

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

**Legislative Document**

**No. 813**

H. P. 654

House of Representatives, February 28, 1979

On Motion of Mr. Sprowl of Hope, referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Hanson of Kennebunkport.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-NINE

**AN ACT to Protect Insurance Claim Adjusters and Appraisers from Conflict of Interest.**

Be it enacted by the People of the State of Maine, as follows:

32 MRSA c. 85 is enacted to read:

**CHAPTER 85**

**MOTOR VEHICLE DAMAGE APPRAISERS**

**§ 8001. Licensure required**

No person shall act as an appraiser of damages to motor vehicles under casualty insurance policies and no person shall appraise that damage or furnish estimates or make those appraisals on behalf of any person including, but not limited to, an insurance company or any person engaged in the business of repairing the damage, unless licensed by the Superintendent of Insurance.

**§ 8002. Issuance of licenses**

The superintendent shall issue a license to any person who makes application for a license on a form approved by the superintendent and who:

1. Trustworthy and competent. The superintendent finds to be trustworthy and competent; and

2. **No financial interest.** Has no financial interest in any body shop, garage which makes physical damage repairs, automobile manufacturer or distributor or salvage company.

The fee for the issuance of each license shall be \$15 to be paid at the time of application. Each license shall be valid for a period of one year and may be renewed annually upon payment of a renewal fee of \$15.

**§ 8003. Filing names of appraisers used**

Each insurance company making use of an appraiser of damage to motor vehicles under casualty insurance policies shall file with the superintendent no later than January 1st and July 1st of each calendar year a list of all appraisers employed by that company during the preceding 6 months.

**§ 8004. Suspension or revocation of license**

The Administrative Court may suspend or revoke a license issued under this chapter whenever it finds an appraiser:

1. **Misrepresentation on application.** Has made any misrepresentation in his application for a license;

2. **Conviction.** Is convicted of any criminal act in connection with his work, any criminal act for which a maximum term of imprisonment equal to or exceeding one year may be imposed or any criminal act involving moral turpitude; or

3. **Engage in unfair or unreasonable practices.** Has engaged in practices which cause claimants under casualty insurance policies to receive or be offered settlements for damages that are shown to be either unfair or unreasonable.

**§ 8005. Appraisers to carry license**

Each licensee, while engaging in appraisal duties, shall carry his license and shall display it, upon request to any owner whose vehicle is being appraised, to any person engaged in the business of repairing vehicles or to any authorized representative of the superintendent or of an insurance company involved in the claim for repair.

**§ 8006. Rules and regulations**

The superintendent may establish, pursuant to Title 5, Part 18, such rules and regulations as are necessary for carrying out this chapter.

**STATEMENT OF FACT**

The purpose of this bill is to provide for the licensing of insurance appraisers for motor vehicle damage claims. The bill helps prevent fraudulent appraisal practices and establishes safeguards to avoid conflicts of interest in the appraisal field.