

Department of Legislative Services  
Maryland General Assembly  
2002 Session

FISCAL NOTE  
Revised

Senate Bill 595

(Senator Ruben)

Education, Health, and Environmental Affairs

Economic Matters

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**Home Improvement Contractors - Required General Liability Insurance**

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This bill requires a licensed home improvement contractor to maintain at least \$50,000 of general liability insurance. If a contractor intends to cancel the required general liability insurance, the contractor must notify the Maryland Home Improvement Commission at least ten days prior to cancellation.

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**Fiscal Summary**

**State Effect:** The bill would not materially affect governmental operations or finances.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

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**Analysis**

**Current Law:** An applicant for a home improvement contractor license must show proof of at least \$50,000 in general liability insurance, but there is no statutory language to require that a licensee maintain the insurance for all home improvement work performed.

**Background:** The Department of Labor, Licensing, and Regulation reports that it currently receives certificates of insurance and notices of cancellation for the approximately 13,000 licensed home improvement contractors in the State; however, there is no formal tracking system currently in place.

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## 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 27, 2002  
ncs/cer Revised - Correction - February 28, 2002  
Revised - Senate Third Reader - March 22, 2002  
Revised - Enrolled Bill - April 29, 2002

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