

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

DATE: April 5, 2018
TIME: 10:00 a.m.
PLACE: 500 N. Calvert Street, Baltimore, Maryland 21202
MEMBERS PRESENT: Robert A. Altieri
Sachchida Gupta
Lawrence Helminiak
William B. Quackenbush, Jr.
Jeffrey Ross
Michael Shilling
Andrew Snyder
Joseph Tunney, Chairman
I Jean White

**DLLR OFFICIALS AND
STAFF PRESENT:**

Deborah Irvin-Cromwell, Assistant Executive Director
David R. Finneran, Executive Director
Lance Franklin, Licensing Supervisor
John Hart, Assistant Attorney General
Thomas Marr IV, Chief Investigator
Janet Morgan, Web Content and Outreach Coordinator
Kimberly Rosenthal, Administrative Officer
Saundra Sharper, Complaints
Victoria L. Wilkins, Commissioner

Call to Order

Chair Joseph Tunney called the meeting to order at 10:09 a.m.

Approval of the February 1, 2018 Minutes

The Minutes of the February 1, 2018, Commission meeting were approved.

Guaranty Fund Activity Report

The MHIC Guaranty Fund Activity Report dated March 20, 2018 is as follows:

Balance as of July 1, 2017	\$ 2,250,506.03
Receipts	\$ 805,589.73
Interest	-0-

Disbursements	
Claims	(\$501,456.90)
Refunds	(\$7,097.00)
Balance as of February 28, 2018	<u>\$2,547,541.86</u>
FMIS Balance	\$2,469,066.86
Difference	\$78,475.00

Review of Exam Results

Below is the examination statistics summary for the month of February 2018 and March 2018.

February 2018

Home Improvement	Candidates			
	Tested	Passed	Failed	Pass %
Contractor	140	105	35	75%
Contractor Spanish	62	32	30	52%
Salesperson	99	70	29	71%
Salesperson Spanish	0	0	0	0
TOTAL	301	207	94	69%

March 2018

Contractor	174	115	59	66%
Contractor Spanish	82	32	50	39%
Salesperson	104	65	39	63%
Salesperson Spanish	1	0	1	0%
TOTAL	361	212	149	59%

Maryland Home Improvement Stats

Mr. Finneran introduced the new Maryland Home Improvement Stat report. This report will be submitted at each Commission meeting.

January 2018	
LICENSING ACTIVITY	
Current Licenses Total	30,499
<i>Contractor/Salesperson</i>	16,070
<i>Salesperson</i>	3,243
<i>Contractor/Salesperson (Corp/Part)</i>	10,117
<i>Applications Approved</i>	92
<i>Applications Denied</i>	1
COMPLAINTS RECEIVED	
Complaints Received	81
<i>Licensed</i>	53
<i>Unlicensed</i>	28
Pending Show Cause Hearings	10
Waiting to be sent to OAH	30
Pending Hearing/Decision at OAH	75
Mediation	26
Investigations Closed	117
CLAIMS	
New Claims Received	40
Total Open Claims	242

February 2018

LICENSING ACTIVITY	
Current Licenses Total	30,537
<i>Contractor/Salesperson</i>	16,114
<i>Salesperson</i>	3,232
<i>Contractor/Salesperson (Corp/Part)</i>	10,146
<i>Applications Approved</i>	105
<i>Applications Denied</i>	3
COMPLAINTS RECEIVED	
Complaints Received	86
<i>Licensed</i>	61
<i>Unlicensed</i>	25
Pending Show Cause Hearings	5
Waiting to be sent to OAH	20
Pending Hearing/Decision at OAH	70
Mediation	26
Investigations Closed	
CLAIMS	
New Claims Received	21
Total Open Claims	215

Maryland Home Improvement Commission Citation Report

Mr. Finneran introduced the Citation report for February 2018 and March 2018

FEBRUARY 2018

<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
-------------------	------------------------	-------------------	---------------------	-----------------	----------------------

NO CITATIONS ISSUED IN FEBRUARY 2018

MARCH 2018

<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
659	2,500	Y-01 and BB-01	Rigby-Menendez	5/5/2018	March 6, 2018

Mr. Finneran informed the Commission that he and the Attorney General's office are currently working together to streamline the Citation process. Mr. Marr believes there is a good handle on the citations. He also believes the main focus of the citations is on the unlicensed contractors and the licensed contractors not pulling permits or having their contracts written incorrectly etc. He believes the new template will make it a lot easier for the investigators to write the citations. Mr. Hart and Mr. King are also helping in the new process.

