

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

DATE: October 1, 2020

TIME: 10:00 a.m.

PLACE: Teleconference through Google Meet

MEMBERS PRESENT: Lawrence Helminiak  
James Berndt  
Lauren Lake  
Michael A. Newton  
Joseph Tunney, Chair  
Wm. Bruce Quackenbush  
Michael Shilling  
I Jean White

MEMBERS ABSENT: Robert Altieri

DEPARTMENT OF LABOR OFFICIALS AND  
STAFF PRESENT: David Finneran, Executive Director  
Deborah Irvin-Cromwell, Assistant Executive Director  
Gregory J. Morgan, Commissioner  
Kimberly Rosenthal, Administrative Officer  
Kenneth Sigman, Assistant Attorney General  
Tenea A. Thomas, Panel Secretary

**Call to Order**

Chair Tunney called the meeting to order at 10:03 a.m.

**Welcome New Commissioner Gregory J. Morgan**

The Commission welcomed Gregory J. Morgan as the new Commissioner O & P. Prior to coming to work for O & P, Commissioner Morgan was in the residential and commercial construction industry. Most recently with Delbert Adams Construction Group. Prior to DACG he was a Vice President of Brothers Services Company, the 23 years prior he was in the commercial overhead door and loading dock equipment business. Commissioner Morgan thanked the Commission for their volunteer service and appreciate their support of Mr. Finneran. Commissioner Morgan recognized Mr. Finneran as a great leader of MHIC. The Commissioners and staff of MHIC all look forward to working with Commissioner Morgan.

**Approval of the August 6, 2020 Minutes**

Mr. Shilling made a motion to approve the minutes of the August 6, 2020 Commission meeting. Ms. White seconded the motion and all approved the minutes.

**Guaranty Fund Activity Report**

The MHIC Guaranty Fund Activity Report dated September 21, 2020 is as follows:

Balance as of July 1, 2020	\$ 3,738,738.15
Receipts	\$ 203,114.19
Interest	-0-
<b>Disbursements</b>	
Claims	(\$5,550.00)
Refunds	(\$0)
Balance as of August 30, 2020	<u>\$3,936,302.34</u>
Reserve	
Anticipated Large Claims	\$ 800,000.00
FMIS Balance	\$3,844,835.00
Difference	\$ 91,467.00

Mr. Finneran informed the Commissioners that the Anticipated Large claims is now \$800,000.00. He also informed them that G & E Contractors will have a prorated payout next month.

**Prorated Claims Report - MHIC Business Meeting  
October 1, 2020**

<b><u>Contractor</u></b>	<b><u>Suspended date</u></b>
<b>Contractor A</b> Payout completed on March 27, 2018	<b>June 9, 2015</b>
<b>Contractor B</b> Payout completed on December 6, 2018	<b>June 16, 2016</b>
<b>Contractor C</b> Payout completed on October 4, 2018	<b>February 1, 2017</b>
<b>Contractor D</b> Payout completed on January 1, 2019	<b>June 29, 2017</b>
<b>Contractor E</b> 24 – Complaints Claims date closed as of January 1, 2019	<b>June 29, 2017 (Emergency Suspended)</b> Latest complaint opened May, 2018
<b>Contractor F</b> Payout completed on September 3, 2019	<b>December 21, 2017</b>
<b>Contractor G</b> 9 – Complaints	<b>May 8, 2019 (voluntary termination)</b> Latest one opened May 20, 2019 Claims date to close November 20, 2020
<b>Contractor H</b> 7– Complaints 1-Criminal Complaint	<b>June 24, 2019 (Emergency Suspension)</b> Latest one opened October 29, 2019 Criminal Charges filed
<b>Contractor I</b> 6 – Complaints	<b>March 8, 2019 (license expired)</b> Latest one opened Sept. 16, 2020
<b>Contractor J</b>	<b>Dec. 16, 2019 (Emergency Suspension)</b>

**18 – Complaints**

**Latest complaint opened April 29, 2020**

**Contractor K  
7 – Complaints**

**Jan. 16, 2020 (show cause suspension)  
Latest complaint opened July 14, 2020**

**Contractor L  
9--Complaints**

**March 12, 2020 (Emergency Suspension)  
Emergency Suspension Appeal  
hearing November 2020**

**Contractor M  
11-Complaints**

**December 5, 2019 (Show Cause  
Suspension) Latest complaint  
opened May 29, 2020**

Mr. Finneran informed the Commissioners that the Commission has recently resumed the process of issuing MHIC Guaranty Fund payouts. The Office of Administrative Hearings is open with virtual and in person locations but OAH has not accepted any new MHIC claim hearings due to the docket backlog since February 2020.

Ms. White asked if there are 109 cases waiting to go to OAH each month or is it the same amount due to not sending any to OAH since February 2020? Mr. Finneran informed her that it's the same 109 cases waiting to go to OAH. Mr. Finneran informed the Commissioners that the appeals period are no longer stayed due to the pandemic and they are now able to pay out claims after all appeal rights have been exhausted. The Commissioners are concerned that the Guaranty Fund balance will decrease substantially due to a backlog of claims waiting to be adjudicated and/or paid.

