

A. No person shall knowingly make, publish, disseminate, circulate, or place before the public, or cause or knowingly allow, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement relating to (i) the business of public adjusting or (ii) any person in the conduct of his business of public adjusting which is untrue, deceptive, or misleading.

B. No person shall advertise their services as a public adjuster unless such person is licensed as a public adjuster or a public adjusting firm.

C. Any advertisement by a public adjuster shall include the full name and license number, as specified in Commission records, of the public adjuster who has caused the advertisement to appear. Where an entity containing multiple licensed public adjusters is causing the advertisement to appear, the full name and license number of the designated public adjuster, as specified in Commission records, shall appear in the advertisement.

D. If an unlicensed spokesperson is used as part of a written or electronic advertisement, such advertisement shall disclose that the person is a paid or unpaid spokesperson, is not licensed, and is endorsing the services of a public adjuster. The advertisement shall also disclose if a computer-generated digital avatar is used.

E. The licensed public adjuster whose name and Virginia license number appears in the advertisement shall be responsible for personally reviewing the content of the advertisement and assuring that the advertisement complies with this section and is in all regards fair, accurate, and in no way untruthful, deceptive, or misleading.

F. An advertisement does not include:

1. Communications or materials used within a public adjuster's firm, not used as promotional aids, and not disseminated to the public.

2. Communications with policyholders other than materials soliciting policyholders to enter, renew, extend, or reinstate a contract for public adjusting services.

3. Material used solely for the recruitment, training, and education of a public adjuster's staff, provided it is not also used to induce the public to enter, renew, extend, or reinstate a contract for public adjuster services.

§ 38.2-1845.24. Unauthorized practice of public adjusting.

A. It is unlawful for any person to engage in public adjusting or to offer or advertise public adjusting services in the Commonwealth unless the person is licensed by the Commission as a public adjuster.

B. It is unlawful for any person licensed as a public adjuster to knowingly aid or abet another person engaged in the unauthorized practice of public adjusting in the Commonwealth.

C. No person shall negotiate or effectuate the settlement of a claim arising from a loss or damage covered by an insurance contract with an individual engaged in the unauthorized practice of public adjusting.

D. No person may evade the public adjuster licensing requirements as defined in §§ 38.2-1845.2 and 38.2-1845.5 through the acquisition of a power of attorney from the policyholder or a beneficiary named or similarly identified in an insurance policy.

E. This section shall not apply to:

1. Persons exempt pursuant to § 38.2-1845.3; or

2. Persons who perform administrative tasks that do not interpret, analyze, or explain insurance, an insurance contract, or a public adjuster contract or cause, urge, or advise another person to enter into a contract for public adjusting services.