Surety Bond Report

There are no bond claims in February

<i>Date</i>	<i>Bond Amount</i>	<i>Claim Number</i>
March 8, 2018	\$13,751.52	889-2016
March 26, 2018	\$10,242.98	1177-2016

Maryland Pools Payout

Mr. Finneran informed the Commission that due to the recent \$100,000 payout the Guaranty Fund made on behalf of Maryland Pools, the Guaranty Fund balance may be lower in June.

\$100,000 Guaranty Fund Payouts

There are 5 pending cases which will likely exceed the \$100,000 maximum per contractor. If the total claims awarded to homeowners exceeds the \$100,000 cap, the final monetary award paid out to each homeowner shall be paid on a prorated basis.

<u>Contractor</u>	<u>Suspended date</u>
Contractor A	June 9, 2015
March 27, 2018 - All claim payouts sent to MD Comptroller's Office for payments	
Total claims – 20 Total claim awards - \$249,316.60 Prorated payout – 40.11%	
Contractor B	June 16, 2016
Claims period closed December 16, 2017	
15 – Claim forms received on or before closing date.	
There is one claimant awaiting a hearing date from OAH.	
Contractor C	February 1, 2017
Claim period to close on August 1, 2018. An Advertising closed date to start immediately.	
15 – Open complaints Last one received February 27, 2017	
Contractor D	June 29, 2017
20 -- Open complaints There were two new complaints received March 2018	
A Criminal charge for unlicensed home improvement activity was filed in one case.	
Contractor E	June 29, 2017
22 – Open complaints Last one received February 13, 2018	
Contractor F	December 21, 2017
8 – Open complaints Last one received March 2, 2018	

There was a discussion regarding the use of the names of contractors when discussing pending complaints and when referring to the chart of contractors approaching \$100,000 in Guaranty Fund claims. During the discussion, a question was posed by Commissioner White as to why they could not name the contractors when discussing the status of claims since the MHIC posts the names of the contractors approaching \$100,000 in Guaranty Fund claims on its website. The Commission's counsel responded that an exception to the prohibition on releasing of licensing information about a contractor is that there is a compelling public purpose for the release of such information. It has been determined that there is a compelling public purpose in posting the names of contractors approaching the \$100,000 cap in Guaranty Fund claims, because it alerts homeowners that they must submit a claim before the cutoff date for the receipt of claims against a specific contractor. The discussion of the details of pending claims at the Commission's business meetings often goes beyond what is posted on the website and therefore identifying particular contractors by name should be avoided.

Comments from Executive Director

Mr. Finneran informed the Commission that the Licensing workshops are extremely well attended. The Commission is considering having two workshops a month.

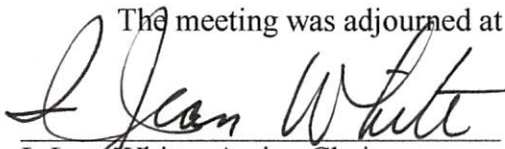
Mr. Finneran informed the Commission that there are two employees out on extended leave. The Commission recently hired a temporary employee.


Mr. Finneran did outreach on March 17, 2018 and March 18, 2018 at Frederick County Building Industry Association Show. Also Mr. Finneran and Ms. Irvin-Cromwell did outreach on March 28, 2018 at Coppin State University. Mr. Finneran would like to do more outreach.

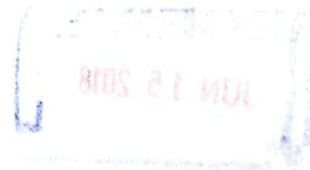
Mr. Finneran informed the Commission that House Bill 674/Senate Bill 1198 pertaining to Home Improvement Contracts did not pass legislation. Also, House Bill 916 pertaining to Home Improvement Contracts-Deposits did not pass legislation.

Adjournment

The meeting was adjourned at 11:02 a.m.


I. Jean White, Acting Chair


David Finneran, Executive Director



the Commission regarding the use of the Commission's
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...

Information from the Commission

The Commission is pleased to announce that the Commission
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...

The Commission is pleased to announce that the Commission
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...

The Commission is pleased to announce that the Commission
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...

The Commission is pleased to announce that the Commission
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...
... of the Commission's ...

Information

June 15, 2018

