Maryland Home Improvement Commission

Business Meeting

Meeting Minutes

DATE: June 5, 2025

TIME: 10:00 AM

LOCATION: ***(Teleconference via Google Meet)***

MEMBERS PRESENT: Wm. Bruce Quackenbush, *Chairman*

Robert Altieri, *Commissioner*

 Heather Connellee, *Commissioner*

Lauren E. Lake, *Commissioner*

Chandler Louden, *Commissioner*

 Michael Shilling, *Commissioner*

Michael Thomas, *Commissioner*

I. Jean White, *Commissioner*

STAFFPRESENT: Adowa Lambertis, *Licensing Secretary*

David Finneran, *Executive Director*

Deborah Irvin Cromwell, *Assistant Director*

Kimberly Rosenthal, *Administrative Officer*

Kenneth Sigman*, Assistant Attorney General*

Tenaea Thomas*, Panel Secretary*

# **Meeting Called to Order**

The meeting was called to order at 10:00 a.m. Commissioner Quackenbush informed the Commissioners that the meeting was being recorded.

**Approval of the April 3, 2025 Minutes**

Commissioner White moved to approve the Minutes of the April 3, 2025, meeting, and Commissioner Connellee seconded it. All Commissioners approved the motion.

**Proposed COMAR Amendments - Required Notice in Contracts Regarding Guaranty Fund Payments Pursuant to Arbitration Awards and Judgments**

AAG Kenneth Sigman presented proposed COMAR amendments adding a requirement that all home improvement contracts include a notice that provides guidance to consumers who sue or engage in arbitration with their contractor on necessary findings that the court or arbitrator must make to enable them to allow them to receive a Guaranty Fund Award without the need for an OAH hearing. Commissioner White made a motion to approve the proposed amendment, Commissioner Thomas seconded the motion, and the Commission unanimously approved the motion.

# **Guaranty Fund Activity Report**

The MHIC Guaranty Fund Activity Report dated May 28, 2025, for the month of April 2025, is as follows:

Balance as of July 1, 2024 $ 4,031,651.85

Receipts $ 1,958,273.93

Disbursements

 Claims ($1,874,033.98)

 Refunds ($0.00)

Balance as April 30, 2025 $4,115,891.80

Reserve

FMIS Balance $3,941,291.80

Difference $ 174,600.00

Please note that the “Receipts” amount of $174,600.00 includes electronic licensing receipts of $174,600.00 and Lockbox receipts for $0 for the month of April that were not posted into FMIS until the month of May.

**MHIC Pro Rated Claims Report**

**MHIC – Anticipated Prorated Claims June 5, 2025**

**Expected to exceed $250,000 in Guaranty Fund claims**

**Contractor U**

**October 17, 2022 (Emergency Suspension)**

 161 total MHIC complaints

 110 total MHIC claims received

 2 claims denied

 $2,126,975.32 total potential claim exposure

 **Claims closed on December 31, 2024**

 Based on potential claim awards, each claimant will receive about 11.75% of their Guaranty Fund award. Claims expected to start payouts in December 2025.

**Contractor V**

**Voluntary Termination February 10, 2023**

 36 total MHIC complaints

 16 criminal charges filed by MHIC

 31 total MHIC claims received

 $911,139.91 total potential claim exposure

 **Claims closed on February 3, 2025**

 Based on potential claim awards, each claimant will receive about 27.43% of their Guaranty Fund award. Claims expected to start payouts in September 2025.

**Contractor W**

**Emergency Suspension June 6, 2023**

 25 total MHIC Complaints – Latest complaint opened on July 9, 2024

 19 Claims to date

 One claim denied

 17 Criminal charges filed by MHIC

 $329,121.43 total potential claim exposure to date

 Based on potential claim awards, each claimant will receive about 75.9% of their Guaranty Fund award.

 There was a vote to make the closing date for all claims to June 9, 2026. All in favor and all approved.

**Contractor X**

**Emergency Suspension September 21, 2023**

 52 total MHIC Complaints – Latest complaint opened November 25, 2024

 34 Claims to date

 One claim denied

 23 Criminal charges filed by MHIC

 $263,166.29 total potential claim exposure to date

 There was a vote to make the closing date for all claims to May 25, 2026. All in Favor and all approved.

