

IN THE MATTER OF THE CLAIM * MARYLAND HOME
OF PATRICIA WALKER * IMPROVEMENT COMMISSION
AGAINST THE MARYLAND HOME *
IMPROVEMENT GUARANTY FUND *
FOR ALLEGED VIOLATIONS OF * MHIC CASE NO. 12 (90) 16
PETER C. SELMAN *
t/a WALQUIDIA ENTERPRISES, LLC *

* * * * *

FINAL ORDER

WHEREFORE, this 24TH day of February, 2015, Panel B of the Maryland

Home Improvement Commission ORDERS that:

1) The Findings of Fact of the Administrative Law Judge are Amended as follows:

A) The Administrative Law Judge found that the Claimant's total cost to repair and complete the Respondent's work was \$10,357.00. Of that total, the Administrative law Judge included a cost of \$1,585.00 to install the skylight. (Finding of Fact No. 18)

B) The Claimant acknowledged on the record, at the November 20, 2014 Exceptions Hearing before the Commission, that the Respondent had, in fact, installed a new skylight. Therefore, the Commission finds that the total cost to repair and complete the Respondent's work is \$8,772.00 (\$10,357.00 less \$1,585.00).

A) The Claimant sustained an actual loss of \$825.00.

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2) The Conclusions of Law of the Administrative Law Judge are Amended as follows:

A) Pursuant to the formula set forth in COMAR 09.08.03.03B, the correct calculation of the Claimants's actual loss is as follows:

● Amount paid to Respondent	\$16,485.00
● Reasonable cost to complete & repair	+ \$ 8,772.00
● Subtotal	\$25,257.00
● Less original contract price	- \$24,432.00
● Actual Loss	\$ 825.00

3) The Recommended Order of the Administrative Law Judge is Amended as follows:

A) The Claimant is awarded \$825.00 from the Home Improvement Guaranty Fund.

4) This Final Order shall become effective thirty (30) days from this date. During the thirty (30) day period, any party may file an appeal of this decision to Circuit Court.

Andrew Snyder

**Chairperson - Panel B
MARYLAND HOME IMPROVEMENT
COMMISSION**

<p>IN THE MATTER OF THE CLAIM OF:</p> <p>PATRICIA A. WALKER,</p> <p>CLAIMANT,</p> <p>AGAINST THE MARYLAND HOME IMPROVEMENT GUARANTY FUND FOR THE ALLEGED ACTS OR OMISSIONS OF</p> <p>PETER C. SELMAN, T/A WALQUIDIA ENTERPRISES, LLC,</p> <p>RESPONDENT</p>	<p>* BEFORE DOUGLAS E. KOTEEN,</p> <p>* AN ADMINISTRATIVE LAW JUDGE</p> <p>* OF THE MARYLAND OFFICE</p> <p>* OF ADMINISTRATIVE HEARINGS</p> <p>* OAH No. DLR-HIC-02-13-46576</p> <p>* MHIC No. 12 (90) 16</p> <p>*</p> <p>*</p>
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PROPOSED DECISION

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STATEMENT OF THE CASE

On December 2, 2011, Patricia A. Walker (Claimant) filed a claim with the Maryland Home Improvement Guaranty Fund (Fund) for reimbursement in the amount of \$8,617.05 for an actual loss allegedly suffered as a result of a home improvement contract she entered with Peter C. Selman, t/a Walquidia Enterprises, LLC (Respondent). On November 20, 2013, the Maryland Home Improvement Commission (MHIC) issued a Hearing Order regarding the Claimant's claim against the Fund.

On May 22, 2014, I conducted a contested case hearing in this matter on behalf of the MHIC. Md. Code Ann., Bus. Reg. §§ 8-312(a) and 8-407(c)(2)(i) (2010 & Supp. 2013). The hearing was conducted at the Office of Administrative Hearings (OAH) in Hunt Valley, Maryland. The Claimant appeared and represented herself. Hope Sachs, Assistant Attorney

General for the Department of Labor, Licensing & Regulation (DLLR), represented the Fund.

