

## Fwd: Comments on informal working draft of appraisal rules



**From** Ware V. Wendell <wwendell@texaswatch.org>  
**To** Robert L. McDorman <rmcdorman@autoclaimspecialists.com>  
**Date** 2025-10-06 16:01

Robert,

Our appraisal comments to TDI follow. Thanks again for taking time to talk with me.

Best,

**Ware V. Wendell**  
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From: **Ware V. Wendell** <[wwendell@texaswatch.org](mailto:wwendell@texaswatch.org)>  
Date: Mon, Oct 6, 2025 at 2:14 PM  
Subject: Comments on informal working draft of appraisal rules  
To: <[David.Muckerheide@tdi.texas.gov](mailto:David.Muckerheide@tdi.texas.gov)>

Mr. Muckerheide,

I submit these comments on behalf of Texas Watch, a nonpartisan, nonprofit citizen advocacy organization that was heavily involved in the passage of [Senate Bill 458](#). We have advocated for consumers for many years on the issue of insurance appraisal, emphasizing the need for a fair, two-way process that does not impose unnecessary delay. These principles are clearly reflected in Senate Bill 458.

We offer these comments in response to [your posting](#) and stand ready to help the Texas Department of Insurance develop rules that fully implement the letter and the spirit of the enabling legislation. To that end, we request the Department:

1. Amend **Section 5.9803 (a)** so that it reads: "(a) Appraisal demand. A demand for appraisal under a residential property insurance policy must be made in writing not later than 180 days from the earlier of the date the insurer first gives the policyholder notice accepting coverage of the property loss or damage that is the subject of the appraisal, or the date the insurer gives notice of denial of the claim."

These underlined amendments start the clock for appraisal when the dispute has arisen, helping to avoid unnecessary delay and promptly resolving the dispute about the amount of the loss in furtherance of Section 1813.003 of the Texas Insurance Code.

2. Amend **Section 5.9804 (a)** so that it reads: "(a) Appraisal demand. A demand for appraisal under a personal automobile insurance policy must be made in writing not later than 180 days from the date the insurer gives the policyholder notice accepting coverage of the property loss or damage that is the subject of the appraisal."

This underlined change reflects the reality of the amount of time that it may take for a carrier to inspect a vehicle, adjust the loss, and assess coverage. The consumer has no control over this and should not be prejudiced or time-barred if the carrier takes more time to complete these phases. Extending this particular deadline by 60 days will preserve the consumer's right to mandatory appraisal in accordance with Section 1813.003 of the Texas Insurance Code.

3. Amend **Section 5.9804 (b)(5)** so that it reads: "(5) If an umpire is engaged, the appraisal award must be issued not later than 60 days after the umpire is selected or appointed."

Shortening this deadline will help to resolve the dispute faster so the consumer may have their repaired vehicle returned to them more quickly, allowing it to be utilized for employment- and family-related duties. Sixty days should be a sufficient amount of time for the umpire to perform their work and issue their award.

4. Amend **Section 5.9805 (a)** so that it reads: "(a) The insurer must provide written notice of the appraisal process, applicable deadlines, and the right of either party to demand appraisal in the notice acknowledging receipt of claim, which is described in Insurance Code Section 542.055, concerning Receipt of Notice of Claim."

This change points to a well-defined moment in time that carriers, policyholders, and their counsel are all familiar with, avoiding further delay in the process.

5. It is important to note that this informal draft does not include an **enforcement mechanism**. The Department should include administrative penalties for carriers that contravene the law by failing to include mandated appraisal provisions in their policies or violate deadlines. The Department may also look to Section 2210.574 (g) of the Insurance Code for a model when appraisal is corrupted or prejudiced.

We hope you find these comments constructive and look forward to helping throughout the rulemaking process.

Respectfully,

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