

Article - Business Regulation

8-405.

(a) Subject to this subtitle, an owner may recover compensation from the Fund for an actual loss that results from an act or omission by a licensed contractor or a violation of § 8-607(4) of this title as found by the Commission or a court of competent jurisdiction.

(b) For purposes of recovery from the Fund, the act or omission of a licensed contractor includes the act or omission of a subcontractor, salesperson, or employee of the licensed contractor, whether or not an express agency relationship exists.

(c) A claimant shall comply with a written agreement to submit a dispute to arbitration before seeking recovery from the Fund.

(d) The Commission may deny a claim if the Commission finds that the claimant unreasonably rejected good faith efforts by the contractor to resolve the claim.

(e) The Commission may not award from the Fund:

(1) more than \$10,000 to 1 claimant for acts or omissions of 1 contractor;

(2) more than ~~[\$50,000]~~ \$100,000 to all claimants for acts or omissions of 1 contractor unless, after the Commission has paid out ~~[\$50,000]~~ \$100,000 on account of acts or omissions of the contractor, the contractor reimburses ~~[\$50,000]~~ \$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.

(f) (1) A claim against the Fund based on the act or omission of a particular contractor may not be made by:

(i) a spouse or other immediate relative of the contractor;

(ii) an employee, officer, or partner of the contractor; or

(iii) an immediate relative of an employee, officer, or partner of the contractor.

(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 3 dwelling places.

(g) A claim shall be brought against the Fund within 3 years after the claimant discovered or, by use of ordinary diligence, should have discovered the loss or damage.