The Respondent failed to appear at the hearing after receiving proper notice.

The contested case provisions of the Administrative Procedure Act, the procedural regulations of the DLLR, and the OAH Rules of Procedure govern the procedure in this case. Md. Code Ann., State Gov't §§ 10-201 through 10-226 (2009 & Supp. 2013); Code of Maryland Regulations (COMAR) 09.01.03, 09.08.02, 09.08.03, and 28.02.01.

ISSUES

The issues are whether the Claimant sustained an "actual loss" compensable by the Fund as a result of an act or omission of the Respondent under a home improvement contract and, if so, the amount of the Fund's award.

SUMMARY OF THE EVIDENCE

Exhibits

I admitted the following exhibits on the Claimant's behalf:

- CL Ex. 1. Neighborhood Housing Services of Baltimore, Inc. Contractor Preference, dated October 1, 2010, with attachments (29 pages);
- CL Ex. 2. Evolution Contracting Proposal, dated November 10, 2011; and
- CL Ex. 3. NHS Authorizations for Disbursement, dated April 13, 2011; December 15, 2010; December 29, 2010; January 6, 2011; and August 16, 2011.

I admitted the following exhibits on the Fund's behalf:

- GF Ex. 1. Memorandum re: Undeliverable Mail from OAH to MHIC, dated March 31, 2014, with attached Notice of Hearing, dated February 27, 2014; and Hearing Order, dated November 20, 2013, with attachments (Certified mail: Baltimore, Maryland address) (7 pages);
- GF Ex. 2. Memorandum re: Undeliverable Mail from OAH to MHIC, dated May 14, 2014, with attached Notice of Hearing, dated April 8, 2014; and Hearing Order, dated November 20, 2013, with attachments (Certified mail: Laurel, Maryland address) (7 pages);
- GF Ex. 3. Affidavit of Thomas Marr, dated May 21, 2014, with attached Maryland Driving Record for Respondent, dated March 5, 2013;
- GF Ex. 4. DLLR Professional ID Registration, Professional License History, and Change Code Screen, dated May 21, 2014; and
- GF Ex. 5. Home Improvement Claim Form, received December 2, 2011, with attached Letter from Claimant to MHIC, dated November 6, 2013.

Testimony

The Claimant testified on her own behalf. The Fund did not present any witnesses.

FINDINGS OF FACT

I find the following facts by a preponderance of the evidence:

1. The Respondent was licensed as a home improvement contractor with the MHIC under contractor registration number 01-100829. The Respondent was licensed from November 18, 2009 until his license expired on November 18, 2011. (GF Ex. 4).

2. The Claimant resides at her residence on Pimlico Road in Baltimore, Maryland (the property).

3. On or about October 1, 2010, the Claimant and the Respondent entered into a home improvement contract through Neighborhood Housing Services of Baltimore, Inc. (NHS), a not-for-profit corporation, in which the Respondent agreed to perform home improvement work at the property including the following: install a new kitchen and bathroom; install a concrete walkway and steps, and perform other concrete work in the front and rear of the house; install iron railings in the front of the house; install new flooring in first floor hallway, kitchen, and bathroom; install a new skylight and new front door; repair and paint ceiling drywall and plaster around skylight in upstairs hallway; unclog basement drain; and install three security storm doors in the front, rear, and basement of the house. The cost of the home improvement contract was \$24,423.00. (CL Ex. 1).

4. The contract afforded the Claimant the right to select doors, railings, and cabinets of her choice. The parties developed a diagram for the layout of the kitchen renovations. (CL Ex. 1).

5. The contract also provided for the demolition and removal of old concrete, old hallway and kitchen flooring, and demolition of the bathroom. (CL Ex. 1).

6. On January 20, 2011, the Respondent agreed to perform additional work, including the following: provide second floor exterior siding; replace gas valve; provide dishwasher

plumbing; remove ceiling outlet in kitchen and abandon electrical wiring; provide dishwasher wiring and hookup; provide rear downspout and splash block; provide sump pump; and relocate outlet and molding and repair wall. The cost of this work was to be deducted from the contract surplus so it did not add additional charges to the contract. (CL Ex. 1).