Mr. Finneran informed the Commissioners that the Governor has ordered that all MHIC license expiration dates have been extended as of March 16, 2020 due to the national pandemic. If the license was due to expire after March 16, 2020, the license is now set to expire November 1, 2020. This will be updated by the Governor on a monthly basis. Mr. Morgan informed the Commissioners that although the expiration dates have been extended, it doesn't mean that the license has a new expiration date. The licenses will still expire under the original expiration date.

## Review of Exam Results

Below is the examination statistics summary for the month of August 2020 and September 2020

### August 2020

<b>Home Improvement</b>	<b>Candidates</b>			
	<b>Tested</b>	<b>Passed</b>	<b>Failed</b>	<b>Pass %</b>
Contractor	132	100	32	76%
Contractor Spanish	98	51	47	52%
Salesperson	58	36	22	62%
Salesperson Spanish	0	0	0	
<b>TOTAL</b>	<b>288</b>	<b>187</b>	<b>101</b>	<b>65%</b>

### September 2020

Contractor	206	143	63	69%
Contractor Spanish	118	45	73	38%
Salesperson	39	23	16	59%
Salesperson Spanish	0	0	0	
<b>TOTAL</b>	<b>363</b>	<b>211</b>	<b>152</b>	<b>58%</b>

Mr Finneran stated that PSI exams are now back up and running under their normal speed before the Pandemic. He also stated the results are improving.

**Maryland Home Improvement Stats**

<b>JULY 2020</b>	
<b>LICENSING ACTIVITY</b>	
<b>Current Licenses Total</b>	<b>34,187</b>
<i>Contractor/Salesperson</i>	<b>17,990</b>
<i>Salesperson</i>	<b>3,035</b>
<i>Contractor/Salesperson (Corp/Part)</i>	<b>12,132</b>
<i>Applications Approved</i>	<b>91</b>
<b>COMPLAINTS RECEIVED</b>	
<b>Complaints Received</b>	<b>67</b>
<i>Licensed</i>	<b>50</b>
<i>Unlicensed</i>	<b>17</b>
<b>Pending Show Cause Hearings</b>	<b>43</b>
<b>Waiting to be sent to OAH</b>	<b>109</b>
<b>Pending Hearing/Decision at OAH</b>	<b>117</b>
<b>Mediation</b>	<b>25</b>
<b>CLAIMS</b>	
<b>Total Open Claims</b>	<b>547</b>
<b>New Claims Received</b>	<b>20</b>

<b>AUGUST 2020</b>	
<b>LICENSING ACTIVITY</b>	
<b>Current Licenses Total</b>	<b>34,603</b>
<i>Contractor/Salesperson</i>	<b>18,137</b>
<i>Salesperson</i>	<b>3,060</b>
<i>Contractor/Salesperson (Corp/Part)</i>	<b>12,352</b>
<i>Applications Approved</i>	<b>89</b>
<b>COMPLAINTS RECEIVED</b>	
<b>Complaints Received</b>	<b>102</b>
<i>Licensed</i>	<b>65</b>
<i>Unlicensed</i>	<b>37</b>
<b>Pending Show Cause Hearings</b>	<b>41</b>
<b>Waiting to be sent to OAH</b>	<b>109</b>
<b>Pending Hearing/Decision at OAH</b>	<b>114</b>
<b>Mediation</b>	<b>27</b>
<b>CLAIMS</b>	
<b>Total Open Claims</b>	<b>550</b>
<b>New Claims Received</b>	<b>16</b>

**At this time there are no new Citations.**

#### **Comments from the Chairman**

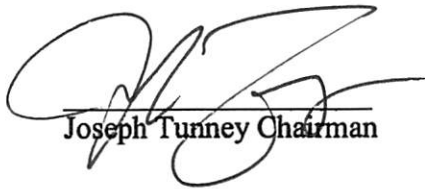
Mr. Tunney thanked Kim Rosenthal and Teneaa Thomas for everything they do to make things run smoothly during the Pandemic. Mr. Tunney congratulated Commissioner Quackenbush on his appointment as Board Chairman of the Better Business Bureau of Greater Maryland. Ms. White thanked Ken Sigman for all he does to make the hearings run smooth. The Commissioners are very pleased with the work that David Finneran has done as Executive Director of the MHIC.

**Comments from the Executive Director**

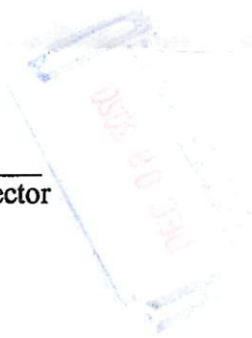
Mr. Finneran informed the Commission the courts are starting to reopen.

**Adjournment**

The meeting was adjourned at 10:36 a.m.

  
Joseph Tunney Chairman

  
David Finneran, Executive Director





RECEIVED  
DEC 09 2020