

# HOUSE BILL 1351

C2  
HB 1348/25 – ECM

6lr1622  
CF SB 929

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By: **Delegates Amprey ~~and Ruff~~, Ruff, and Bhandari**

Introduced and read first time: February 12, 2026

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2026

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Home Improvement Contractors – Disaster Mitigation Services and Fraudulent**  
3 **Insurance Acts – Regulation and Prohibition**

4 FOR the purpose of altering the definition of “home improvement” to include the provision  
5 of certain disaster mitigation services for purposes of licensing and regulation of  
6 home improvement contractors; exempting certain home improvement contractors  
7 from certain home improvement contractor licensing requirements in certain  
8 instances; authorizing a certain owner to rescind a home improvement contract for  
9 disaster mitigation services under certain circumstances; authorizing the governing  
10 body of a county to impose certain limitations on in-person solicitation of a victim of  
11 a disaster by a contractor offering disaster mitigation services; repealing a certain  
12 intent requirement for a certain fraudulent insurance act; establishing that it is a  
13 fraudulent insurance act for a certain person to provide a payment, referral fee,  
14 rebate, gift, or anything of value to a certain person in connection with a claim for  
15 the repair or replacement of a residential structure; and generally relating to  
16 solicitation following a disaster.

17 BY repealing and reenacting, with amendments,  
18 Article – Business Regulation  
19 Section 8–101, 8–301(c)(6) and (7), and 8–501(c)(1)(viii) and (ix)  
20 Annotated Code of Maryland  
21 (2024 Replacement Volume and 2025 Supplement)

22 BY adding to  
23 Article – Business Regulation

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Section 8–301(c)(8), 8–501(c)(1)(x), 8–501.1, and 8–507  
 2 Annotated Code of Maryland  
 3 (2024 Replacement Volume and 2025 Supplement)

4 BY repealing and reenacting, without amendments,  
 5 Article – Business Regulation  
 6 Section 8–301(a) and (b) and 8–501(c)(2) and (3) and (f)  
 7 Annotated Code of Maryland  
 8 (2024 Replacement Volume and 2025 Supplement)

9 BY repealing and reenacting, with amendments,  
 10 Article – Insurance  
 11 Section 27–407.2  
 12 Annotated Code of Maryland  
 13 (2017 Replacement Volume and 2025 Supplement)

14 BY adding to  
 15 Article – Insurance  
 16 Section 27–407.3  
 17 Annotated Code of Maryland  
 18 (2017 Replacement Volume and 2025 Supplement)

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

### 21 Article – Business Regulation

22 8–101.

23 (a) In this title the following words have the meanings indicated.

24 (b) “Commission” means the Maryland Home Improvement Commission.

25 (c) “Contractor” means a person, other than an employee of an owner, who  
 26 performs or offers or agrees to perform a home improvement for an owner.

27 (d) “Contractor license” means a license issued by the Commission to act as a  
 28 contractor.

29 (E) “DISASTER MITIGATION SERVICES” INCLUDES:

30 (1) BOARDING UP WINDOWS OR DOORS TO SECURE A BUILDING;

31 (2) DEMOLITION OF A STRUCTURE TO PREVENT FURTHER DAMAGE;

32 (3) SETTING WATER MITIGATION EQUIPMENT;

1           **(4) TARPING OR CAULKING A ROOF OR BUILDING AFTER DAMAGE;**  
2 **AND**

3           **(5) SECURING A WALL OR ROOF TO PREVENT FURTHER DAMAGE.**

4           **[(e)] (F)**       “Fund” means the Home Improvement Guaranty Fund.

5           **[(f)] (G)**       “Hearing board” means a home improvement hearing board appointed  
6 by the Commission under § 8–313 of this title.