7. The Claimant obtained an interest-free loan from NHS to pay for the home improvement work. The Claimant is obligated to repay the loan when she sells her home. NHS required the Claimant to obtain estimates from six different contractors, and provided her with the names of various contractors, before the Claimant hired the Respondent. Paul Kirkpatrick, NHS Rehabilitation Specialist, assisted the Claimant in her dealings with the Respondent.

8. The Respondent began the work on or about November 17, 2010. The Respondent did not perform work at the Claimant's property on a regular and consistent basis. The Respondent tore apart the Claimant's old kitchen and left it unusable for weeks. Because of the disarray in the kitchen, the Claimant could not use her kitchen during the Thanksgiving holiday. In addition, the Respondent wrote a check for the construction permit that bounced.

9. The Respondent failed to construct the kitchen in accordance with the agreed-upon layout. He failed to install a pantry in the back of the kitchen and placed the dishwasher in the wrong location. The Respondent also failed to install the cabinets the Claimant selected at Lowe's, or the door the Claimant selected at Home Depot. The Claimant and Respondent disagreed about various aspects of the work, and the Respondent was disrespectful to the Claimant.

10. Kirkpatrick, the Claimant, and the Respondent attended a meeting on March 7, 2011 to discuss the status of the home improvement work. At this meeting, the parties agreed that the Respondent had not completed certain work, with the itemized costs as follows:

Concrete work in rear, side, and front of property	\$3,780.00
Install front entrance door and security storm door	\$2,282.00
Install basement exterior door	\$ 500.00
Prep/paint kitchen	\$ 480.00

Patch plaster/paint 2nd floor hallway	\$ 600.00
Lead cleaning/clearance testing	\$ 450.00.

The total cost of the work that remained incomplete at the time of the March 2011 meeting was \$8,092.00. (CL Ex. 1).

11. In accordance with the loan, NHS made disbursements to the Respondent on the Claimant's behalf, between December 15, 2010 and April 21, 2011, in the amount of \$16,485.00. (CL Ex. 3).

12. The Respondent failed to perform additional work on the Claimant's property after April 2011. When the Claimant called the Respondent to request that he complete the work, the Respondent failed to call back. The Respondent also failed to respond to the Claimant's letters requesting that he complete the work.

13. Kirkpatrick scheduled another meeting with the Claimant and the Respondent for May 4, 2011 to help facilitate the completion of the work. Although the Claimant and Kirkpatrick attended the meeting, the Respondent failed to attend.

14. The Respondent failed to complete the work called for under his home improvement contract with the Claimant.

15. The Claimant obtained a proposal from Evolution Contracting (Evolution) on or about November 10, 2011 to complete the home improvement work that the Respondent had not completed. The total cost of the Evolution proposal was \$19,900.00. Evolution proposed to perform the following work:

1. Remove existing front door and transom unit. Purchase and install new wood door and transom unit with side and overhead window lights. Stain door unit after installation.
2. Remove and install front and rear security doors. All doors to have new locks installed.
3. Demo existing concrete walkway in front of home 30' x 4'.
4. Repair ceiling drywall in upstairs hallway.
5. Remove and replace rear guttering and downspout system at [roof] and rear roof.

6. Remove and install new custom metal door at basement entry. Widen door opening 2" before installation and paint.
7. Remove and install new glass at skylight opening.
8. Perform final clean-up of entire property and remove debris left by previous contractor.

(CL Ex. 2).

16. The Claimant's contract with the Respondent did not provide for removal and replacement of rear gutters, and did not provide for the widening of the basement door opening.

(CL Ex. 1, 2).

17. Evolution performed some of the work listed in its proposal. NHS provided Evolution with a disbursement of \$7,938.00 on or about August 16, 2011 on behalf of the Claimant for work performed. (CL Ex. 3).

