
By: Delegate Schade

Introduced and read first time: February 18, 1997

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation - Home Improvement Commission - Exemptions From Licensure**

3 FOR the purpose of exempting from licensure a person for whom compensation derived
4 from home improvement work is not more than a certain percentage of the annual
5 gross income of the person; requiring a person exempted from licensure by this Act
6 to obtain a certain acknowledgment before performing home improvement work for
7 compensation; requiring the Maryland Home Improvement Commission to adopt
8 regulations to effectuate and enforce this Act, including a definition of "annual
9 gross income"; and generally relating to the licensure of persons performing home
10 improvement work.

11 BY repealing and reenacting, with amendments,

12 Article - Business Regulation

13 Section 8-301

14 Annotated Code of Maryland

15 (1992 Volume and 1996 Supplement)

16 BY adding to

17 Article - Business Regulation

18 Section 8-506

19 Annotated Code of Maryland

20 (1992 Volume and 1996 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - Business Regulation**

24 8-301.

25 (a) Except as otherwise provided in this title, a person must have a contractor
26 license whenever the person acts as a contractor in the State.

27 (b) Except as otherwise provided in this title, a person must have a subcontractor
28 license or contractor license whenever the person acts as a subcontractor in the State.

29 (c) Except as otherwise provided in this title, a person must have a salesperson
30 license or contractor license whenever the person sells a home improvement in the State.

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1 (d) This section does not apply to:

2 (1) an individual who works for a contractor or subcontractor for a salary or
3 wages but who is not a salesperson for the contractor;

4 (2) a clerical employee, retail clerk, or other employee of a licensed
5 contractor who is not a salesperson, as to a transaction on the premises of the licensed
6 contractor;

7 (3) a solicitor for a contractor who calls an owner by telephone only;

8 (4) an architect, electrician, plumber, heating, ventilation, air-conditioning,
9 or refrigeration contractor, or other person who:

10 (i) is required by State or local law to meet standards of competency
11 or experience before engaging in an occupation or profession;

12 (ii) currently is licensed in that occupation or profession under State
13 or local law; and

14 (iii) is:

15 1. acting only within the scope of that occupation or profession;
16 or

17 2. installing a central heating or air-conditioning system;

18 (5) a security systems technician licensed under Title 18 of the Business
19 Occupations and Professions Article; [or]

20 (6) a person who is selling a home improvement to be performed by a
21 person described in item (4) of this subsection[.]; OR

22 (7) A PERSON FOR WHOM THE COMPENSATION DERIVED FROM HOME
23 IMPROVEMENT WORK IS NOT MORE THAN 10% OF THE ANNUAL GROSS INCOME OF
24 THE PERSON.

25 8-506.

26 BEFORE A PERSON EXEMPTED FROM LICENSURE UNDER § 8-301(D)(7) OF THIS
27 TITLE MAY PERFORM HOME IMPROVEMENT WORK FOR COMPENSATION, THE
28 PERSON SHALL OBTAIN A SIGNED ACKNOWLEDGMENT FROM THE CONSUMER THAT
29 THE CONSUMER KNOWS THAT THE PERSON IS NOT LICENSED TO PERFORM HOME
30 IMPROVEMENT WORK.

31 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Home
32 Improvement Commission shall adopt regulations to effectuate and enforce this Act,
33 including a definition of "annual gross income", by October 1, 1997.

34 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act
35 shall take effect June 1, 1997.

36 SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
37 take effect October 1, 1997.