7           **[(g)] (H)**       (1)   “Home improvement” means:

8                           (i)   **1.**   the addition to or alteration, conversion, improvement,  
9 modernization, remodeling, repair, or replacement of a building or part of a building that  
10 is used or designed to be used as a residence or dwelling place or a structure adjacent to  
11 that building; or

12                           **[(ii)] 2.**   an improvement to land adjacent to the building; **OR**

13                           **(II) THE PROVISION OF DISASTER MITIGATION SERVICES FOR A**  
14 **BUILDING OR PART OF A BUILDING THAT IS USED OR DESIGNED TO BE USED AS A**  
15 **RESIDENCE OR DWELLING PLACE OR A STRUCTURE ADJACENT TO THAT BUILDING.**

16           (2)   “Home improvement” includes:

17                           (i)   construction, improvement, or replacement, on land adjacent to  
18 the building, of a driveway, fall–out shelter, fence, garage, landscaping, deck, pier, porch,  
19 or swimming pool;

20                           (ii)   a shore erosion control project, as defined under § 8–1001 of the  
21 Natural Resources Article, for a residential property;

22                           (iii) connection, installation, or replacement, in the building or  
23 structure, of a dishwasher, disposal, or refrigerator with an icemaker to existing exposed  
24 household plumbing lines;

25                           (iv) installation, in the building or structure, of an awning, fire  
26 alarm, or storm window; ~~and~~

27                           (v)   work done on individual condominium units;

28                           **(VI) WORK DONE ON TREES, INCLUDING REMOVAL SERVICES;**

29 **AND**

30                           **(VII) WATER REMEDIATION SERVICES THAT RESTORE, CLEAN,**  
31 **SANITIZE, OR RETURN A PROPERTY TO BE SAFE AND HABITABLE.**

1 (3) “Home improvement” does not include:

2 (i) construction of a new home;

3 (ii) work done to comply with a guarantee of completion for a new  
4 building project;

5 (iii) connection, installation, or replacement of an appliance to  
6 existing exposed plumbing lines that requires alteration of the plumbing lines;

7 (iv) sale of materials, if the seller does not arrange to perform or does  
8 not perform directly or indirectly any work in connection with the installation or application  
9 of the materials;

10 (v) work done on apartment buildings that contain four or more  
11 single-family units; or

12 (vi) work done on the commonly owned areas of condominiums.

13 **[(h)] (I)** “Home improvement contract” means an oral or written agreement  
14 between a contractor and owner for the contractor to perform a home improvement.

15 **[(i)] (J)** (1) “License” means, except where it refers to a license other than  
16 one issued under this title, a license issued by the Commission.

17 (2) “License” includes:

18 (i) a contractor license; and

19 (ii) a salesperson license.

20 **[(j)] (K)** “Licensed contractor” means a person who is licensed by the  
21 Commission to act as a contractor.

22 **[(k)] (L)** “Owner” includes a homeowner, tenant, or other person who buys,  
23 contracts for, orders, or is entitled to a home improvement.

24 **[(l)] (M)** “Salesperson” means a person who sells a home improvement.

25 **[(m)] (N)** “Salesperson license” means a license issued by the Commission to sell  
26 a home improvement.

27 **[(n)] (O)** “Sell a home improvement” means:

1 (1) to negotiate or offer to negotiate a home improvement contract with an  
2 owner; or

3 (2) to seek to get a home improvement contract from an owner.

4 [(o)] (P) "Subcontractor" means a person, other than a laborer or supplier of  
5 materials, who makes an oral or written agreement with:

6 (1) a contractor to perform all or part of a home improvement contract; or

7 (2) another subcontractor to perform all or part of a subcontract to a home  
8 improvement contract.

9 8-301.

10 (a) Except as otherwise provided in this title, a person must have a contractor  
11 license whenever the person acts as a contractor in the State.

12 (b) Except as otherwise provided in this title, a person must have a salesperson  
13 license or contractor license whenever the person sells a home improvement in the State.

14 (c) This section does not apply to:

15 (6) a marine contractor licensed under Title 17, Subtitle 3 of the  
16 Environment Article; [or]

17 (7) a person who is selling a home improvement to be performed by a  
18 person described in item (4) of this subsection; OR

19 (8) ON OR BEFORE NOVEMBER 1, 2028, A HOME IMPROVEMENT  
20 CONTRACTOR THAT PROVIDES DISASTER MITIGATING SERVICES IF THE HOME  
21 IMPROVEMENT CONTRACTOR:

22 (I) COMPLIES WITH THE REQUIREMENTS OF § 8-501.1 OF THIS  
23 TITLE;

24 (II) IS SUBSTANTIALLY WORKING TOWARD A LICENSE; AND

25 (III) IF THE HOME IMPROVEMENT CONTRACTOR IS A COMPANY,  
26 CORPORATION, OR OTHER ENTITY, FORMED, INCORPORATED, OR REGISTERED IN  
27 THE STATE ON OR BEFORE OCTOBER 1, 2026.

