



Kathryn Callahan  
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Via email: [kathryn.callahan1@maryland.gov](mailto:kathryn.callahan1@maryland.gov)

Re: MD Insurance Administration Draft Bulletin 25-XX

Dear Ms. Callahan:

Thank you for the opportunity to comment on the MD Insurance Administration Draft Bulletin 25-XX. I represent the Mid-Atlantic Association of Public Insurance Adjusters ("MAPIA"), a professional organization representing public adjusters and consumers in MD, VA, NJ, and PA. MAPIA works to help our member firms protect the interests of homeowners and business owners who have sustained property damage.

We are writing to you today to support the Maryland Insurance Administration's Draft Bulletin 25-XX, Depreciation of Labor for Claims Settled on an Actual Cash Value Basis. Both policyholder organizations and individuals have written to express their support for this Bulletin, and we join them in applauding the efforts of the MIA to protect the interests of policyholders in MD.

As stated in the Bulletin, the practice of depreciation labor by some insurance companies to arrive at an Actual Cash Value hurts property owners who have suffered a loss. The cost of labor does not lose value over time, and unfortunately often increases instead. Depreciation of these intangible labor costs causes property owners to be unable to have the funds in hand to repair their properties. We appreciate the strong position of the MIA that such a practice to depreciate such labor costs constitutes an unfair claim settlement practice and will not be allowed to be issued in any policy form in MD.

Respectfully submitted,

*Holly K. Soffer*

Holly K. Soffer, counsel to MAPIA