

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 548 (Delegate Barve)

Economic Matters

Home Improvement Guaranty Fund - Payment of Claims

The bill increases to \$100,000 the maximum amount of unreimbursed payments the Maryland Home Improvement Commission (MHIC) can pay to home owners from the Home Improvement Guaranty Fund (HIGF) before the commission may pay any approved claims proportionately.

Fiscal Summary

State Effect: Potential minimal. The increase in the payouts are estimated to be minimal and should not materially affect HIGF's fund balance.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The maximum unreimbursed amount that MHIC can pay to home owners from HIGF before the commission is required to pay any approved claims proportionately is \$50,000.

Background: Chapter 137 of 1999 amended the Business Regulation Article increasing the total amount payable out of HIGF on behalf of one contractor to \$100,000. Chapter 137 did not increase the amount of the claim in excess of the amount reimbursed by the contractor that can be paid to home owners.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2000
cm/jr

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