
By: **Chairman, Economic and Environmental Affairs Committee**
Introduced and read first time: February 2, 2000
Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

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 the limitation on recovery from the Home Improvement Guaranty Fund for
9 certain persons; requiring that an evaluation of the Commission and the
10 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,
25 Article - State Government
26 Section 8-403(e)
27 Annotated Code of Maryland
28 (1999 Replacement Volume)

29 BY adding to

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

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

7 **Article - Business Regulation**

8 8-405.

9 (e) (1) [The] UNTIL OCTOBER 1, 2001, THE Commission may not award from
10 the Fund:

11 [(1)] (I) more than [\$10,000] \$12,500 to 1 claimant for acts or omissions
12 of 1 contractor;

13 [(2)] (II) more than \$100,000 to all claimants for acts or omissions of 1
14 contractor unless, after the Commission has paid out \$100,000 on account of acts or
15 omissions of the contractor, the contractor reimburses \$100,000 to the Fund;

16 [(3)] (III) an amount for attorney fees, consequential damages, court
17 costs, interest, personal injury damages, or punitive damages; or

18 [(4)] (IV) an amount as a result of a default judgment in court.

19 (2) ON OR AFTER OCTOBER 1, 2001, THE COMMISSION MAY NOT AWARD
20 FROM THE FUND:

21 (I) MORE THAN \$15,000 TO 1 CLAIMANT FOR ACTS OR OMISSIONS
22 OF 1 CONTRACTOR;

23 (II) MORE THAN \$100,000 TO ALL CLAIMANTS FOR ACTS OR
24 OMISSIONS OF 1 CONTRACTOR UNLESS, AFTER THE COMMISSION HAS PAID OUT
25 \$100,000 ON ACCOUNT OF ACTS OR OMISSIONS OF THE CONTRACTOR, THE
26 CONTRACTOR REIMBURSES \$100,000 TO THE FUND;

27 (III) AN AMOUNT FOR ATTORNEY FEES, CONSEQUENTIAL DAMAGES,
28 COURT COSTS, INTEREST, PERSONAL INJURY DAMAGES, OR PUNITIVE DAMAGES; OR

29 (IV) AN AMOUNT AS A RESULT OF A DEFAULT JUDGMENT IN COURT.
30 8-702.

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

1

Article - State Government

2 8-403.

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

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

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

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

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

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

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

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

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

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

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

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

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

29 (e) On or before November 30 of the 2nd year before the evaluation date of a
30 governmental activity or unit, the Legislative Policy Committee, based on a
31 preliminary evaluation, may waive as unnecessary the evaluation required under this
32 section.

33 (M) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (E) OF THIS SECTION,
34 ON OR BEFORE JULY 1, 2011, AN EVALUATION SHALL BE MADE OF THE MARYLAND

1 HOME IMPROVEMENT COMMISSION AND THE REGULATIONS THAT RELATE TO THE
2 MARYLAND HOME IMPROVEMENT COMMISSION.

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

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