

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

DATE: December 6, 2018

TIME: 10:00 a.m.

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

MEMBERS PRESENT: Robert A. Altieri
Lawrence Helminiak
Michael Shilling
Andrew Snyder
Joseph Tunney, Chair

MEMBERS ABSENT: Sachchida N. Gupta
William B. Quackenbush, Jr.
Jeffrey Ross
I Jean White

DLLR OFFICIALS AND
STAFF PRESENT: David R. Finneran, Executive Director
Lance Franklin, Licensing Supervisor
John Hart, Assistant Attorney General
Kimberly Rosenthal, Administrative Officer
Tenaea Thomas, Licensing Secretary

Call to Order

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

Approval of the October 4, 2018 Minutes

The Minutes of the October 4, 2018 Commission meeting were approved.

Guaranty Fund Activity Report

The MHIC Guaranty Fund Activity Report dated November 16, 2018 is as follows:

Balance as of July 1, 2018	\$ 2,764,849.77
Receipts	\$ 353,112.31
Interest	-0-
Disbursements	
Claims	(\$108,067.47)
Refunds	(\$3,570.00)
Balance as of September 30, 2018	<u>\$3,006,324.61</u>
Reserve	
Anticipated Large Claims	\$400,000.00
FMIS Balance	\$2,835,849.61
Difference	\$170,475.00

Mr. Finneran informed the Commissioners that the Reserve and Anticipated Large Claims were added to the Guaranty Fund report. This information will be on all of the new reports. Mr. Altieri thanked Mr. Finneran for adding this information to the report.

Review of Exam Results

Below is the examination statistics summary for the month of October 2018 and November 2018

October 2018

Home Improvement	Candidates			
	Tested	Passed	Failed	Pass %
Contractor	143	95	48	66%
Contractor Spanish	80	33	47	41%
Salesperson	112	71	41	63%
Salesperson Spanish	1	1	0	100%
TOTAL	336	200	136	60%

November 2018

Contractor	148	105	43	71%
Contractor Spanish	86	42	44	49%
Salesperson	102	74	28	73%
Salesperson Spanish	1	0	1	9%
TOTAL	337	221	116	66%

Maryland Home Improvement Stats

September 2018	
LICENSING ACTIVITY	
Current Licenses Total	31,225
<i>Contractor/Salesperson</i>	16,625
<i>Salesperson</i>	3,032
<i>Contractor/Salesperson (Corp/Part)</i>	10,600
<i>Applications Approved</i>	155
<i>Applications Denied</i>	0
COMPLAINTS RECEIVED	
Complaints Received	143
<i>Licensed</i>	48
<i>Unlicensed</i>	97
Pending Show Cause Hearings	57
Waiting to be sent to OAH	26
Pending Hearing/Decision at OAH	73
Mediation	30
CLAIMS	
New Claims Received	27
Total Open Claims	298

October 2018	
LICENSING ACTIVITY	
Current Licenses Total	31,352
<i>Contractor/Salesperson</i>	16,658
<i>Salesperson</i>	3,039
<i>Contractor/Salesperson (Corp/Part)</i>	10,604
<i>Applications Approved</i>	152
<i>Applications Denied</i>	0
COMPLAINTS RECEIVED	
Complaints Received	122
<i>Licensed</i>	48
<i>Unlicensed</i>	74
Pending Show Cause Hearings	57
Waiting to be sent to OAH	13
Pending Hearing/Decision at OAH	80
Mediation	35
CLAIMS	
New Claims Received	28
Total Open Claims	300

Chairperson Tunney asked Mr. Finneran how the unlicensed contractors were reported to the Commission. Mr. Finneran explained that usually homeowners send in a complaint form and the assigned investigator files an application for statement of charges with a District Court Commissioner if the case is still within the one year statute of limitations for the misdemeanor of acting as a contractor without a license. The local State's Attorney office then handles the case and will subpoena the investigator to appear at the trial. He also stated that some homeowners file their own criminal charges and then the Commission receives a subpoena to appear as the Custodian of Records.

