
By: Delegates Bozman, Conway, and McClenahan

Introduced and read first time: February 1, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Home Improvement Licenses - Inactive Status**

3 FOR the purpose of requiring the Home Improvement Commission to place the license of
4 a licensee on inactive status, if the licensee meets certain requirements; prohibiting
5 a licensee whose license is on inactive status from acting as a contractor or
6 subcontractor or selling a home improvement in the State; providing that the holder
7 of a contractor license that is on inactive status is not required to meet certain
8 requirements; providing that the placement of a license on inactive status does not
9 affect the power of the Commission to suspend or revoke the license or to take any
10 other disciplinary action against the licensee; providing that a licensee whose license
11 is on inactive status remains responsible for renewing the license; requiring the
12 Commission to reactivate the license of a licensee that is on inactive status if the
13 licensee meets certain requirements; and generally relating to inactive status for
14 home improvement licenses.

15 BY adding to

16 Article - Business Regulation
17 Section 8-308.1
18 Annotated Code of Maryland
19 (1992 Volume and 1995 Supplement)

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

22 **Article - Business Regulation**

23 8-308.1.

24 (A) THE COMMISSION SHALL PLACE THE LICENSE OF A LICENSEE ON
25 INACTIVE STATUS, AND ISSUE AN INACTIVE STATUS CERTIFICATE TO THE LICENSEE,
26 IF THE LICENSEE:

27 (1) SUBMITS TO THE COMMISSION AN APPLICATION FOR INACTIVE
28 STATUS ON THE FORM THAT THE COMMISSION PROVIDES;

29 (2) PAYS TO THE COMMISSION AN INACTIVE STATUS APPLICATION FEE
30 NOT EXCEEDING \$50, AS SET BY THE COMMISSION;

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1 (3) EXCEPT FOR THE LIABILITY INSURANCE REQUIREMENT OF § 8-302.1
2 OF THIS SUBTITLE, QUALIFIES FOR AN ACTIVE LICENSE; AND

3 (4) RETURNS THE LICENSE OF THE LICENSEE TO THE COMMISSION.

4 (B) (1) THE HOLDER OF A CONTRACTOR LICENSE THAT IS ON INACTIVE
5 STATUS MAY NOT ACT AS A CONTRACTOR IN THE STATE.

6 (2) THE HOLDER OF A SUBCONTRACTOR LICENSE THAT IS ON INACTIVE
7 STATUS MAY NOT ACT AS A SUBCONTRACTOR IN THE STATE.

8 (3) THE HOLDER OF A SALESPERSON LICENSE THAT IS ON INACTIVE
9 STATUS MAY NOT SELL A HOME IMPROVEMENT IN THE STATE.

10 (C) (1) THE HOLDER OF A CONTRACTOR LICENSE THAT IS ON INACTIVE
11 STATUS IS NOT REQUIRED TO MEET THE LIABILITY INSURANCE REQUIREMENT OF §
12 8-302.1 OF THIS SUBTITLE.

13 (2) THE HOLDER OF A CONTRACTOR LICENSE THAT IS ON INACTIVE
14 STATUS IS NOT SUBJECT TO AN ASSESSMENT FOR THE FUND UNDER § 8-404(B) OF
15 THIS SUBTITLE.

16 (D) THE PLACEMENT OF A LICENSE ON INACTIVE STATUS DOES NOT AFFECT
17 THE POWER OF THE COMMISSION TO SUSPEND OR REVOKE THE LICENSE OR TO
18 TAKE ANY OTHER DISCIPLINARY ACTION AGAINST THE LICENSEE.

19 (E) (1) A LICENSEE WHOSE LICENSE IS ON INACTIVE STATUS REMAINS
20 RESPONSIBLE FOR RENEWING THE LICENSE AS REQUIRED UNDER § 8-308 OF THIS
21 SUBTITLE.

22 (2) THE HOLDER OF A CONTRACTOR LICENSE THAT IS ON INACTIVE
23 STATUS MAY RENEW THE LICENSE WITHOUT COMPLYING WITH THE LIABILITY
24 INSURANCE REQUIREMENT OF § 8-302.1 OF THIS SUBTITLE.

25 (3) NOTWITHSTANDING § 8-308 OF THIS SUBTITLE, A LICENSEE WHOSE
26 LICENSE IS ON INACTIVE STATUS SHALL PAY TO THE COMMISSION A RENEWAL FEE
27 OF:

28 (I) \$112.50 FOR A CONTRACTOR LICENSE;

29 (II) \$62.50 FOR A SUBCONTRACTOR LICENSE; OR

30 (III) \$37.50 FOR A SALESPERSON LICENSE.

31 (F) THE COMMISSION SHALL REACTIVATE THE LICENSE OF A LICENSEE THAT
32 IS ON INACTIVE STATUS AND REISSUE THE LICENSE TO THE LICENSEE, IF THE
33 LICENSEE:

34 (1) SUBMITS TO THE COMMISSION AN APPLICATION FOR
35 REACTIVATION ON THE FORM THAT THE COMMISSION PROVIDES;

36 (2) PAYS TO THE COMMISSION A REISSUANCE FEE OF \$10; AND

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1 (3) MEETS THE REQUIREMENTS FOR A LICENSE, INCLUDING, IN THE
2 CASE OF A CONTRACTOR, THE LIABILITY INSURANCE REQUIREMENT UNDER §
3 8-302.1 OF THIS SUBTITLE.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 1996.