

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

DATE: February 7, 2019  
TIME: 10:00 a.m.  
PLACE: 500 N. Calvert Street, Baltimore, Maryland 21202  
MEMBERS PRESENT: Robert A. Altieri  
Sachchida N. Gupta  
Lawrence Helminiak  
William B. Quackenbush, Jr.  
Jeffrey Ross  
Michael Shilling  
Andrew Snyder  
Joseph Tunney, Chair  
I Jean White

**DLLR OFFICIALS AND  
STAFF PRESENT:**

David R. Finneran, Executive Director  
Lance Franklin, Licensing Supervisor  
John Hart, Assistant Attorney General  
Deborah Irvin-Cromwell, Assistant Executive Director  
Kimberly Rosenthal, Administrative Officer

**Call to Order**

Chair Tunney called the meeting to order at 10:11 a.m.

**Approval of the December 6, 2018 Minutes**

The Minutes of the December 6, 2018 Commission meeting were approved.

### Guaranty Fund Activity Report

The MHIC Guaranty Fund Activity Report dated January 25, 2019 is as follows:

Balance as of July 1, 2018	\$ 2,764,849.77
Receipts	\$ 647,451.08
Interest	-0-
Disbursements	
Claims	(\$511,022.16)
Refunds	(\$6,248.19)
Balance as of December 31, 2018	<u>\$2,895,030.50</u>
Reserve	
Anticipated Large Claims	\$300,000.00
FMIS Balance	\$2,814,615.50
Difference	\$80,415.00

### Review of Exam Results

Below is the examination statistics summary for the month of December 2018 and January 2019

#### December 2018

Home Improvement	Candidates			
	Tested	Passed	Failed	Pass %
Contractor	125	93	32	74%
Contractor Spanish	80	39	41	49%
Salesperson	82	55	27	67%
Salesperson Spanish	1	0	1	0%
<b>TOTAL</b>	<b>288</b>	<b>187</b>	<b>101</b>	<b>65%</b>

#### January 2019

Contractor	142	102	40	72%
Contractor Spanish	62	30	32	48%
Salesperson	95	65	30	68%
Salesperson Spanish	1	0	1	0%
<b>TOTAL</b>	<b>300</b>	<b>197</b>	<b>103</b>	<b>66%</b>

**Maryland Home Improvement Stats**

<b>November 2018</b>	
<b>LICENSING ACTIVITY</b>	
<b>Current Licenses Total</b>	<b>31,482</b>
<i>Contractor/Salesperson</i>	<b>16,721</b>
<i>Salesperson</i>	<b>3,041</b>
<i>Contractor/Salesperson (Corp/Part)</i>	<b>10,770</b>
<i>Applications Approved</i>	<b>72</b>
<i>Applications Denied</i>	<b>0</b>
<b>COMPLAINTS RECEIVED</b>	
<b>Complaints Received</b>	<b>102</b>
<i>Licensed</i>	<b>63</b>
<i>Unlicensed</i>	<b>39</b>
Pending Show Cause Hearings	<b>67</b>
Waiting to be sent to OAH	<b>45</b>
Pending Hearing/Decision at OAH	<b>65</b>
Mediation	<b>32</b>
<b>CLAIMS</b>	
New Claims Received	<b>13</b>
Total Open Claims	<b>290</b>

**December 2018**

<b>LICENSING ACTIVITY</b>	
<b>Current Licenses Total</b>	<b>31,508</b>
<i>Contractor/Salesperson</i>	<b>16,743</b>
<i>Salesperson</i>	<b>3,020</b>
<i>Contractor/Salesperson (Corp/Part)</i>	<b>10,801</b>
<i>Applications Approved</i>	<b>89</b>
<i>Applications Denied</i>	<b>0</b>
<b>COMPLAINTS RECEIVED</b>	
<b>Complaints Received</b>	<b>90</b>
<i>Licensed</i>	<b>70</b>
<i>Unlicensed</i>	<b>20</b>
<b>Pending Show Cause Hearings</b>	<b>52</b>
<b>Waiting to be sent to OAH</b>	<b>25</b>
<b>Pending Hearing/Decision at OAH</b>	<b>60</b>
<b>Mediation</b>	<b>38</b>
<b>CLAIMS</b>	
<b>New Claims Received</b>	<b>18</b>
<b>Total Open Claims</b>	<b>280</b>