18. The fair market value of the cost to complete the home improvement work that the Respondent failed to perform under the October 1, 2010 contract is \$10,357.00, which is calculated as follows:

Remove existing front door and install new front door, transom, and lights	\$1,443.00
Remove and install front and rear security doors	\$ 839.00
Complete front and rear concrete work	\$3,780.00
Repair ceiling drywall in upstairs hallway	\$ 600.00
Provide downspout and splash block in rear	\$ 110.00
Remove and install new basement door	\$ 500.00
Remove and install new skylight	\$1,585.00
Perform final clean-up; remove debris left by Respondent	<u>\$1,500.00</u>
Total:	\$10,357.00.

(CL Exs. 1, 2).

19. The Claimant's actual loss as a result of the Respondent's failure to complete the home improvement work is \$2,410.00.

20. On February 27, 2014, the OAH mailed notices of the hearing to the Respondent by regular and certified mail to the Respondent's last known business address in Baltimore, Maryland. The notice sent by certified mail was returned to the OAH on March 24, 2014 by the

U.S. Postal Service marked, "Return to Sender, Unclaimed, Unable to Forward." (GF Ex. 1).

The notice sent by regular mail was not returned to the OAH.

21. On or about April 4, 2014, the MHIC discovered an alternate address for the Respondent in Laurel, Maryland through the records of the Motor Vehicle Administration (MVA). The MVA records described the Appellant's driving privilege status as valid. (GF Ex. 3).

22. On April 8, 2014, the OAH mailed additional hearing notices by regular and certified mail to the Respondent's last known MVA address in Laurel, Maryland. The notice sent by certified mail was returned to the OAH on May 12, 2014 by the U.S. Postal Service marked, "Return to Sender, Unclaimed." (GF Ex. 2). The regular mail copy of the notice was not returned to the OAH.

23. The Respondent failed to appear for the scheduled hearing at the OAH in Hunt Valley, Maryland on May 22, 2014.

DISCUSSION

Notice Issue

The record reflects that the Fund met the notice requirements for the hearing when hearing notices were sent to the Respondent at his last known business and MVA addresses of record by regular and certified mail. The notices sent by certified mail to the Respondent's Baltimore, Maryland and Laurel, Maryland addresses were returned unclaimed. The notices sent by regular mail to both addresses were not returned. Neither the Respondent nor anyone authorized to represent the Respondent appeared for the scheduled hearing on May 22, 2014.

The statutory provisions governing disciplinary proceedings against MHIC licensees state that notice shall be sent by certified mail to "the business address of the licensee on record with the Commission." Md. Code Ann., Bus. Reg. § 8-312(d) (Supp. 2013). The notice procedures applicable to disciplinary proceedings also apply to claims against the Fund. Md. Code Ann., Bus. Reg. § 8-407(a) (2010). A claim against the Fund can be joined with a disciplinary

proceeding based on the same facts. Md. Code Ann., Bus. Reg. § 8-408(a) (2010).¹ Although the Respondent's MHIC license expired in November 2011, the Respondent's address that remained on file with the MHIC when the hearing notices were sent was the Baltimore, Maryland address. At the time the hearing notices were sent, the Respondent's address on file with the MVA was the Laurel, Maryland address. (GF Ex. 1-4).

The evidence establishes that the OAH properly sent the hearing notices in this case by certified and regular mail to the Respondent's address of record on file with the MHIC, as required by section 8-312(d) of the Business Regulation Article. In addition, the OAH also sent another hearing notice to the Appellant's current address on file with the MVA. Therefore, I find that the Respondent was properly notified of the hearing. Consequently, I determined that the hearing would proceed in the Respondent's absence under section 8-312(h) of the Business Regulation Article, section 10-209 of the State Government Article, and Code of Maryland Regulations (COMAR) 09.01.02.07. Md. Code Ann., State Gov't § 10-209 (2009); Md. Code Ann., Bus. Reg. § 8-312(d), (h) (Supp. 2013); COMAR 09.01.02.07.

