

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 461 (Delegate Krysiak)
Economic Matters

Home Improvement - Unlicensed Contractor - Prohibit Recovery of Compensation

This bill prohibits a person who is required to be licensed as a home improvement contractor but who is not so licensed at the time of offering to perform and performing a home improvement under a home improvement contract, from bringing or recovering on an action for compensation in a State court.

Fiscal Summary

State Effect: The bill is not expected to have a significant impact on District Court workload or finances.

Local Effect: The bill is not expected to have a significant impact on circuit court workload or finances.

Small Business Effect: Minimal. The bill penalizes only those small businesses that enter into home improvement contracts without first obtaining the required license.

Analysis

Current Law: A person must have a contractor license whenever the person acts as a home improvement contractor in the State. A person who violates this requirement is guilty of a misdemeanor and, on first conviction, is subject to a fine not exceeding \$1,000 and/or imprisonment not exceeding 30 days; and, on a second or subsequent conviction, a fine not exceeding \$5,000 and/or imprisonment not exceeding two years.

Additional Information

Prior Introductions: None.

Cross File: SB 244 (Senator Garagiola) – Judicial Proceedings.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - February 10, 2004
lc/jr

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