



1566 Saint Paul St
Denver, CO 80206
303-748-0321
AmericanAdjusterAssociation.org

May 30, 2025

TO: Kathryn Callahan
Director of Regulatory Policy
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, MD 21202

RE: Comments on BULLETIN 25-XX

Dear, Ms. Callahan:

I write you today on behalf of the American Adjuster Association—a 501(c)(6) organization dedicated to promoting balance and fairness in the claims adjusting process nationwide.

We are very pleased with the steps the Maryland Insurance Administration is taking via this Bulletin to ensure that property insurance claims are settled fairly. The depreciation of labor on repairs has long been a contentious issue. We agree with the Administration's conclusion that labor is intangible and does not depreciate over time as materials do. By publishing this Bulletin, Maryland will join a growing number of states that are recognizing the need to officially prohibit the depreciation of repair labor.

While this issue may seem like common sense, insurers commonly depreciate (often significantly) the labor component of property repairs to reduce the payout on everyday claims. The concept of labor depreciation is rarely well-enough understood by homeowners to be able to argue the issue with their insurer. This Bulletin will provide relief to policyholders who we anticipate will commonly reference this Bulletin to ensure their insurers are paying the full cost of labor without applying depreciation.

In conclusion, the American Adjuster Association is in full support of this Bulletin, and we look forward to its official publication.

Sincerely,

Caeden Tinklenberg, President
American Adjuster Association