Chapter 671

(House Bill 409)

AN ACT concerning

Home Improvement Commission - Guaranty Fund Jurisdiction

FOR the purpose of prohibiting the Maryland Home Improvement Commission from making an award from the Home Improvement Guaranty Fund in excess of a certain amount paid to the contractor against whom the claim is filed; altering the conditions under which a claim against the Fund can be made so as to authorize an owner to make a claim only if the owner or an immediate relative of the owner resides, as a principal or vacation residence, in the home as to which the claim is made; and generally relating to the Home Improvement Guaranty Fund.

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 8–405(e) and (f)(2)

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, without amendments,

Article – Business Regulation

Section 8-405(f)(2)

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Business Regulation

8-405.

- (e) The Commission may not award from the Fund:
- (1) more than \$20,000 to one claimant for acts or omissions of one contractor;
- (2) more than \$100,000 to all claimants for acts or omissions of one contractor unless, after the Commission has paid out \$100,000 on account of acts or omissions of the contractor, the contractor reimburses \$100,000 to the Fund;

- (3) an amount for attorney fees, consequential damages, court costs, interest, personal injury damages, or punitive damages; [or]
 - (4) an amount as a result of a default judgment in court; OR
- (5) AN AMOUNT IN EXCESS OF THE AMOUNT PAID BY OR ON BEHALF OF THE CLAIMANT TO THE CONTRACTOR AGAINST WHOM THE CLAIM IS FILED.
 - (f) (2) An owner may make a claim against the Fund only if the owner:
 - (i) resides in the home as to which the claim is made; or
- (ii) does not own more than three residences or dwelling places OR IMMEDIATE RELATIVE OF THE OWNER RESIDES, EITHER AS A PRINCIPAL OR VACATION RESIDENCE, IN THE HOME AS TO WHICH THE CLAIM IS MADE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010.

Approved by the Governor, May 20, 2010.