C2, I1 2lr2323 CF SB 855

By: Delegates Adams, Ghrist, McKay, and Thiam

Introduced and read first time: February 11, 2022

Assigned to: Economic Matters

A BILL ENTITLED

1	AN ACT concerning
2 3	Business Regulation – Home Improvement Contracts – Deposits by Financial Institutions
4 5	FOR the purpose of authorizing a person to receive a deposit for more than a certain amount of a home improvement contract price at a certain time if the deposit is being
6 7	financed by certain financial institutions; and generally relating to home improvement contracts.
8	BY repealing and reenacting, with amendments, Article – Business Regulation
10	Section 8–617
11	Annotated Code of Maryland
12	(2015 Replacement Volume and 2021 Supplement)
13	BY repealing and reenacting, without amendments,
14	Article – Financial Institutions
15	Section 1–101(a) and (j)
16	Annotated Code of Maryland
17	(2020 Replacement Volume and 2021 Supplement)
18	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND
19	That the Laws of Maryland read as follows:
20	Article – Business Regulation
21	8–617.
22 23	(a) A person may not demand or receive any payment for a home improvement before the home improvement contract is signed.



- 1 (b) (1) [A] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A person may not receive a deposit of more than one—third of the home improvement contract price before or at the time of execution of the home improvement contract.
- 5 (2) A PERSON MAY RECEIVE A DEPOSIT OF MORE THAN ONE—THIRD OF THE HOME IMPROVEMENT CONTRACT PRICE BEFORE OR AT THE TIME OF EXECUTION OF THE HOME IMPROVEMENT CONTRACT IF THE FULL AMOUNT OF THE DEPOSIT IS BEING FINANCED BY A FINANCIAL INSTITUTION, AS DEFINED IN § 1–101 OF THE FINANCIAL INSTITUTIONS ARTICLE.

Article - Financial Institutions

11 1–101.

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- 12 (a) In this article, unless the context clearly requires otherwise, the following words have the meanings indicated.
- 14 (j) "Financial institution" means any financial institution of the type supervised 15 under this article, whether or not State-chartered.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.