



**American Property Casualty Insurance
Association**

House Economic Matters Committee

**HB1348 Consumer Protection - Solicitation
Following a Disaster – Prohibition**

March 4, 2025

Letter of Support

The American Property Casualty Insurance Association (APCIA) is a national trade organization whose members write approximately 71.4% of the total property casualty market in Maryland.

APCIA would like to express its support for House Bill 1348 which will help to protect home and property owners after major catastrophic events when they are most vulnerable.

It is an unfortunate truth that following major weather events some bad actors seize upon the opportunity to promise remodeling or repair services quickly, seeking to secure payment or insurance proceeds, with no intention of fulfilling the promises, or to intentionally overcharge for such services. This is practice insurers have seen with regularity in other states following hurricanes and wildfires in recent years. We believe that HB1348's prohibition on solicitation for 48-hours after a disaster will offer preemptive protection to the people of Maryland before the next disaster strikes.

Licensed and responsible contractors acting in good faith and seeking to help home and property owners get back on their feet will not be negatively impacted by a 48-hour grace period. Rather, the 48-hour grace period will allow those impacted by a disaster to take stock and assess what needs to be done themselves. These home and property owners will then be able to reach out to local and reputable contractors instead of being pressured into accepting the first solicitation that arrives at their door.

While APCIA supports the intention of this bill, we believe that the current language provides a very expansive definition of "disaster":

- (I) "DISASTER" MEANS A SERIOUS EVENT THAT CAUSES HARM TO A HOME, BUILDING, OR OTHER STRUCTURE.
- (II) "DISASTER" INCLUDES A FIRE, FLOOD, HURRICANE, OR OTHER NATURAL EVENT THAT CAUSES HARM.

In addressing similar issues, APCIA has observed that many other states tie "disasters" to declared events from Federal or State governments. We believe that the targeted behavior of aggressive and coercive solicitation by bad actors is most often seen after such events, and that tying solicitation prohibitions to such declarations is an effective and objective means of triggering the protective 48-hour solicitation prohibition..

As HB 1348 is currently written it is possible that an individual house fire could meet the definition

“disaster, or a small and localized flood event impacting only a single property could also be considered a “disaster” under the bill.

APCIA supports legislation designed to regulate and deter unethical practices by bad actors who exploit homeowners following a disaster. We support the adoption of a 48-hour solution grace period for home and property owners – allowing them time assess the damage themselves and to engage with reputable and trusted contractors following a loss.

For these reasons, APCIA urges the Committee to provide a favorable report on House Bill 1348.

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