

## Commissioner's Bulletin # B-0008-24

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July 8, 2024

**To: All insurers, adjusters, and contractors**

**Re: Hurricane Beryl – adjusters and repairs**

Acting Governor Dan Patrick issued a disaster declaration in response to Hurricane Beryl. Damage and evacuations caused by the disaster might mean people were displaced from their homes and jobs. The acting governor authorized the use of all available state and local government resources necessary to cope with the disaster. (Government Code Section 418.017).

TDI expects insurers to work with their policyholders as they recover from the storm. This bulletin doesn't create specific requirements. Cooperation by every insurer will help ensure the fair treatment of consumers and provide for fair competition.

### Claims adjusting and adjusters

TDI reminds insurers that they may use nonresident and emergency adjusters to handle disaster-related claims. (Insurance Code Sections 4101.002(b) and 4101.101).

Consumers have the right to contract with a licensed public insurance adjuster. (Insurance Code Section 4102.007). All public insurance adjusters must be licensed by TDI. The Insurance Code provides for both civil and criminal penalties for violating this license requirement. (Insurance Code Chapter 4102).

Texas law includes several provisions to prevent conflicts of interest in the adjusting process. (Insurance Code Chapters 4101 and 4102). These include:

- Licensed adjusters may not adjust roofing losses for an insurer if the adjuster is a roofing contractor, provides or sells roofing services or products, or is a controlling person in a roofing-related business.
- A roofing contractor may not act as an adjuster or advertise to adjust claims for any property that the contractor is providing or may provide roofing services to.
- Contractors may provide estimates and discuss those estimates and other technical information with an insurer or its adjuster.

### Public adjusters

TDI reminds licensed public adjusters about state laws concerning advertisements and solicitation in Insurance Code Chapters 4102. These laws say:

- Ads and signs must include the public adjuster's address and license number.
- The name on the ad must match what is listed on the adjuster's
- Solicitation of clients is prohibited during a disaster.

## Claim settlement

TDI reminds insurers, adjusters, and contractors that:

- An insurer or its representative, or any other person, may not misrepresent the terms and provisions of a policy. (Insurance Code Section 543.001).
- An insurer may not engage in unfair claim settlement practices. Insurers must attempt to reach a prompt, fair, and equitable settlement of a claim in which liability has become reasonably clear. (Insurance Code Section 542.003(a) and (b)(4)).
- It's illegal for contractors or roofers to offer to waive a deductible or promise a rebate for all or part of a deductible. (Insurance Code Chapter 707 and Business and Commerce Code Section 27.02).

For questions about this bulletin, call the TDI Help Line at 800-252-3439.

For more information, contact: [PropertyCasualty@tdi.texas.gov](mailto:PropertyCasualty@tdi.texas.gov)

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