
By: **Chairman, Economic and Environmental Affairs Committee**

Introduced and read first time: February 2, 2000

Assigned to: Economic and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 15, 2000

CHAPTER _____

1 AN ACT concerning

2 **Maryland Home Improvement Commission - Sunset Extension and Program**
3 **Evaluation**

4 FOR the purpose of continuing the Maryland Home Improvement Commission in
5 accordance with the provisions of the Maryland Program Evaluation Act (Sunset
6 Law) by extending to a certain date the termination provisions relating to the
7 statutory and regulatory authority of the Commission; ~~phasing in an increase~~
8 ~~on increasing~~ the limitation on recovery from the Home Improvement Guaranty
9 Fund for certain persons; requiring that an evaluation of the Commission and
10 the statutes and regulations that relate to the Commission be performed on or
11 before a certain date; requiring the Department of Labor, Licensing, and
12 Regulation to submit a certain report by a certain date; and generally relating to
13 the Maryland Home Improvement Commission.

14 BY repealing and reenacting, with amendments,
15 Article - Business Regulation
16 Section 8-405(e) and 8-702
17 Annotated Code of Maryland
18 (1998 Replacement Volume and 1999 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article - State Government
21 Section 8-403(a)
22 Annotated Code of Maryland
23 (1999 Replacement Volume)

24 BY repealing and reenacting, without amendments,

1 Article - State Government
 2 Section 8-403(e)
 3 Annotated Code of Maryland
 4 (1999 Replacement Volume)

5 BY adding to
 6 Article - State Government
 7 Section 8-403(m)
 8 Annotated Code of Maryland
 9 (1999 Replacement Volume)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article - Business Regulation**

13 8-405.

14 (e) ~~(1)~~ ~~{The}~~ ~~UNTIL OCTOBER 1, 2001, THE~~ Commission may not award from
 15 the Fund:

16 ~~{(1)}~~ ~~(1)~~ more than [\$10,000] ~~\$12,500~~ \$15,000 to 1 claimant for acts or
 17 omissions of 1 contractor;

18 ~~{(2)}~~ ~~(2)~~ more than \$100,000 to all claimants for acts or omissions of 1
 19 contractor unless, after the Commission has paid out \$100,000 on account of acts or
 20 omissions of the contractor, the contractor reimburses \$100,000 to the Fund;

21 ~~{(3)}~~ ~~(3)~~ an amount for attorney fees, consequential damages, court
 22 costs, interest, personal injury damages, or punitive damages; or

23 ~~{(4)}~~ ~~(4)~~ an amount as a result of a default judgment in court.

24 ~~(2)~~ ~~ON OR AFTER OCTOBER 1, 2001, THE COMMISSION MAY NOT AWARD~~
 25 ~~FROM THE FUND:~~

26 ~~(1)~~ ~~MORE THAN \$15,000 TO 1 CLAIMANT FOR ACTS OR OMISSIONS~~
 27 ~~OF 1 CONTRACTOR;~~

28 ~~(2)~~ ~~MORE THAN \$100,000 TO ALL CLAIMANTS FOR ACTS OR~~
 29 ~~OMISSIONS OF 1 CONTRACTOR UNLESS, AFTER THE COMMISSION HAS PAID OUT~~
 30 ~~\$100,000 ON ACCOUNT OF ACTS OR OMISSIONS OF THE CONTRACTOR, THE~~
 31 ~~CONTRACTOR REIMBURSES \$100,000 TO THE FUND;~~

32 ~~(3)~~ ~~AN AMOUNT FOR ATTORNEY FEES, CONSEQUENTIAL DAMAGES,~~
 33 ~~COURT COSTS, INTEREST, PERSONAL INJURY DAMAGES, OR PUNITIVE DAMAGES; OR~~

34 ~~(4)~~ ~~AN AMOUNT AS A RESULT OF A DEFAULT JUDGMENT IN COURT.~~

1 8-702.

2 Subject to the evaluation and reestablishment provisions of the Maryland
3 Program Evaluation Act, this title and all regulations adopted under this title shall
4 terminate on October 1, [2002] 2012.

5

Article - State Government

6 8-403.

7 (a) Except as otherwise provided in subsection (e) of this section, on or before
8 July 1, 2000, an evaluation shall be made of the following governmental activities or
9 units and the statutes and regulations that relate to the governmental activities or
10 units:

11 (1) State Athletic Commission (§ 4-201 of the Business Regulation
12 Article);

13 (2) State Board of Barbers (§ 4-201 of the Business Occupations and
14 Professions Article);

15 (3) State Board of Cosmetologists (§ 5-201 of the Business Occupations
16 and Professions Article);

17 (4) State Racing Commission (§ 11-201 of the Business Regulation
18 Article);

19 (5) Maryland-Bred Race Fund Advisory Committee (§ 11-531 of the
20 Business Regulation Article);

21 (6) Maryland Standardbred Race Fund Advisory Committee (§ 11-625 of
22 the Business Regulation Article);

23 (7) State Board of Veterinary Medical Examiners (§ 2-302 of the
24 Agriculture Article);

25 (8) State Board of Waterworks and Waste Systems Operators (§ 12-201
26 of the Environment Article);

27 (9) State Board of Well Drillers (§ 13-201 of the Environment Article);

28 (10) the Tobacco Authority (§ 7-201 of the Agriculture Article); AND

29 (11) [Maryland Home Improvement Commission (§ 8-201 of the Business
30 Regulation Article); and

31 (12)] State Board of Inspection of Horse Riding Stables (§ 2-701 of the
32 Agriculture Article).

33 (e) On or before November 30 of the 2nd year before the evaluation date of a
34 governmental activity or unit, the Legislative Policy Committee, based on a

1 preliminary evaluation, may waive as unnecessary the evaluation required under this
2 section.

3 (M) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (E) OF THIS SECTION,
4 ON OR BEFORE JULY 1, 2011, AN EVALUATION SHALL BE MADE OF THE MARYLAND
5 HOME IMPROVEMENT COMMISSION AND THE REGULATIONS THAT RELATE TO THE
6 MARYLAND HOME IMPROVEMENT COMMISSION.

7 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Labor,
8 Licensing, and Regulation shall submit a report to the Senate Economic and
9 Environmental Affairs Committee and the House Economic Matters Committee by
10 October 1, 2002 that evaluates: (1) the number of complaints and claims processed by
11 the commission and the need for additional support staff or investigators; (2) the
12 impact of the seventh commission member on the ability of the commission to timely
13 process complaints and claims and the need for additional commissioners; (3)
14 obstacles to timely pay-outs and methods to streamline the claims procedure in order
15 to ensure timely pay-outs for aggrieved consumers; and (4) the status of the Home
16 Improvement Guaranty Fund and the impact of the increase in the amount against a
17 single contractor.

18 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 2000.