

367.628 Acts prohibited for contractor.

- (1) (a) Except as provided in paragraph (c) of this subsection, a contractor, or person representing a contractor, shall not:
 1. Represent, negotiate, or advertise to represent or negotiate, as a public adjuster or otherwise, on behalf of any insured on any insurance claim in connection with the provision of goods or services relating to real estate; or
 2. Represent or market the contractor or person, any employee or agent of the contractor or person, or any business of the contractor or person as:
 - a. A claims specialist or expert;
 - b. An insurance specialist or expert; or
 - c. Having any affiliation with an insurer or an insurer's agent.
 - (b) Any provision of a contract between a contractor, or a person representing a contractor, and an insured in violation of paragraph (a)1. of this subsection shall not be enforceable.
 - (c) Nothing in this subsection shall be construed to prohibit a contractor, or person representing a contractor, from:
 1. Providing an estimate for the provision of goods or services relating to real estate; or
 2. Conferring with an insurance company's representative about damage to real estate after a claim has been submitted by an insured.
- (2) Where goods or services relating to real estate are expected to be paid from property, casualty, or property and casualty insurance proceeds, a contractor or person representing a contractor shall not:
 - (a) Cause, or command or encourage another person to cause, damage to any part of the real estate in order to:
 1. Increase the scope of goods or services provided; or
 2. Secure a contract for goods or services;
 - (b) Offer to pay or rebate all or any portion of an insurance deductible or claims proceeds as an inducement to the sale of goods or services by a contractor;
 - (c) Grant an allowance or discount against the fee to be charged by a contractor;
 - (d) Pay or offer to pay the insured, or his or her representative, for whom services have been or will be performed, for any reason, any form of compensation in excess of one hundred dollars (\$100), including but not limited to a:
 1. Bonus;
 2. Coupon;
 3. Credit;
 4. Gift;
 5. Prize;
 6. Referral fee; or
 7. Any other item having a monetary value;

- (e) Be financially connected, directly or indirectly, to any of the following in the provision of the goods or services relating to real estate:
 - 1. A public adjuster;
 - 2. An appraiser; or
 - 3. Any other person that specializes in:
 - a. Investigating, negotiating, or effecting the settlement of an insurance claim;
 - b. Providing estimates other than estimates for goods or services relating to real estate;
 - c. Insurance; or
 - d. Supplements;
 - (f) Solicit or provide contracts on behalf of any other person or business engaged in a claim under the policy for services that are outside the contractor's scope of work, including but not limited to contracts for appraisers, public adjusters, or any other person that specializes in:
 - 1. Investigating, negotiating, or effecting the settlement of an insurance claim;
 - 2. Providing estimates other than estimates for goods or services relating to real estate;
 - 3. Insurance; or
 - 4. Supplements; or
 - (g) File or claim a mechanic's lien pursuant to KRS 376.010 against an insured by reason of the insured's failure or refusal to pay any excess charge over and above the amount paid or expected to be paid by an insurer under a property, casualty, or property and casualty insurance policy.
- (3) In addition to being a violation of this section, a violation of subsection (2)(a) of this section shall also be:
- (a) A fraudulent insurance act in violation of KRS 304.47-020; and
 - (b) Criminal mischief in the first degree in violation of KRS 512.020.

Effective: July 15, 2026

History: Amended 2026 Ky. Acts ch. 54, sec. 4, effective July 15, 2026. -- Amended 2025 Ky. Acts ch. 15, sec. 6, effective June 27, 2025. -- Amended 2017 Ky. Acts ch. 46, sec. 1, effective June 29, 2017. -- Created 2012 Ky. Acts ch. 97, sec. 5, effective July 12, 2012.

Legislative Research Commission Note (7/15/2026). 2026 Ky. Acts ch. 54, sec. 12, provides that the amendments to this statute in that Act apply to contracts entered into on or after July 15, 2026.

Legislative Research Commission Note (6/27/2025). 2025 Ky. Acts ch. 15, sec. 10, provides that the amendments to this statute in that Act shall apply to contracts entered on or after June 27, 2025.