Maryland Home Improvement Commission Citation Report

There were no Civil Citations issued in October & November 2018

There were no Civil Citations issued in October

NOVEMBER 2018					
<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
684	\$1,500	Y-01	Marr	1/4/2019	11/5/2018

Mr. Finneran informed the commissioners that the Citation program was up and running, however, recently the citation template used by the investigators for drafting citations was accidentally wiped from the staff computers during a routine software update. The template will need to be reinstalled. The templates should be up and running within the next week.

Surety Bond Report

There is currently no recovery from Surety Bonds for the Month of October and November 2018.

Updating the MHIC's website list of home improvement services

Mr. Finneran informed the commissioners that the Commissioner for the Division of Occupational and Professional Licensing, Victoria Wilkens, reviewed their suggested changes to the website list of home improvement services and approved all the changes. The commissioners were presented with a final list that incorporated the changes they suggested at the October 2018 business meeting. A vote was taken, and all of the commissioners present voted to adopt the updated list.

Final Regulatory Action: Special Fund Fee Schedule

Mr. Hart informed the commissioners that the public comment period for the proposed Special Fund Fee Schedule regulation (COMAR 09.08.07.01-.02) had ended. Mr. Finneran informed Mr. Hart that no comments were received on the proposed regulation. Commissioner Snyder made a motion to take final regulatory action and adopt the language of the regulation as it was proposed. The motion was seconded by

Commissioner Altieri and all of the commissioners present voted in favor. A quorum of five commissioners was present at the meeting, with the Chairperson Joseph Tunney casting the fifth vote needed to pass the motion.

Update on \$100,000 payouts

Mr. Finneran informed the commissioners the following information:

Contractor

Suspended date

Contractor B

June 16, 2016

Claims period closed December 16, 2017 **Paid in Full 12/4/2018**

12 – Total claims fully adjudicated and awarded a monetary settlement.
Claimants will receive a payment of 59.13% of their monetary awards.

Contractor C

February 1, 2017

Claims period closed August 1, 2018.

Paid in Full 10/4/2018

13 claims fully adjudicated.

Claimants will receive a payment of 93.85% of their monetary awards.

Contractor D

June 29, 2017

22 -- Open complaints

- 20 possible Guaranty Fund cases
Last complaint received July 2018
- 2 unlicensed activity criminal cases

One new unlicensed activity complaint received September 2018.

Final date to accept claims to be set for **January 1, 2019**

Contractor E

June 29, 2017

24 – Open complaints Last complaint received May, 2018

Final date to accept claims to be set for **January 1, 2019**

Contractor F

December 21, 2017

8 – Open complaints Last one received March, 2018

Final date to accept claims to be set for **June 30, 2019**

Mr. Finneran informed the Commission that there have been no more claims submitted against D, E and F.

Comments from Chair

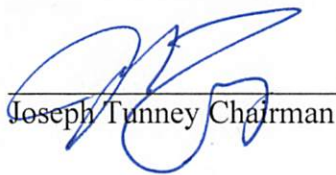
Chair Tunney wished everyone Happy Holidays.

Comments of the Executive Director

Mr. Finneran introduced Tenaea Thomas as the new Licensing Secretary. The commissioners welcomed Ms. Thomas and they are looking forward to working with her. Mr. Finneran informed the Commission that Investigator Michael Miller left the Home Improvement Commission and is now working as an Investigator with the State Board of Dental Examiners. Currently there are two contractual positions and one full time position with the Commission. Mr. Finneran informed the Commission that Investigator Hubert Lowery passed away on November 18, 2018. Mr. Lowery worked with the Commission for more than thirty years. Mr. Lowery will be deeply missed by the Commission. Mr. Finneran wished everyone Happy Holidays.

Adjournment

The meeting was adjourned at 11:44 a.m.



Joseph Tunney, Chairman



David Finneran, Executive Director