

**KANSAS OFFICE of
REVISOR of STATUTES**

LEGISLATURE of THE STATE of KANSAS
Legislative Attorneys transforming ideas into legislation.

300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

MEMORANDUM

To: Chairman Sutton and the House Committee on Insurance
From: Office of Revisor of Statutes
Date: January 26, 2026
Subject: Bill Brief – HB 2461

Under current law, K.S.A. 40-5502(l)(3), a public adjuster is an individual who "...adjusts losses or advises an insured about first party claims for losses or damages to real or personal property of the insured covered by and limited to commercial lines insurance contracts..." Essentially, under current law, public adjusters are limited to adjusting claims arising from commercial lines insurance. House Bill 2461 seeks to reiterate this provision of law by amending the Public Adjusters Licensing Act in a number of different ways.

First, the bill amends the Public Adjusters Licensing Act by adding a new section to definitively state that "no public adjuster shall negotiate for or effectuate the settlement of any insurance claim for loss or damage arising from residential and personal lines of insurance."

Second, the bill amends K.S.A. 40-5502, the definitions section of the act in four different places. In K.S.A. each of the four amendments adds the word "exclusively" to modify the word "limited." In 40-5502(l)(1)(A), the amendment changes current law from stating that a public adjuster means any individual who aids or acts on behalf of an insured in negotiating for, or effectuating the settlement of, a claim...covered by and limited to commercial lines insurance contracts," to "effectuating the settlement of, a claim...covered by and limited **exclusively** to commercial lines insurance contracts." Paragraph (l)(1)(B) replicates the amendment made in (A), but pertaining to when a public adjuster is advertising for or soliciting business as a public adjuster. Paragraph (l)(1)(C) replicates the amendments made in (l)(1)(A) and (B) but pertaining to the public adjuster working for another person and the amendment states that a public adjuster can, for another person, investigate, advise an insured about...losses or damages covered by and limited **exclusively** to commercial lines insurance contracts."

KANSAS OFFICE of
REVISOR of STATUTES
LEGISLATURE *of* THE STATE *of* KANSAS

Subsection (l)(2) is new language and is a specific prohibition on a public adjuster negotiating for or effectuating the settlement of any claim arising under residential and personal lines of insurance.

The bill also amends K.S.A. 40-5503, pertaining to licensure and the authorized activities of a public adjuster. Here again, new language has been added as subsection (b)(2) and states that a licensed public adjuster shall not negotiate for or effectuate the settlement of any insurance claim for loss or damage arising from residential lines of insurance.

The bill also makes some updates to the statutes to conform to current drafting practices. Most significantly, where the word "person" is used in the current statute, we've amended it to be "individual" if the reference pertains to a human being. Amendments have also been made to change some of the instances of passive voice to active voice.

If passed, the bill would take effect on and after its publication in the statute book.