Legal Background

In 1985, the Maryland General Assembly enacted legislation that first established the Fund. This legislation created an available pool of money from which homeowners could seek relief for losses sustained at the hands of incompetent or unscrupulous home improvement contractors. Md. Code Ann., Bus. Reg. §§ 8-401 to 8-411 (2010 & Supp. 2013). Under this statutory scheme, licensed contractors are assessed for the monies that subsidize the Fund. Homeowners who are victimized by the actions of licensed contractors may recover their "actual losses" from this pool of money, subject to a \$20,000.00 limitation on the claim of any one

¹ Unless otherwise noted, all references to the Annotated Code of Maryland, Business Regulation Article, are to the version published in the 2010 Replacement Volume.

aggrieved homeowner because of the work of any one contractor. Md. Code Ann., Bus. Reg. § 8-405(e)(1) (Supp. 2013).

A homeowner is authorized to recover from the Fund when he or she sustains an actual loss that results from an act or omission by a licensed contractor. Md. Code Ann., Bus. Reg. § 8-405(a) (Supp. 2013). When the Fund pays money to a homeowner as a result of a faulty or incomplete performance by a home improvement contractor, the responsible contractor is obligated to reimburse the Fund. Md. Code Ann., Bus. Reg. § 8-410. The MHIC may suspend the license of such contractor until the contractor fully effectuates reimbursement. Md. Code Ann., Bus. Reg. § 8-411.

Recovery against the Fund must be based on an “actual loss” as defined by statute and regulation. “Actual loss means the costs of restoration, repair, replacement, or completion that arise from an unworkmanlike, inadequate, or incomplete home improvement.” Md. Code Ann., Bus. Reg. § 8-401. “By employing the word ‘means,’ as opposed to ‘includes,’ the legislature intended to limit the scope of ‘actual loss’ to the items listed in section 8-401.” *Brzowski v. Md. Home Improvement Comm’n*, 114 Md. App. 615, 629 (1997) (for an award to be paid from the Fund based on a court ruling or arbitration, the court or arbitrator’s decision must contain express finding of fault on part of the contractor and a dollar value of the actual loss). “The Fund may only compensate for actual losses [a claimant] incurred as a result of misconduct by a licensed contractor.” COMAR 09.08.03.03B(2). At a hearing on a claim, a claimant has the burden of proof. Md. Code Ann., Bus. Reg. § 8-407(e)(1). A contractor is prohibited from abandoning a home improvement contract without justification or deviating materially from the plans or specifications without the homeowner’s consent. Md. Code Ann., Bus. Reg. § 8-605.

Merits of Fund Claim

The Respondent contracted with the Claimant and NHS to install at the Claimant’s property a new kitchen and bathroom; perform concrete work in the front and rear of the property; install iron railings; install new flooring in the hallway, kitchen and bathroom; install a

new skylight; install three new doors; repair and paint the hallway ceiling; and unclog the basement drain. Subsequent change orders included installation of siding; a gas valve; dishwasher plumbing and wiring; kitchen electrical work; a rear downspout and splash block; a sump pump; and other repairs. The contract also called for the demolition and removal of old concrete, old flooring, and demolition of the entire bathroom. (CL Ex. 1). The total cost of the home improvement work, including the change orders, was \$24,423.00. (CL Ex. 1).²

The evidence demonstrated that the Claimant obtained an interest-free loan from a nonprofit corporation, NHS, to provide funds for the home improvement work. NHS also assisted the Claimant in obtaining and supervising her home improvement contract with the Respondent. Although the Claimant did not have to pay the loan back immediately, she was required to pay it back when she sold the house. The Claimant established through the disbursement forms that she paid the Respondent \$16,485.00 with the funds she obtained from the NHS loan. (CL Ex. 3).³ Due to the Claimant's obligations under the loan, I find that she is entitled to reimbursement from the Fund if she can establish that she suffered an actual loss.

