

**304.9-4333 Fees and compensation for public adjuster.**

- (1) Any fee charged to an insured by a public adjuster shall:
  - (a) Be based only on the amount of the insurance settlement proceeds actually received by the insured;
  - (b) Be collected by the public adjuster after the insured has received the insurance settlement proceeds from the insurer; and
  - (c) Comply with subsections (2) and (3) of this section.
- (2) Except as provided in subsection (3) of this section or KRS 304.9-433(1):
  - (a) A public adjuster may receive a fee for services provided under this subtitle consisting of:
    1. An hourly rate;
    2. A flat rate;
    3. A percentage rate; or
    4. Another method of compensation; and
  - (b) A public adjuster:
    1. Shall not charge:
      - a. An unreasonable fee; or
      - b. A fee based on insurance settlement proceeds received by the insured prior to:
        - i. The execution of a contract between the insured and public adjuster; or
        - ii. The conclusion of the rescission period required under KRS 304.9-433; and
    2. May charge a reasonable fee that does not exceed ten percent (10%) of the insurance settlement proceeds upon which a fee may be based under this section.
- (3) In the event a public adjuster is entitled to compensation in accordance with KRS 304.9-433(1)(b) and the insurer either pays or commits in writing to pay the policy limit of the insurance policy to the insured prior to the execution of, or conclusion of a rescission period for, a contract between the insured and the public adjuster, the public adjuster shall:
  - (a) Not receive a commission consisting of a percentage rate;
  - (b) Inform the insured that the claim settlement amount may not be increased by the insurer; and
  - (c) Be entitled only to reasonable compensation from the insured for services provided by the adjuster on behalf of the insured, based on the time spent on the claim and expenses incurred by the adjuster prior to when the claim was paid or the insured received a written commitment to pay from the insurer.

**Effective:** July 15, 2026

**History:** Amended 2026 Ky. Acts ch. 141, sec. 7, effective July 15, 2026. -- Created 2023 Ky. Acts ch. 11, sec. 5, effective June 29, 2023.

**Legislative Research Commission Note** (7/15/2026). 2026 Ky. Acts ch. 141, sec. 14,

provides that the amendments to this statute in that Act apply to contracts entered into on or after July 15, 2026.