



STATE OF MARYLAND

**DLLR**

DEPARTMENT OF LABOR, LICENSING AND REGULATION

DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING  
MARYLAND HOME IMPROVEMENT COMMISSION  
500 N. Calvert Street, Room 306  
Baltimore, MD 21202-3651

**Maryland Home Improvement Commission  
Public Business Meeting Minutes**

DATE: August 2, 2018

TIME: 10:00 a.m.

PLACE: 500 N. Calvert Street, Baltimore, Maryland 21202

MEMBERS PRESENT: Robert A. Altieri  
Lawrence Helminiak  
William B. Quackenbush, Jr.  
Jeffrey Ross  
Andrew Snyder  
Joseph Tunney, Chair  
I Jean White

MEMBERS ABSENT: Sachchida N. Gupta  
Michael Shilling

DLLR OFFICIALS AND STAFF PRESENT: Deborah Irvin-Cromwell, Assistant Executive Director  
David R. Finneran, Executive Director  
John Hart, Assistant Attorney General  
Janet Morgan, Web Content and Outreach Coordinator  
Kimberly Rosenthal, Administrative Officer  
Victoria L. Wilkins, Commissioner

**Call to Order**

Chair Tunney called the meeting to order at 10:00 a.m.

**Approval of the June 7, 2018 Minutes**

The Minutes of the June 7, 2018 Commission meeting were approved.

**Guaranty Fund Activity Report**

The MHIC Guaranty Fund Activity Report dated July 17, 2018 is as follows:

Balance as of July 1, 2017	\$ 2,250,506.03
Receipts	\$ 1,355,010.82
Interest	-0-
Disbursements	
Claims	(\$828,372.38)
Refunds	(\$11,494.70)
Balance as of June 30, 2018	<u>\$2,765,649.77</u>
FMIS Balance	<u>\$2,765,649.77</u>
Difference	\$0.00

Mr. Finneran informed the Commission that the Guaranty Fund remains healthy. He also said that two of the larger payouts are working their way through The Office of Administrative Hearings (OAH) and will reach the \$100,000 maximum payout. Mr. Finneran also submitted a list of the following Prorated Claims as of August 2, 2018.

**Contractor**

**Suspended date**

**Contractor B**

**June 16, 2016**

Claims period closed December 16, 2017

10--Total claims fully adjudicated and awarded a monetary settlement.

Two claimants awaiting decisions from OAH

**Contractor C**

**February 1, 2017**

Claims period closed August 1, 2018. Last complaint received February 27, 2017

13--claim forms received on or before closing date. The payout will be before the end of the year.

**Contractor D**

**June 29, 2017**

21--Open complaints. One new complaint received July 2018

Criminal charge for unlicensed home improvement activity filed in one case.

Advertising for final date to accept claims to be tabled until the next Commission Meeting.

**Contractor E**

**June 29, 2017**

23--Open Complaints. Last complaint received April 4, 2018

Advertising for final date to accept claims to be tabled until the next Commission Meeting.

**Contractor F**

**December 21, 2017**

8--Open complaints. Last one received March 2, 2018

The Commissioners discussed when to set a deadline for Guaranty Fund claims against a licensee who, due to the number of claims filed, will most likely reach the \$100,000 cap in awards against a single licensee. Mr. Snyder would like a policy where claims would be accepted for a minimum of 18 months from the date of the emergency suspension of the contractor's license. Chair Tunney took a vote to accept claims for at least 18 months following the suspension date, and at the end of the 18 months the contractor will be reviewed to see if additional claims were still being filed or had stopped. At that time the Commission would make a decision as to whether to stop accepting claims or extend the deadline. All Commissioners were in favor and the vote was unanimous. Mr. Snyder asked if they should consider raising the Guaranty Fund amount. Mr. Finneran asked that such a discussion be tabled for a future meeting. Mr. Finneran informed the Commission that in Fiscal Year 2018 there was a total of 1398 claims. Mr. Altieri asked how the claims compared to the previous years. Mr. Finneran stated in Fiscal year 2017 there were 1397 and in Fiscal Year 2018 1398.

### Review of Exam Results

Below is the examination statistics summary for the month of June 2018 and July 2018

#### June 2018

<b>Home Improvement</b>	<b>Candidates Tested</b>	<b>Passed</b>	<b>Failed</b>	<b>Pass %</b>
Contractor	148	112	36	76%
Contractor Spanish	94	40	54	43%
Salesperson	81	58	23	72%
Salesperson Spanish	1	0	1	0%
<b>TOTAL</b>	<b>324</b>	<b>210</b>	<b>114</b>	<b>65%</b>

#### July 2018

Contractor	114	78	36	68%
Contractor Spanish	65	27	38	42%
Salesperson	81	57	24	70%
Salesperson Spanish	0	0	0	
<b>TOTAL</b>	<b>260</b>	<b>162</b>	<b>98</b>	<b>62%</b>