28 8-501.

29 (c) (1) In addition to any other matters on which the parties lawfully agree,  
30 each home improvement contract shall contain:

1 (viii) a notice that gives the telephone number and website of the  
2 Commission and states that:

- 3 1. each contractor must be licensed by the Commission; and  
4 2. anyone may ask the Commission about a contractor; [and]

5 (ix) a notice set by the Commission by regulation that:

- 6 1. specifies the protections available to consumers through  
7 the Commission; and  
8 2. advises the consumer of the right to purchase a  
9 performance bond for additional protection against loss; AND

10 **(X) IF THE CONTRACT IS FOR THE PROVISION OF DISASTER**  
11 **MITIGATION SERVICES, NOTICE OF THE OWNER'S RIGHT TO RESCIND THE CONTRACT**  
12 **UNDER § 8-501.1 OF THIS SUBTITLE.**

13 (2) If payment for work performed under the home improvement contract  
14 will be secured by an interest in residential real estate, a written notice in not smaller than  
15 10 point bold type that is on the first page of the contract shall state in substantially the  
16 following form: "This contract creates a mortgage or lien against your property to secure  
17 payment and may cause a loss of your property if you fail to pay the amount agreed upon.  
18 You have the right to consult an attorney. You have the right to rescind this contract within  
19 3 business days after the date you sign it by notifying the contractor in writing that you are  
20 rescinding the contract."

21 (3) The notice under paragraph (2) of this subsection shall be  
22 independently initialed by the homeowner.

23 (f) (1) Except as provided in paragraph (2) of this subsection, a home  
24 improvement contract for the installation of a solar energy generating system on the roof  
25 of a building shall include the installation of a barrier that meets industry standards to  
26 prevent wildlife intrusion and damage to the solar energy generating system or the  
27 underlying roof.

28 (2) A home improvement contract for the installation of a solar energy  
29 generating system on the roof of a building is not required to include the installation of a  
30 barrier as specified under paragraph (1) of this subsection if the customer has waived the  
31 installation of the barrier after being informed of the cost of the barrier and the risks of not  
32 installing a wildlife barrier.

33 **8-501.1.**

1 (A) (1) ~~IF~~ NOTWITHSTANDING TITLE 14, SUBTITLE 3 OF THE  
2 COMMERCIAL LAW ARTICLE, IF A HOME IMPROVEMENT CONTRACTOR SOLICITS AN  
3 OWNER AND THE OWNER SIGNS A CONTRACT FOR DISASTER MITIGATING SERVICES,  
4 THE OWNER MAY RESCIND THE CONTRACT:

5 (I) IF THE OWNER IS UNDER THE AGE OF 65 YEARS, WITHIN 5  
6 DAYS AFTER ENTERING INTO THE CONTRACT; OR

7 (II) IF THE OWNER IS AT LEAST 65 YEARS OLD, WITHIN 7 DAYS  
8 AFTER ENTERING INTO THE CONTRACT.

9 (2) AN OWNER THAT RESCINDS A HOME IMPROVEMENT CONTRACT IN  
10 ACCORDANCE WITH THIS SECTION MAY NOT BE REQUIRED TO PAY MORE THAN THE  
11 ~~AMOUNT INDICATED AND INITIALED BY THE OWNER, IN THE CONTRACT.~~ FAIR AND  
12 REASONABLE VALUE OF THE NECESSARY WORK PERFORMED UNDER THE CONTRACT  
13 PRIOR TO THE OWNER RESCINDING THE CONTRACT.

