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**INSURANCE CODE - INS**

**DIVISION 5. INSURANCE ADJUSTERS [14000 - 16032]** ( *Division 5 added by Stats. 1980, Ch. 1190, Sec. 11.*  )

**CHAPTER 2. Public Insurance Adjusters Act [15000 - 15062]** ( *Chapter 2 added by Stats. 1985, Ch. 1202, Sec. 1.*  )

**ARTICLE 5. Disciplinary Proceedings [15038 - 15043]** ( *Article 5 added by Stats. 1985, Ch. 1202, Sec. 1.*  )

**15038.** Except as otherwise required to comply with the provisions of Article 6 (commencing with Section 15044), the proceedings under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the commissioner shall have all the powers granted therein.

(*Added by Stats. 1985, Ch. 1202, Sec. 1.*)

**15039.** The commissioner may suspend or revoke a license issued under this chapter if he or she determines that the licensee has done any of the following:

- (a) Made any false statement or given any false information in connection with an application for a license or a renewal or reinstatement of the license.
- (b) Violated this chapter.
- (c) Violated any rule of the commissioner adopted pursuant to the authority contained in this chapter.
- (d) Been convicted of any crime substantially related to the qualifications, functions, and duties of the holder of the registration or license in question.
- (e) Impersonated, or permitted, or aided and abetted an employee to impersonate a law enforcement officer or employee of the United States of America, or of any state or subdivision thereof.
- (f) Committed or permitted any employee to commit any act, while the license was expired which would be cause for the suspension or revocation of a license, or grounds for the denial of an application for a license.
- (g) Willfully failed or refused to render to a client services or a report as agreed between the parties and for which compensation has been paid or tendered in accordance with the agreement of the parties.
- (h) Committed assault, battery, or kidnapping, or used force or violence on any person.
- (i) Knowingly violated, or advised, encouraged, or assisted the violation of any court order or injunction in the course of business as a licensee.
- (j) Acted as a runner or capper for any attorney.
- (k) Committed any act which is a ground for denial of an application for license under this chapter.
- (l) Manufactured evidence.
- (m) Acceptance of employment adverse to a client or former client relating to a matter with respect to which the licensee has obtained confidential information by reason of or in the course of his or her employment by that client or former client.

(*Amended by Stats. 2006, Ch. 538, Sec. 476. Effective January 1, 2007.*)

**15039.5.** The commissioner may, without hearing, suspend or revoke a license issued under this chapter if he or she determines that the licensee has committed any act or crime constituting grounds for denial of license under Section 15018.5.

(*Added by Stats. 2005, Ch. 448, Sec. 20. Effective January 1, 2006.*)

**15040.** The record or conviction, or a certified copy thereof, shall be conclusive evidence of the conviction as that term is used in this article or in Section 15018 or 15018.5.

A plea or verdict of guilty or a plea of nolo contendere is deemed to be a conviction within the meaning of this article or of Section 15018 or 15018.5. The commissioner may order the license suspended or revoked, or may decline to issue a license, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under Section 1203.4 of the Penal Code allowing that person to withdraw their plea of guilty and enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment.

*(Amended by Stats. 2021, Ch. 627, Sec. 24. (AB 1511) Effective January 1, 2022.)*

**15041.** The commissioner shall suspend or revoke a license issued under this chapter if the commissioner determines that the licensee has:

- (a) Used any letterhead, advertisement, or other printed matter, or in any matter whatever represented that he or she is an instrumentality of the federal government, a state, or any political subdivision thereof.
- (b) Used a name different than that under which he or she is currently licensed in an advertisement, solicitation, or contract for business.

*(Added by Stats. 1985, Ch. 1202, Sec. 1.)*

**15042.** The commissioner may suspend or revoke a license issued under this chapter if the commissioner determines that the licensee has committed any act in the course of the licensee's business constituting dishonesty or fraud.

"Dishonesty or fraud" as used in this section includes, in addition to other acts not specifically enumerated herein, any of the following:

- (a) Knowingly making a false statement relating to evidence or information obtained in the course of employment, or knowingly publishing a slander or libel in the course of business.
- (b) Using illegal means in the collection or attempted collection of a debt or obligation.
- (c) Manufacture of evidence.
- (d) Acceptance of employment adverse to a client or former client relating to a matter with respect to which the licensee has obtained confidential information by reason of or in the course of his or her employment by that client or former client.

*(Added by Stats. 1985, Ch. 1202, Sec. 1.)*

**15043.** The commissioner, in lieu of suspending or revoking a license issued under this chapter for violations of Sections 15039, 15041, and 15042, may impose a civil penalty not to exceed five hundred dollars (\$500) upon a licensee, if the commissioner determines that such action better serves the purposes of this chapter.

*(Added by Stats. 1985, Ch. 1202, Sec. 1.)*