The Claimant established on this record that the Respondent failed to complete the work under the contract, and performed some work in an unworkmanlike manner. The unworkmanlike or inadequate work included the Respondent's failure to perform the kitchen renovation consistent with agreed-upon layout for the kitchen, and his failure to permit the Claimant to select her own kitchen cabinets and doors, as provided under the contract. The Respondent also failed to perform the work in a prompt manner and left the kitchen unusable for weeks, including during the Thanksgiving holiday. In addition, the Respondent failed to complete all of the work under

² There was no additional charge for the items listed in the change orders because the cost for those changes was paid out of the "surplus" arising from the original contract price of \$24,423.00. (CL Ex. 1).

³ She did not pay the Respondent the full contract price because he failed to complete the work.

the contract, and failed to remove all debris left at the property. The Claimant described these problems in her testimony and supported it with several exhibits. (CL Exs. 1, 2).

The Claimant established that the Respondent's primary misconduct was his failure to complete the home improvement work and his subsequent abandonment of the project without justification. The testimony and documents reflect that the Claimant and Respondent had disagreements over contract issues and that the Respondent failed to treat the Claimant with respect. The Respondent ultimately left the project after failing to complete all work required under the contract.

The Claimant testified that she tried to contact the Respondent by phone and with letters, but that he failed to respond. The Claimant met with the Respondent and NHS representative Kirkpatrick in March 2011. At that time, the parties agreed that the Respondent had failed to complete all of the work, and the Claimant advised that she might have to hire another contractor to complete the work. (CL Ex. 1). Although a document in the file suggests that the parties discussed the possible dissolution of the home improvement contract, there was no written confirmation in this record to demonstrate that the parties signed an agreement to formally dissolve or rescind the contract. The Claimant explained that NHS scheduled another meeting with the Claimant and Respondent in May 2011 to try to resolve their differences under the contract. The Claimant stated that while she attended this meeting, the Respondent failed to attend. Under these circumstances, I conclude that the Respondent abandoned the home improvement contract without justification in violation of section 8-605(1) of the Business Regulation Article of the Maryland Annotated Code.

The evidence demonstrates that the Respondent failed to complete a number of items under the home improvement contract. These include the Respondent's failure to install a new front door, transom, and lights; failure to install new security doors; failure to complete the concrete work; failure to repair the ceiling drywall in the upstairs hallway; failure to provide a rear downspout and

splash block; failure to install a new basement door; failure to complete the installation of a new skylight; and failure to complete the clean-up and removal of debris from the property. These were all items the Respondent agreed to perform under the original contract. (CL Ex. 1).

The Claimant hired another contractor, Evolution, to finish the items that the Respondent failed to complete. The Claimant explained that the incomplete items were set forth in the November 10, 2011 contract proposal from Evolution. (CL Ex. 2). Evolution proposed to complete the work at a cost of \$19,900.00. The Claimant failed to explain why the Evolution proposal was so costly after the Claimant had already paid the Respondent \$16,485.00 out of the total contract price of \$24,423.00. Additionally, certain items included in the Evolution proposal were not part of the original contract with the Respondent and, therefore, do not warrant reimbursement. The Evolution proposal provided for removal and replacement of the rear guttering and downspout system, but the original contract and change orders did not include the removal and replacement of any gutters. The change order provided only for a rear downspout and splash block, but did not include the removal or installation of gutters. (CL Ex. 1, 2). In addition, the original contract did not call for the Respondent to widen the door opening before installing the basement door. (CL Ex. 1, 2).

