

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 988 (Delegates Kach and Kelly)

Economic Matters

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**Home Improvement Contracts**

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This bill provides that: (1) a home improvement contract that fails to satisfy the requirements of §8-501(b) of the Business Regulation Article may not be enforced by a contractor who directly or indirectly provides home improvement services under the contract; and (2) the contractor who fails to comply with §8-501(b) may not recover damages arising from a breach of the contract.

§8-501(b) provides that each home improvement contract must: (1) be in writing and legible; (2) describe clearly each document that it incorporates; and (3) be signed by each party to the home improvement contract.

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**Fiscal Summary**

**State Effect:** None. This bill would not directly affect State operations or finances.

**Local Effect:** None.

**Small Business Effect:** Potential minimal effect. Small businesses which fail to comply with the requirements of §8-501 (b) could not enforce a home improvement contract or recover damages arising out of a breach of contract.

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**Information Sources:** Department of Labor, Licensing, and Regulation; Judiciary (Administrative Office of the Courts); Office of Administrative Hearings

**Fiscal Note History:** First Reader - March 9, 1998

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