

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

- (1) Except as provided in subsection (2) of this section:
  - (a) Any fee charged to an insured by a public adjuster shall be:
    1. Based only on the amount of the insurance settlement proceeds actually received by the insured; and
    2. Collected by the public adjuster after the insured has received the insurance settlement proceeds from the insurer;
  - (b) A public adjuster may receive a commission for services provided under this subtitle consisting of:
    1. An hourly fee;
    2. A flat rate;
    3. A percentage of the total amount paid by the insurer to resolve a claim; or
    4. Another method of compensation; and
  - (c) A public adjuster:
    1. Shall not charge an unreasonable fee; and
    2. May charge a reasonable fee that does not exceed:
      - a. For noncatastrophic claims, fifteen percent (15%) of the total insurance recovery of the insured; and
      - b. For catastrophic claims, ten percent (10%) of the total insurance recovery of the insured.
- (2) If an insurer, not later than seventy-two (72) hours after the date on which a loss or damage is reported to the insurer, either pays or commits in writing to pay the policy limit of the insurance policy to the insured, a public adjuster shall:
  - (a) Not receive a commission consisting of a percentage of the total amount paid by the insurer to resolve a claim;
  - (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:** June 29, 2023

**History:** Created 2023 Ky. Acts ch. 11, sec. 5, effective June 29, 2023.