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March 2, 2026

The Honorable Kriselda Valderrama  
House Economic Matters Committee  
230 Taylor House Office Building  
Annapolis, Maryland 21401

RE: House Bill 1351 -*Home Improvement Contractors - Disaster Mitigation Services - Regulation and Prohibition*  
**FAVORABLE WITH AMENDMENTS**

Dear Chair Valderrama and Members of the Committee,

On behalf of the Maryland Association of Mutual Insurance Companies (MAMIC), we support House Bill 1351 with amendments.

MAMIC is comprised of 12 mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of our members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

MAMIC members have long supported legislative efforts to address consumer abuses in the home improvement business. Specifically, MAMIC's interest has focused on damage occurring following storms, when consumers are most vulnerable and susceptible to misrepresentations. Broader legislation, known as "storm chaser" bills, have been enacted in a number of other states to protect their consumers. House Bill 1351 has a reduced scope when compared to other storm-chaser legislation, and that may be a subject for future legislation in Maryland. Today, with the amendments proposed by our national association, the National Association of Mutual Insurance Companies (NAMIC), House Bill 1351 is a good start. We look forward to working with this Committee in future legislative sessions to expand this important consumer protection effort.

We recommend a favorable report on House Bill 1351 with the attached amendments.

Thank you for your consideration.

A handwritten signature in black ink that reads 'Melissa Shelley'. The signature is fluid and cursive, with the first name 'Melissa' and last name 'Shelley' clearly distinguishable.

Melissa Shelley  
President, MAMIC

cc: Bryson Popham

**Amendments to House Bill 1351 and Senate Bill 929**

By repealing and reenacting with amendments.

Article -Insurance Article

Section 27-407.2

Annotated Code of Maryland

By adding to

Article- Insurance

27-407-3

Annotated Code of Maryland

**On Page 3 After Line 12 Insert:**

**(VI ) TREE SERVICES OR REMOVAL; OR**

**(VII) WATER REMEDIATION SERVICES OF A BUILDING OR PART OF A BUILDING TO RESTORE, CLEAN, SANITIZE, OR RESTORE A PROPERTY TO A SAFE AND HABITABLE CONDITION**

**On Page 5 Lines 33 Delete line 33 and insert**

**AMOUNT INDICATED IN THE CONTRACT, FAIR AND REASONABLE VALUE FOR THE NECESSARY WORK PERFORMED UNDER THE HOME IMPROVEMENT CONTRACT PRIOR TO THE CANCELLATION.**

**On page 6 line 7 Delete Line 7 and insert**

**NOT TO EXCEED \$ \_\_\_\_\_ (FILL IN AMOUNT) AND \_\_\_\_\_ (OWNER INITIALS).”.**

**FOR THE FAIR AND REASONABLE VALUE FOR THE NECESSARY WORK PERFORMED UNDER THE HOME IMPROVEMENT CONTRACT PRIOR TO THE CANCELLATION.**

**On Page 6 after line 25 and before line 26 insert:**

Insurance Article  
27-407.2

Compensation from Contractors to Pay Any Part of Insured’s Deductible

It is a fraudulent 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.

**27-407.3**

**COMPENSATION FOR REFERRAL TO A CONTRACTOR**

**ANY PERSON, OTHER THAN AN INSURER OR ITS AGENT THAT ADJUSTS, OR NEGOTIATES A CLAIM ON BEHALF OF AN INSURANCE CONSUMER SHALL NOT OFFER PAYMENT FOR REFERRAL TO A CONTRACTOR OR PROVIDER OF SERVICES FOR REPAIR OR REPLACEMENT OF A RESIDENTIAL STRUCTURE.**