

HOUSE BILL 408

C2

1lr0449

(PRE-FILED)

By: **Delegate D.E. Davis**

Requested: July 22, 2020

Introduced and read first time: January 13, 2021

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Home Improvement Contracts – Payments**

3 FOR the purpose of increasing the maximum portion of a home improvement contract price
4 that a person may receive as a deposit before or at the time of execution of a home
5 improvement contract; prohibiting a person from receiving the remaining amount of
6 a home improvement contract price until the completion of the home improvement
7 specified in the contract; and generally relating to home improvement contracts.

8 BY repealing and reenacting, with amendments,
9 Article – Business Regulation
10 Section 8–617
11 Annotated Code of Maryland
12 (2015 Replacement Volume and 2020 Supplement)

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

15 **Article – Business Regulation**

16 8–617.

17 (a) A person may not demand or receive any payment for a home improvement
18 before the home improvement contract is signed.

19 (b) A person may not receive:

20 **(1)** a deposit of more than ~~[one-third]~~ **ONE-HALF** of the home
21 improvement contract price before or at the time of execution of the home improvement
22 contract; **OR**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) THE REMAINING AMOUNT OF THE HOME IMPROVEMENT**
2 **CONTRACT PRICE UNTIL THE HOME IMPROVEMENT SPECIFIED IN THE CONTRACT IS**
3 **COMPLETE.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2021.