

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



JOY Y. HATCHETTE
Acting Commissioner

ROBERT GUYNN
Associate Commissioner
Insurance Fraud and Producer
Enforcement

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
Direct Dial: 410-468-2000 Fax: 410-468-2020
www.insurance.maryland.gov

BULLETIN 24-18

DATE: July 22, 2024
TO: Public Adjusters and Persons Acting on Behalf of Public Adjusters
RE: Protections after Loss or Damage to Property

The Maryland Insurance Administration (the “Administration”) is issuing this Bulletin to provide notice of and guidance concerning prohibitions and requirements established in 2024 Maryland Laws Ch. 826. This law is codified at §§ 10–411(h), 10-414(e)-(f), and 27-407.2,¹ and will become effective on October 1, 2024.

§ 10–411(h) requires that a public adjuster contract include a statement that:

- The insured has the right to rescind or cancel the contract within ten business days after the date the contract was signed;
- Notice of rescission or cancellation shall be in writing and mailed or delivered to the public adjuster at the address stated in the contract within ten business days after the date the contract was signed;
- If the insured exercises the right to rescind or cancel the contract, the public adjuster shall, within 15 business days after the public adjuster receives the notice, return anything of value given by the insured under the contract; and
- A public adjuster, or anyone acting on behalf of a public adjuster, may not solicit or attempt to solicit a client between the hours of 8:00 p.m. and 8:00 a.m.

§ 10-414(e) prohibits a public adjuster, or anyone acting on behalf of a public adjuster, from soliciting or attempting to solicit a client between the hours of 8:00 p.m. and 8:00 a.m.

§ 10-414(f)(1) requires that a public adjuster who enters into a public adjuster contract during, or within 72 hours after, a loss giving rise to an insurance claim notify the Commissioner that the public adjuster entered into the contract. § 10-414(f)(2) provides that the notice required under §

¹ Statutes referenced in this Bulletin are within the Insurance Article of the Annotated Code of Maryland.

10-414(f)(1) shall be provided to the Commissioner within one business day after the public adjuster enters into the contract, in a form and manner the Commissioner determines.

To comply with § 10-414(f), a public adjuster who enters into a public adjuster contract during, or within 72 hours after, a loss giving rise to an insurance claim must electronically submit the Public Adjuster Contract Submission Form that is published to the Administration's website² within one business day after entering into the contract.

When assessing compliance with § 10-414(f), the Administration will apply the guidelines below to determine the date on which the loss giving rise to an insurance claim occurred:

- For claims resulting from hurricanes, tornadoes, windstorms, severe rain, or other weather-related events, the date of loss giving rise to an insurance claim is the date that the hurricane made landfall in the State of Maryland or the tornado, windstorm, severe rain, or other weather-related event is verified to have occurred in Maryland by the National Oceanic and Atmospheric Administration.
- For all other claims, the date of loss giving rise to an insurance claim is the date that the loss was discovered.

The Administration has received questions concerning how it will calculate a business day when assessing compliance with §§ 10-411(h) and 10-414(f). In response to these questions, the Administration hereby clarifies that it interprets "business day," as the term is used §§ 10-411(h) and 10-414(f), to mean any calendar day other than a Saturday, Sunday, or State holiday.

Finally, please be advised that § 27-407.2 has been amended, and now reads as follows:

It is a fraudulent insurance act for a contractor offering home repair or remodeling services for damages to a private residence, to directly or indirectly pay or otherwise compensate an insured, or offer or promise to pay or compensate an insured, with the intent to defraud an insurer, for any part of the insured's deductible under the insured's property or casualty insurance policy, if payment for the services will be made from the proceeds of the policy.

Questions about this Bulletin may be directed to:

- **The Public Adjuster Compliance Information Line at 410-468-2301; or**
- pubadjcontracts.mia@maryland.gov.

Joy Hachette
Acting Commissioner

By: **Signature on Original**
Robert Guynn
Associate Commissioner
Insurance Fraud and Producer Enforcement

² The submission form can be accessed at <https://marylandinsurance.jotform.com/241153615968058>.