***Contractor Y***

***Failure to respond to an Order - Suspension September 15, 2022***

 *12 total MHIC complaints – Latest complaint opened September 26, 2023*

 *11 Claims to date*

 *One Claim denied*

 ***One Claim withdrawn by the Claimant***

 *$228,554.48 total potential claim exposure to date*

 *Remove from the $250,00 Prorated report*

# **Review of MHIC Statistics**

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| **March 2025** |
| **LICENSING ACTIVITY** |  |
| **Current Licenses Total** | 42,265 |
|  *Contractor/Salesperson* | 21,265 |
|  *Salesperson* | 3,146 |
|  *Contractor/Salesperson (Corp/Part)*  | 16,892 |
|  *Applications Approved* | 259 |
|  |  |
| **COMPLAINTS RECEIVED** |
| **Complaints Received**  | **110** |
|  *Licensed* | 78 |
|  *Unlicensed* | 32 |
| PendingShow Cause Hearings | **12** |
| Waiting to be sent to OAH | **217** |
| Pending Hearing/Decision at OAH | **? 16 cases returned to MHIC** |
| Files sent to Mediation | **2** |
|  |
| **Claims** |
| Total Open Claims | **703** |
| New Claims Received | **61** |
| Small Claims Received | **10** |

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| **April 2025** |
| **LICENSING ACTIVITY** |  |
| **Current Licenses Total** | 42,452 |
|  *Contractor/Salesperson* | 21,319 |
|  *Salesperson* | 3,166 |
|  *Contractor/Salesperson (Corp/Part)*  | 16,997 |
|  *Applications Approved* | 280 |
|  |  |
| **COMPLAINTS RECEIVED** |
| **Complaints Received**  | **93** |
|  *Licensed* | 63 |
|  *Unlicensed* | 30 |
| PendingShow Cause Hearings | **14** |
| Waiting to be sent to OAH | **197** |
| Pending Hearing/Decision at OAH | **? 24 cases returned to MHIC** |
| Files sent to Mediation | **4** |
|  |
| **Claims** |
| Total Open Claims | **660** |
| New Claims Received | **40** |
| Small Claims Received | **6** |

# **Review of the April 2025 & May 2025 PSI Results**

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| Below are the examination statistics summary for the month of April 2025 and May 2025April 2025 |
| **Home Improvement** | **Candidates Tested** | **Passed** | **Failed** | **Pass %** |
| Contractor | 240 | 168 | 73 | 70% |
| Contractor Spanish | 117 | 58 | 59 | 50% |
| Salesperson | 157 | 102 | 55 | 65% |
| Salesperson Spanish | 0 | 0 | 0 | 0% |
| **TOTAL** | **514** | **327** | **187** | **64%** |
| May 2025 |
| **Home Improvement** | **Candidates Tested** | **Passed** | **Failed** | **Pass %** |
| Contractor | 196 | 128 | 68 | 65% |
| Contractor Spanish | 103 | 48 | 55 | 47% |
| Salesperson | 175 | 109 | 66 | 62% |
| Salesperson Spanish | 3 | 1 | 2 |  |
| **TOTAL** | **477** | **286** | **191** | **60%** |

Mr. Finneran informed the Commissioners that PSI now accepts testing through their E exam portal.

**Heather Connellee Appointment Term Ended**

Commissioner Connellee informed the Commissioners that her appointment has expired and that she would not be seeking reappointment.  The Commissioners wished Commissioner Connellee well.  Commissioner Connellee thanked the Commissioners for the opportunity and said that she truly enjoyed her time with the Commission.

# **Comments from the Chairman**

Chair Quackenbush had no comments.

**Comments from the Executive Director**

Mr. Finneran informed the Commissioners that there is a Paralegal staff position has been on the State Website. This is a brand-new position. MHIC hopes to conduct interviews as soon as the list of applicants is made available.

# **Adjournment**

Commissioner Thomas made a motion to adjourn the Commission Meeting. Commissioner Connellee seconded the motion. All were in favor. The meeting was adjourned at 10:34 a.m.

### Chair’s Signature: Wm. Bruce Quackenbush Date: August 7, 2025

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