

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

DATE: June 2, 2016
TIME: 10:00 a.m.
PLACE: 500 N. Calvert Street, Baltimore, Maryland 21202
MEMBERS PRESENT: Sachchida Gupta
Lawrence Helminiak
Marilyn Jumalon
William B. Quackenbush, Jr.
Michael Shilling
Joseph Tunney
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
Joel Jacobson, Assistant Attorney General
John Papavasiliou-Deputy Commissioner
Kimberly Rosenthal, Administrative Officer
Victoria L. Wilkins, Commissioner of O & P

Call to Order

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

Marilyn Jumalon Retirement

Commissioner Jumalon is retiring after 18 years of service as Commissioner with the MHIC. Deputy Commissioner Papavasiliou presented Commissioner Jumalon with a Secretary's Citation. Chairman Joseph Tunney presented Commissioner Jumalon with a Governor's Citation. Deputy Commissioner Papavasiliou and Chairman Tunney both stated that it was an honor and a pleasure to work with her and she will be deeply missed.

Commissioner Jumalon thanked the Commission and expressed that she enjoyed working with everyone and that she hopes that she made a difference.

Approval of the April 7, 2016 Minutes

The Minutes of the April 7, 2016, Commission meeting were approved.

Guaranty Fund Activity Report

The MHIC Guaranty Fund Activity Report dated May 17, 2016 is as follows:

Balance as of July 1, 2015	\$ 888,747.30
Receipts	\$ 1,192,430.15
Interest	-0-
Disbursements	
Claims	(\$617,076.33)
Refunds	
Balance as of April 30, 2016	<u>\$1,464,101.12</u>
FMIS Balance	\$1,394,976.12
Difference	\$69,125.00

Review of Exam Results

Below is the examination statistics summary for the month of April and May 2016.

April 2016

Home Improvement	Candidates			
	Tested	Passed	Failed	Pass %
Contractor	149	104	45	70%
Contractor Spanish	52	26	26	50%
Subcontractor	12	7	5	58%
Subcontractor Spanish	6	3	3	50%
Salesperson	152	97	55	64%
Salesperson Spanish	0	0	0	
TOTAL	371	237	134	64%

May 2016

Contractor	152	95	57	63%
Contractor Spanish	66	33	33	50%
Subcontractor	8	4	4	50%
Subcontractor Spanish	9	3	6	33%
Salesperson	115	70	45	61%
Salesperson Spanish	0	0	0	
TOTAL	350	205	145	59%

High Impact Complaints Update

Mr. Finneran updated the Commission about complaints that may effect the Guaranty Fund. Maryland Pools has a total of 26 complaints. Bertram Lebhar, IV t/a The Atlantic Remodeling Corporation was emergency suspended on May 24, 2016. Mr. Lebhar currently has 11 complaints filed against his company. Douglas Morgan t/a Morgan and Morgan Solar LLC., terminated his license on May 19, 2016. There are 11 complaints against his company. James Martin t/a Prompt Restoration Inc. was emergency suspended on May 9, 2016. Mr. Martin has requested hearing with the Commission in reference to his license suspension. Currently James Martin has 11 open complaints against his company.

MHIC Outreach Efforts

Mr. Finneran will speak with the Better Business Bureau in June, 2016. Also he will be the key note speaker at a senior symposium which will have at least 600 seniors. Mr. Finneran will inform the seniors on how to work with the contractor and to make sure to check their licensing status and complaint status with the MHIC. Mr. Finneran will also be working with the National Association of The Remodeling Industry (NARI). Commissioner White said that she agrees with Mr. Finneran on his outreach efforts but would also like him to speak with homeowners as well. She stated that all counties have a Community Organization that has newsletters that go out to the Community. She said that the MHIC could contact each organization and place information in the Newsletter. She said that Prince George's and Montgomery County's Organization is through the Department of Parks and Planning. Mr. Finneran agreed and thanked her for her recommendation.

Maryland Senate Bill 285 Eliminates Subcontractor Licensing Category

As a result of the passage of Senate Bill 285, the Maryland Home Improvement Commission will eliminate the Subcontractor License category as of July 1, 2016. All

application, examination, and renewal requirements will be eliminated. As of July 1, 2016, home improvement subcontractors may work without a license when performing home improvements for an MHIC licensed contractor in the State of Maryland.

The law continues to provide that only MHIC licensed contractors may enter into contracts with homeowners to perform home improvement work. The Commission encourages all subcontractors that are eligible to become contractors to apply for the Maryland Home Improvement Commission Contractor License.

Maryland House Bill 439 Makes Changes to the “Door-to-Door Sales Act”

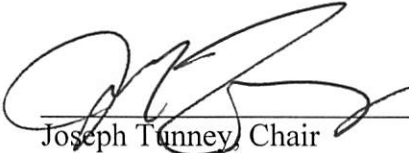
As a result of the passage of House Bill 439, certain changes have been made to the Maryland “Door-to-Door Sales Act” concerning home improvement transactions. As of June 1, 2016, the standard three business day cancellation period which a buyer has under the Door-to-Door Sales Act for contracts which are signed at the buyer’s home will be increased to five business days for home improvement contracts. In addition, the cancellation period under the Door-to-Door Sales Act for a home improvement contract will be increased to seven business days if the buyer is at least 65 years old.

Home improvement contractors should be aware that each home improvement contract that is covered by the Door-to-Door Sales Act is required to contain a separate Notice of Cancellation form. This notice informs the buyer of the right to cancel the contract and the time limits and procedures for cancellation. House Bill 439 requires certain specific changes to the Notice of Cancellation form and also requires the contractor to obtain a signed written acknowledgement that the buyer has been informed of his or her cancellation rights. Home improvement contractors should make sure that, as of June 1, 2016, the Notice of Cancellation form which they provide to a buyer includes the specific changes required under House Bill 439.

The Department of Labor, Licensing, and Regulation, in collaboration with the Consumer Protection Division of the Office of the Attorney General, will convene a stakeholder workgroup to study issues relating to door-to-door sales of home improvement services.

Adjournment

The meeting was adjourned at 11:12 a.m.


Joseph Tunney, Chair


David Finneran, Executive Director