

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

DATE: October 4, 2018

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.
Michael Shilling
Joseph Tunney, Chair
I Jean White

MEMBERS ABSENT: Jeffrey Ross
Andrew Snyder

**DLLR OFFICIALS AND
STAFF PRESENT:** Deborah Irvin-Cromwell, Assistant Executive Director
David R. Finneran, Executive Director
John Hart, Assistant Attorney General
Kimberly Rosenthal, Administrative Officer
Kimberly S. Ward, Assistant Attorney General

Call to Order

Chair Tunney called the meeting to order at 10:15 a.m.

Approval of the August 2, 2018 Minutes

The Minutes of the August 2, 2018 Commission meeting were approved.

Guaranty Fund Activity Report

The MHIC Guaranty Fund Activity Report dated September 19, 2018 is as follows:

Balance as of July 1, 2018	\$ 2,764,849.77
Receipts	\$ 228,205.94
Interest	-0-
Disbursements	
Claims	(\$104,990.25)
Refunds	(\$2,700.00)
Balance as of August 30, 2018	<u>\$2,885,365.46</u>
FMIS Balance	\$2,781,465.46
Difference	\$103,900.00

Review of Exam Results

Below is the examination statistics summary for the month of August 2018 and September 2018

August 2018

Home Improvement	Candidates			
	Tested	Passed	Failed	Pass %
Contractor	145	99	46	68%
Contractor Spanish	69	30	39	43%
Salesperson	108	80	28	74%
Salesperson Spanish	1	0	1	0%
TOTAL	323	209	114	65%

September 2018

Contractor	116	87	29	75%
Contractor Spanish	65	27	38	42%
Salesperson	82	54	28	66%
Salesperson Spanish	0	0	0	
TOTAL	263	168	95	64%

Maryland Home Improvement Stats

July 2018	
LICENSING ACTIVITY	
Current Licenses Total	31,048
<i>Contractor/Salesperson</i>	16,490
<i>Salesperson</i>	3,081
<i>Contractor/Salesperson (Corp/Part)</i>	10,521
<i>Applications Approved</i>	110
<i>Applications Denied</i>	0
COMPLAINTS RECEIVED	
Complaints Received	126
<i>Licensed</i>	82
<i>Unlicensed</i>	44
Pending Show Cause Hearings	0
Waiting to be sent to OAH	35
Pending Hearing/Decision at OAH	97
Mediation	21

August 2018

August 2018	
LICENSING ACTIVITY	
Current Licenses Total	31,159
<i>Contractor/Salesperson</i>	16,558
<i>Salesperson</i>	3,044
<i>Contractor/Salesperson (Corp/Part)</i>	10,604
<i>Applications Approved</i>	126
<i>Applications Denied</i>	
COMPLAINTS RECEIVED	
Complaints Received	109
<i>Licensed</i>	71
<i>Unlicensed</i>	38
Pending Show Cause Hearings	33
Waiting to be sent to OAH	25
Pending Hearing/Decision at OAH	105
Mediation	25

Maryland Home Improvement Commission Citation Report

There were no Civil Citations issued in August 2018

SEPTEMBER 2018

<i>Citation #</i>	<i>Total \$ Amount</i>	<i>Violations</i>	<i>Investigator</i>	<i>Due Date</i>	<i>Citation Date</i>
680	\$2,500	Y-0, BB-01	Banks	11/4/2018	9/5/2018

Mr. Finneran informed the Commissioners that the Citation program is still going through a process. Currently there are ten citations with the Attorney General's office for review. There are currently fifteen that are ready to go to the Attorney General's office for review. The Attorney General's office reviews the entire file and they may make changes to the citation language.

Surety Bond Report

There is currently no recovery from Surety Bonds for the Month of August and September 2018.

Proposed Regulatory Action: Responding to Request from the Commission. Additional language proposed for Regulation

Mr. Hart reintroduced the proposed regulation titled 09.08.01.17 Failure to Respond. Mr. Hart explained that the Commission had previously voted to propose this regulation at the last business meeting, but since then two changes to the language were suggested by the Division of State Documents and the Joint Committee on Administrative, Executive, and Legislative Review ("AELR Committee"). The changes involved rewriting subsection A to read as "[i]f an applicant receives from the Commission a written communication requesting a response, the applicant or licensee shall respond within 30 days of the date of the mailing," and the addition of a subsection C that reads "[i]t is a responsibility of an applicant or licensee to notify the Commission in writing if there has been a change in an applicant's or licensee's address." The Commissioners reviewed the new language and Mr. Schilling made a motion to accept the changes to the language of the proposed regulation and Mr. Altieri seconded the motion. All were in favor.

Updating the MHIC's website list of home improvement services

The Commission reopened the discussion on its website list of home improvement services. This discussion was tabled at the previous business meeting to be brought up after the Commissioner for the Division of Occupational and Professional Licensing, Victoria Wilkins, had the opportunity to review the list. Ms. Wilkins was unable to attend the meeting, but Mr. Finneran walked the Commissioners through the questions raised by Ms. Wilkins's review. The Commissioners agreed to make the following recommended changes to the list based on Ms. Wilkins's concerns. The category title "Cleaning and Treatments" will be changed to just "Treatments". The term "Acid Cleaning" will be changed to "Acid Treatment." The term "Chemical Powerwash" will be eliminated from the list. The term "Piers" will also be eliminated from the list. The category title "Iron/Stone/Marble" will be changed to "Exterior Ornamental Treatments." The term "Iron, ornamental railings" will be changed to "ornamental railings," and the term "Aluminum" will be taken off the list. Lastly, the term "Windmill foundation" will be changed to just "Windmills."

All of the recommended changes were unanimously agreed upon by the Commissioners present at the meeting, except the removal of the term "Chemical Powerwash." The decision to remove the term "Chemical Powerwash," was passed by a vote of 5 to 2, with Mr. Schilling and Mr. Quackenbush casting the dissenting votes. Mr. Finneran informed the Commissioners that Ms. Wilkins will review the recommended changes and the revised list will be presented at a future business meeting when Ms. Wilkins can attend.

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

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

Two claimants waiting for appeals periods to expire.

Contractor C

February 1, 2017

Claims period closed August 1, 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**

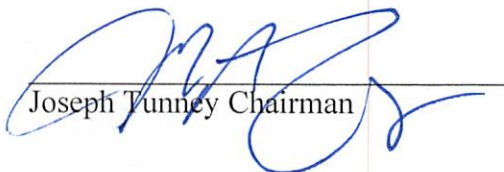
The Commissioners agreed to set January 1, 2019 as the deadline for accepting claims against Contractors D and E, because this deadline is at least 18 months after the licenses for these two contractors were suspended on June 29, 2017. The Commissioners also agreed to set June 30, 2019 as the deadline for receiving claims against Contractor F.

Comments of the Executive Director

Mr. Finneran informed the Commission that the Maryland Home Improvement Commission will be interviewing for an Administrative Specialist III and an Investigator. Also he thanked Deborah Irvin-Cromwell and Kimberly Rosenthal for all they do.

Adjournment

The meeting was adjourned at 11:45 a.m.



Joseph Tunney Chairman



David Finneran, Executive Director