14 (B) A HOME IMPROVEMENT CONTRACT FOR DISASTER MITIGATION  
15 SERVICES SHALL:

16 (1) COMPLY WITH THE REQUIREMENTS OF § 14-302 OF THE  
17 COMMERCIAL LAW ARTICLE; AND

18 (2) INCLUDE THE FOLLOWING LANGUAGE, WHICH SHALL BE  
19 INITIALED BY THE OWNER:

20 “DURING THE FIRST 5 DAYS AFTER THIS CONTRACT IS SIGNED, THE OWNER  
21 HAS THE RIGHT TO RESCIND THE CONTRACT AND BE LIABLE ONLY FOR ~~AN AMOUNT~~  
22 ~~NOT TO EXCEED \$ \_\_\_\_\_ (FILL IN AMOUNT) AND \_\_\_\_\_ (OWNER INITIALS).”~~ THE  
23 FAIR AND REASONABLE VALUE OF THE NECESSARY WORK PERFORMED UNDER THE  
24 CONTRACT PRIOR TO THE OWNER RESCINDING THE CONTRACT.”

25 8-507.

26 (A) IN THIS SECTION, “DISASTER” MEANS A SERIOUS EVENT THAT:

27 (1) CAUSES HARM TO A HOME, BUILDING, OR OTHER STRUCTURE; AND

28 (2) REQUIRES EMERGENCY RESPONSE SERVICES.

29 (B) THIS SECTION DOES NOT APPLY TO A CONTRACTOR, OR A PERSON  
30 ACTING ON BEHALF OF A CONTRACTOR, WHO IS ENGAGED IN AN ONGOING BUSINESS  
31 RELATIONSHIP, OTHER THAN MERE SOLICITATION, WITH A VICTIM OF A DISASTER  
32 BEFORE THE DISASTER OCCURS.

1 (C) FOR PURPOSES OF THIS SECTION, THE EXISTENCE OF A DISASTER IS  
 2 NOT CONTINGENT ON THE DECLARATION OF A STATE OF EMERGENCY BY THE  
 3 FEDERAL GOVERNMENT OR THE GOVERNOR UNDER § 14-107 OF THE PUBLIC  
 4 SAFETY ARTICLE, OR A LOCAL DISASTER DECLARATION AS DEFINED UNDER §  
 5 14-110.5 OF THE PUBLIC SAFETY ARTICLE.

6 (D) THE GOVERNING BODY OF A COUNTY OR THE MAYOR AND CITY  
 7 COUNCIL OF BALTIMORE CITY MAY IMPOSE LIMITATIONS ON  
 8 IN-PERSON SOLICITATION OF A VICTIM OF A DISASTER BY A CONTRACTOR  
 9 OFFERING DISASTER MITIGATION SERVICES, INCLUDING LIMITATIONS ON THE  
 10 HOURS DURING WHICH AND AREAS WITHIN WHICH IN-PERSON SOLICITATION MAY  
 11 OCCUR.

12 Article – Insurance

13 27-407.2.

14 It is a fraudulent insurance act for a contractor offering home repair or remodeling  
 15 services for damages to a private residence, to directly or indirectly pay or otherwise  
 16 compensate an insured, or offer or promise to pay or compensate an insured[, with the  
 17 intent to defraud an insurer,] for any part of the insured’s deductible under the insured’s  
 18 property or casualty insurance policy, if payment for the services will be made from the  
 19 proceeds of the policy.

20 27-407.3.

21 (A) IN THIS SECTION, “CONTRACTOR” HAS THE MEANING STATED IN § 8-101  
 22 OF THE BUSINESS REGULATION ARTICLE.

23 (B) IT IS A FRAUDULENT INSURANCE ACT FOR A CONTRACTOR OR PROVIDER  
 24 OF SERVICES FOR THE REPAIR OR REPLACEMENT OF A RESIDENTIAL STRUCTURE TO  
 25 PROVIDE A PAYMENT, REFERRAL FEE, REBATE, GIFT, OR ANYTHING OF VALUE TO AN  
 26 INSURED OR A CLAIMANT IN CONNECTION WITH A CLAIM.

27 (C) NOTHING IN THIS SECTION PROHIBITS A CONTRACTOR FROM PAYING A  
 28 REFERRAL FEE OR COMMISSION TO ANOTHER CONTRACTOR OR BUSINESS ENTITY.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 30 October 1, 2026.