

(1) IF THE COMMISSION FINDS THAT, BECAUSE OF PENDING CLAIMS, THE AMOUNT OF THE FUND MAY FALL BELOW \$250,000, THE COMMISSION SHALL ASSESS EACH CONTRACTOR A FEE OF \$50.

(2) HOWEVER, UNDER THIS SUBSECTION THE COMMISSION MAY NOT ASSESS A CONTRACTOR MORE THAN \$150 IN A CALENDAR YEAR.

(C) FAILURE TO PAY ASSESSMENT.

IF A CONTRACTOR FAILS TO PAY AN ASSESSMENT WITHIN 60 DAYS AFTER NOTICE OF THE ASSESSMENT, THE CONTRACTOR LICENSE IS SUSPENDED UNTIL THE ASSESSMENT IS PAID.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 56, § 257C(a), (b)(1) and (3) and (c).

Former Art. 56, § 257C(b)(2), which provided that an assessment is in addition to an initial fee of \$100, is deleted as implicit.

The Business Regulation Article Review Committee notes, for consideration by the General Assembly, that it is not clear whether the \$100 initial fee required under subsection (a) of this section is a one-time payment or whether it is required whenever a contractor receives a new license. The Commission treats it as a one-time payment.

The Committee also notes, for consideration by the General Assembly, that the Commission requires the initial fee for each business location of a contractor. If an additional assessment is necessary, the Commission will impose an assessment for each business location of a contractor.

Defined terms: "Commission" § 8-101

"Contractor" § 8-101

"Contractor license" § 8-101

"Fund" § 8-101

8-405. CLAIMS AGAINST FUND.

(A) IN GENERAL.

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 AS FOUND BY THE COMMISSION OR A COURT OF COMPETENT JURISDICTION.

(B) ACTS OF SUBCONTRACTORS, SALESPERSONS, AND EMPLOYEES.

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.