

# HOUSE BILL 409

C2

0lr0086

---

By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: January 29, 2010

Assigned to: Economic Matters

---

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2010

---

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

1 AN ACT concerning

### 2 **Home Improvement Commission – Guaranty Fund Jurisdiction**

3 FOR the purpose of prohibiting the Maryland Home Improvement Commission from  
4 making an award from the Home Improvement Guaranty Fund in excess of a  
5 certain amount paid to the contractor against whom the claim is filed; ~~altering~~  
6 ~~the conditions under which a claim against the Fund can be made so as to~~  
7 ~~authorize an owner to make a claim only if the owner or an immediate relative~~  
8 ~~of the owner resides, as a principal or vacation residence, in the home as to~~  
9 ~~which the claim is made;~~ and generally relating to the Home Improvement  
10 Guaranty Fund.

11 BY repealing and reenacting, with amendments,  
12 Article – Business Regulation  
13 Section 8-405(e) ~~and (f)(2)~~  
14 Annotated Code of Maryland  
15 (2004 Replacement Volume and 2009 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – Business Regulation  
18 Section 8-405(f)(2)  
19 Annotated Code of Maryland  
20 (2004 Replacement Volume and 2009 Supplement)

---

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

3 **Article – Business Regulation**

4 8–405.

5 (e) The Commission may not award from the Fund:

6 (1) more than \$20,000 to one claimant for acts or omissions of one  
7 contractor;

8 (2) more than \$100,000 to all claimants for acts or omissions of one  
9 contractor unless, after the Commission has paid out \$100,000 on account of acts or  
10 omissions of the contractor, the contractor reimburses \$100,000 to the Fund;

11 (3) an amount for attorney fees, consequential damages, court costs,  
12 interest, personal injury damages, or punitive damages; [or]

13 (4) an amount as a result of a default judgment in court; **OR**

14 **(5) AN AMOUNT IN EXCESS OF THE AMOUNT PAID BY OR ON**  
15 **BEHALF OF THE CLAIMANT TO THE CONTRACTOR AGAINST WHOM THE CLAIM IS**  
16 **FILED.**

17 (f) (2) An owner may make a claim against the Fund only if the owner~~†~~:

18 (i) resides in the home as to which the claim is made; or

19 (ii) does not own more than three residences or dwelling places~~†~~  
20 ~~OR IMMEDIATE RELATIVE OF THE OWNER RESIDES, EITHER AS A PRINCIPAL OR~~  
21 ~~VACATION RESIDENCE, IN THE HOME AS TO WHICH THE CLAIM IS MADE.~~

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2010.