Furthermore, the Evolution proposal was not itemized, and the Claimant did not explain why Evolution was charging such a high price -- \$19,900.00 -- for its proposal to complete the work. I reviewed the original home improvement contract and assigned costs to each of the items in the Evolution proposal based on the cost of those items in the original contract. I conclude that this method of pricing provides sufficient guidance to determine the reasonable cost to complete the Claimant's home improvement project. As a result, I assigned the following costs to each of the items set forth in the Evolution proposal:

Remove existing front door and install new front door, transom, and lights	\$1,443.00
Remove and install front and rear security doors	\$ 839.00

Calculation of Actual Loss

Based on the Respondent's incomplete and inadequate work described above, the Claimant has established that she is entitled to reimbursement of her claim against the Fund. COMAR 09.08.03.03B(2); Md. Code Ann., Bus. Reg. § 8-401. COMAR 09.08.03.03B(3) sets forth the following formulas for determining an "actual loss":

(3) Unless it determines that a particular claim requires a unique measurement, the Commission shall measure actual loss as follows:

(a) If the contractor abandoned the contract without doing any work, the claimant's actual loss shall be the amount which the claimant paid to the contractor under the contract.

(b) If the contractor did work according to the contract and the claimant is not soliciting another contractor to complete the contract, the claimant's actual loss shall be the amount which the claimant paid to the original contractor less the value of any materials or services provided by the contractor.

(c) If the contractor did work according to the contract and the claimant has solicited or is soliciting another contractor to complete the contract, the claimant's actual loss shall be the amounts the claimant has paid to or on behalf of the contractor under the original contract, added to any reasonable amounts the claimant has paid or will be required to pay another contractor to repair poor work done by the original contractor and complete the original contract, less the original contract price. If the Commission determines that the original contract price is too unrealistically low or high to provide a proper basis for measuring actual loss, the Commission may adjust its measurement accordingly.

The language in subsections (3)(a) and (3)(b) of COMAR 09.08.03.03B do not apply to the circumstances of this case. The evidence establishes that the Claimants have paid or will be required to pay another contractor to complete the work. Therefore, I will calculate the Claimant's "actual loss" in accordance with formula set forth in COMAR 09.08.03.03B(3)(c).

The calculations under that formula are as follows:

\$ 16,485.00	Amount paid to Respondent by Claimant
<u>+\$ 10,357.00</u>	Cost to complete work
\$ 26,842.00	Subtotal
<u>- \$ 24,432.00</u>	Original Contract Price
\$ 2,410.00	Actual Loss

I conclude that the Claimant has established an “actual loss” of \$2,410.00. Md. Code Ann., Bus. Reg. § 8-401. The Claimant is, therefore, entitled to reimbursement from the Fund in that amount.

CONCLUSIONS OF LAW

Based on the foregoing Findings of Fact and Discussion, I conclude as a matter of law that the Claimant sustained an “actual loss” as a result of the Respondent’s acts or omissions in the amount of \$2,410.00. Md. Code Ann., Bus. Reg. § 8-401 (2010); COMAR 09.08.03.03B(3).

PROPOSED ORDER

On the basis of the foregoing Findings of Fact and Conclusions of Law, it is PROPOSED that the Maryland Home Improvement Commission:

ORDER that the Claimant be awarded \$2,410.00 from the Maryland Home Improvement Guaranty Fund to compensate her for the “actual loss” sustained as a result of “acts and omissions” of the Respondent under section 8-409 of the Business Regulation Article of the Annotated Code of Maryland; and further,

ORDER that the Respondent be ineligible for any MHIC license until the Respondent reimburses the Maryland Home Improvement Guaranty Fund for all monies disbursed under this Order plus annual interest of ten percent (10%), pursuant to section 8-411 of the Business Regulation Article of the Annotated Code of Maryland; and further,

ORDER that the records and publications of the Maryland Home Improvement Commission reflect this decision.

Signature on File

August 8, 2014
Date Decision Issued

Douglas E. Koteen
Administrative Law Judge

DEK/da
150686

PROPOSED ORDER

WHEREFORE, this 26th of September 2014, Panel B of the Maryland Home Improvement Commission approves the Recommended Decision of the Administrative Law Judge and unless any parties files with the Commission within twenty (20) days of this date written exceptions and/or a request to present arguments, then this Proposed Order will become final at the end of the twenty (20) day period. By law the parties then have an additional thirty (30) day period during which they may file an appeal to Circuit Court.

Jeffrey Ross

Jeffrey Ross
Panel B

MARYLAND HOME IMPROVEMENT COMMISSION