## Maryland Home Improvement Commission Citation Report

Civil Citations December 2018 & January 2019

There were no Civil Citations issued in December

<b>JANUARY 2019</b>					
<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
687	\$1,500	Y-01	Corbin	3/11/2019	1/10/2019
688	\$2,500	Y-01, BB-01	Corbin	3/26/2019	1/25/2019
689	\$1,500	Y-01	Banks, Jr.	3/29/2019	1/28/2019

### Surety Bond Report

There was no recovery from surety bonds for the months of December and January. Mr. Finneran explained to the commissioners that he and John Hart will need to change the requirement that all collections from the MHIC Guaranty Fund payouts must be sent to the Central Collection Unit within a 51 day period. An additional period of time beyond the 51 day requirement if the MHIC submits a claim against a surety bond. Mr. Finneran and Mr. Hart agreed to work on language to allow additional collection time to recover money from a surety bond. After the language is drafted, it will need to be submitted to CCU for approval before this practice may be enacted.

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

Mr. Hart informed the commissioners that the public comment period for the Proposed Failure to Respond regulation (COMAR 09.08.01.27) had ended. Mr. Finneran informed Mr. Hart that no comments were received on the proposed regulation. Commissioner Quackenbush made a motion to take final regulatory action and accept the regulation as it was proposed. The motion was seconded by Commissioner Altieri and all of the commissioners were in favor. All 9 of the commissioners were present.

### Update on \$100,000 payouts

Mr. Finneran informed the Commissioners the following information:

<b><u>Contractor</u></b>	<b><u>Suspended date</u></b>
<b>Contractor B</b> Claims period closed December 16, 2017 12 – Total claims fully adjudicated and awarded a monetary settlement. Claimants will receive a payment of 59.13% of their monetary awards.	<b>June 16, 2016</b> <b>Paid in Full 12/4/2018</b>
<b>Contractor C</b> Claims period closed August 1, 2018. 13 claims fully adjudicated. Claimants will receive a payment of 93.85% of their monetary awards.	<b>February 1, 2017</b> <b>Paid in Full 10/4/2018</b>
<b>Contractor D</b> 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 <b>January 1, 2019</b>	<b>June 29, 2017</b>
<b>Contractor E</b> 24 – Open complaints Last complaint received May, 2018 Final date to accept claims to be set for <b>January 1, 2019</b>	<b>June 29, 2017</b>
<b>Contractor F</b> 8 – Open complaints Last one received March, 2018 Final date to accept claims to be set for <b>June 30, 2019</b>	<b>December 21, 2017</b>

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

### Comments from Chair

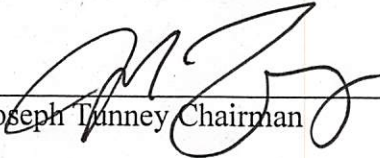
Mr. Tunney had no comments

### Comments of the Executive Director

Mr. Finneran informed the Commissioners that Kelly Schulz, former Secretary of DLLR is now the Secretary at the Department of Commerce. Currently James Rzepkowski is the Acting Secretary for DLLR. Mr. Finneran informed the commissioners that they have to review the current Legislative Policy Reminder that was placed in their packet. Mr. Finneran informed the commissioners that House Bill 22 was introduced on January 9, 2019 which deals with the use of Criminal History. This Bill is for the purpose of prohibiting certain departments that issue occupational licenses or certificates from denying an application for a license or certificate based on an applicant's criminal history if a certain period of time has passed since the applicant's conviction for any crime unless the department makes a certain determination; repealing a certain provision of law that requires a certain department to consider certain information in making application determinations for occupational licenses or certificates; providing for the application of this Act; and generally relating to the use of criminal history in application determinations of occupational licensees or certificates. Mr. Finneran also informed the commissioners that there are currently three open investigator positions in the MHIC.

### Adjournment

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

  
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Joseph Tunney, Chairman

  
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David Finneran, Executive Director