**Maryland Home Improvement Stats**

<b>May 2018</b>	
<b>LICENSING ACTIVITY</b>	
<b>Current Licenses Total</b>	<b>30,928</b>
<i>Contractor/Salesperson</i>	<b>16,402</b>
<i>Salesperson</i>	<b>3,155</b>
<i>Contractor/Salesperson (Corp/Part)</i>	<b>10,410</b>
<i>Applications Approved</i>	<b>145</b>
<i>Applications Denied</i>	<b>0</b>
<b>COMPLAINTS RECEIVED</b>	
<b>Complaints Received</b>	<b>106</b>
<i>Licensed</i>	<b>71</b>
<i>Unlicensed</i>	<b>35</b>
Pending Show Cause Hearings	<b>30</b>
Waiting to be sent to OAH	<b>34</b>
Pending Hearing/Decision at OAH	<b>65</b>
Mediation	<b>28</b>
<b>CLAIMS</b>	
New Claims Received	<b>28</b>
Total Open Claims	<b>237</b>

**June 2018**

<b>LICENSING ACTIVITY</b>	
<b>Current Licenses Total</b>	<b>31,023</b>
<i>Contractor/Salesperson</i>	<b>16,458</b>
<i>Salesperson</i>	<b>3,128</b>
<i>Contractor/Salesperson (Corp/Part)</i>	<b>10,487</b>
<i>Applications Approved</i>	<b>124</b>
<i>Applications Denied</i>	<b>1</b>
<b>COMPLAINTS RECEIVED</b>	
<b>Complaints Received</b>	<b>81</b>
<i>Licensed</i>	<b>49</b>
<i>Unlicensed</i>	<b>32</b>
Pending Show Cause Hearings	<b>40</b>
Waiting to be sent to OAH	<b>17</b>
Pending Hearing/Decision at OAH	<b>60</b>
Mediation	<b>32</b>
<b>CLAIMS</b>	
New Claims Received	<b>27</b>
Total Open Claims	<b>198</b>

## Maryland Home Improvement Commission Citation Report

### JUNE 2018

<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
670	\$1,500	Y-01	Niebuhr	8/5/2018	6/6/2018

### JULY 2018

<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
675	\$1,500	Y-02	Banks	9/21/2018	7/24/2018

Mr. Finneran informed the Commission that the reason that there haven't been many Civil Citations is due to a new process that will now include sending the Citation to the Attorney General's office for their approval before sending them to the contractor. Mr. Finneran said there is a backlog at this time and there should be more in the near future.

### Surety Bond Report

There is currently no recovery from Surety Bonds for the Month of June and July 2018.

### Proposed Regulatory Action: Responding to Request from the Commission

Mr. Hart introduced a new proposed regulation titled 09.08.01.17 Failure to Respond. The regulation requires an applicant or licensee to respond within 30 days to correspondence from the Commission requesting a response. The proposed regulation further provides that failure to comply with the request by the deadline may result in a disciplinary action being taken against the licensee. The Commissioners were informed that the Secretary's Office has asked all of the boards and commissions within the Division of Occupational and Professional Licensing to propose this regulation. The Commissioners reviewed the language of the proposed regulation. Mr. Quackenbush made a motion to accept the proposed regulations and Ms. White seconded the motion. All were in favor.

## **Updating the MHIC's website list of home improvement services**

The Commission reopened its discussion on its website list of home improvement services. This discussion was tabled at the previous business meeting to be brought up at a future meeting when more Commission members could be present. Mr. Hart presented the list titled "What is Home Improvement?" as it appears on the Commission's website. Mr. Hart asked the Commissioners if they had any suggested changes to the list. Commissioner for the Division of Occupational and Professional Licensing, Vickie Wilkins, asked the Commissioners to review how the items on the list tie into the definition of home improvement in the statute. The Commissioners agreed to table the discussion until the next Commission meeting to allow more time to review the list.

### **Licensing Inquiry-Soft Washing**

Mr. Hart asked the Commissioners if Soft Washing would be considered Home Improvement. Soft Washing is reportedly a cleaning method using low pressure water and solutions to remove mildew, bacteria, algae and other organic stains from roofs and other building exteriors. Mr. Ross made a motion that soft washing should not be considered a home improvement. All were in favor.

### **Comments of the Chair**

Chair Tunney mentioned the news report of a lady that had a leaky roof after an unlicensed contractor abandoned the job. He stated that there was a similar story with the same unlicensed contractor a year prior. The unlicensed Contractor in question has two criminal charges pending. There is an upcoming trial with the Chief Investigator Thomas Marr and this unlicensed contractor on August 9, 2018. A civil citation will be submitted for a violation of a flyer that was sent out by this unlicensed individual. The Better Business Bureau is involved as well.

### **Comments of the Executive Director**

Mr. Finneran informed the Commission that the Maryland Home Improvement Commission is working on a telephone script that will address how the Commission is reporting complaints to the public. The script is not finalized but it will give consistent and correct answers to the public.

Mr. Finneran informed the Commission that Maryland Home Improvement Commission will have a Newsletter that he will be drafted on a periodic basis for the public. Currently the Commission is working on a name for the Newsletter.

**Adjournment**

The meeting was adjourned at 11:00 a.m.

  
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Joseph Tunney, Chairman

  
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David Finneran, Executive Director