
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 - Penalties for First Violations**

3 FOR the purpose of altering the penalties for a person who violates certain sections of
4 the Maryland Home Improvement Law for the first time under certain
5 circumstances; and generally relating to the penalties of first-time violators of the
6 Maryland Home Improvement Law.

7 BY repealing and reenacting, with amendments,
8 Article - Business Regulation
9 Section 8-601 and 8-620
10 Annotated Code of Maryland
11 (1992 Volume and 1996 Supplement)

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

14 **Article - Business Regulation**

15 8-601.

16 (a) Except as otherwise provided in this title, a person may not act or offer to act
17 as a contractor in the State unless the person has a contractor license.

18 (b) Except as otherwise provided in this title, a person may not act or offer to act
19 as a subcontractor in the State unless the person has a contractor license or subcontractor
20 license.

21 (c) Except as otherwise provided in this title, a person may not sell or offer to sell
22 a home improvement in the State unless the person has a contractor license or
23 salesperson license.

24 (d) (1) A person who knowingly and willfully violates this section is guilty of a
25 misdemeanor and, on conviction, is subject to a fine not exceeding \$5,000 or
26 imprisonment not exceeding 2 years or both.

27 (2) (I) THE COMMISSION SHALL ISSUE A WRITTEN WARNING TO ANY
28 PERSON WHO UNKNOWINGLY AND UNWILLFULLY VIOLATES THIS SECTION.

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1 (II) A PERSON WHO VIOLATES THIS SECTION AFTER RECEIVING A
2 WRITTEN WARNING UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE
3 DEEMED TO HAVE KNOWINGLY AND WILLFULLY VIOLATED THIS SECTION FOR THE
4 PURPOSES OF PARAGRAPH (1) OF THIS SUBSECTION FOR ALL POST-WARNING
5 VIOLATIONS OF THIS SECTION.

6 8-620.

7 (a) (1) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
8 Commission may impose on a person who violates this title, including § 8-607(4) of this
9 subtitle, a civil penalty not exceeding \$5,000 for each violation, whether or not the person
10 is licensed under this title.

11 (2) THE COMMISSION SHALL ISSUE A WRITTEN WARNING INSTEAD OF
12 IMPOSING A FINE UNDER PARAGRAPH (1) OF THIS SUBSECTION TO ANY PERSON
13 WHO UNKNOWINGLY AND UNWILLFULLY VIOLATES § 8-601 OF THIS SUBTITLE FOR
14 THE FIRST TIME.

15 (b) In setting the amount of a civil penalty, the Commission shall consider:

16 (1) the seriousness of the violation;

17 (2) the good faith of the violator;

18 (3) any previous violations;

19 (4) the harmful effect of the violation on the complainant, the public, and
20 the business of home improvement;

21 (5) the assets of the violator; and

22 (6) any other relevant factors.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 1997.