

MAINE STATE LEGISLATURE

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SIR
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Date: 4/5/24 Report 'B'

L.D. 1929

(Filing No. H- 930)

INNOVATION, DEVELOPMENT, ECONOMIC ADVANCEMENT AND BUSINESS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "B" to H.P. 1237, L.D. 1929, "An Act to Protect Consumers by Licensing Home Building Contractors"

Amend the bill by striking out the title and substituting the following:

'Resolve, Establishing the Commission to Study the Regulation of Residential Construction Contractors for the Protection of Consumers'

Amend the bill by striking out everything after the title and inserting the following:

'Sec. 1. Commission established. Resolved: That the Commission to Study the Regulation of Residential Construction Contractors for the Protection of Consumers, referred to in this resolve as "the commission," is established.

Sec. 2. Commission membership. Resolved: That, notwithstanding Joint Rule 353, the commission consists of 14 members appointed as follows:

1. Two members of the Senate appointed by the President of the Senate, including one member from each of the 2 parties holding the largest number of seats in the Legislature;

2. Two members of the House of Representatives appointed by the Speaker of the House, including one member from each of the 2 parties holding the largest number of seats in the Legislature;

3. The Commissioner of the Department of Professional and Financial Regulation, or the commissioner's designee;

4. The following 4 members, appointed by the President of the Senate:

A. One residential construction contractor whose contracting business is primarily conducted or offered in an area of the State with a combined population of 1,000 residents or less;

B. One residential construction contractor whose contracting business is primarily conducted or offered in an area of the State with a combined population of more than 1,000 residents but not more than 5,000 residents;

COMMITTEE AMENDMENT

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C. One residential construction contractor whose contracting business is primarily conducted or offered in an area of the State with a combined population of more than 5,000 residents; and

D. One municipal code enforcement officer who is engaged in code enforcement in a rural area of the State; and

5. The following 5 members, appointed by the Speaker of the House of Representatives:

A. One residential construction contractor whose contracting business is primarily conducted or offered in an area of the State with a combined population of 1,000 residents or less;

B. One residential construction contractor whose contracting business is primarily conducted or offered in an area of the State with a combined population of more than 1,000 residents but not more than 5,000 residents;

C. One residential construction contractor whose contracting business is primarily conducted or offered in an area of the State with a combined population of more than 5,000 residents;

D. One municipal code enforcement officer who is engaged in code enforcement in an urban area of the State; and

E. An attorney with knowledge of and experience in residential construction litigation.

Sec. 3. Chairs. Resolved: That the first-named Senate member is the Senate chair and the first-named House of Representatives member is the House chair of the commission.

Sec. 4. Appointments; convening of commission. Resolved: That all appointments must be made no later than 30 days following the effective date of this resolve. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. After appointment of all members, the chairs shall call and convene the first meeting of the commission. If 30 days or more after the effective date of this resolve a majority of but not all appointments have been made, the chairs may request authority and the Legislative Council may grant authority for the commission to meet and conduct its business.

Sec. 5. Duties. Resolved: That the commission shall review potential requirements necessary for and develop recommendations regarding the regulation of residential construction contractors to effectively protect consumers, including, but not limited to, consideration of residential construction contractor licensing requirements, registration requirements and micro-credentialing requirements.

Sec. 6. Staff assistance. Resolved: That the Legislative Council shall provide necessary staffing services to the commission, except that Legislative Council staff support is not authorized when the Legislature is in regular or special session.

Sec. 7. Report. Resolved: That, notwithstanding Joint Rule 353, no later than November 6, 2024, the commission shall submit a report that includes its findings and recommendations, including any suggested legislation, to the Joint Standing Committee on Innovation, Development, Economic Advancement and Business. After reviewing the

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report, the committee may report out legislation related to the report to the 132nd Legislature in 2025.'

3 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
4 number to read consecutively.

5 **SUMMARY**

6 This amendment, which is a minority report of the committee, replaces the bill with a
7 resolve. The amendment creates the Commission to Study the Regulation of Residential
8 Construction Contractors for the Protection of Consumers, which is directed to review
9 potential requirements necessary for and develop recommendations regarding the
10 regulation of residential construction contractors to effectively protect consumers,
11 including, but not limited to, consideration of residential construction contractor licensing
12 requirements, registration requirements and micro-credentialing requirements. No later
13 than November 6, 2024, the commission must submit a report that includes its findings and
14 recommendations, including any suggested legislation, to the Joint Standing Committee on
15 Innovation, Development, Economic Advancement and Business. After reviewing the
16 report, the committee may report out legislation related to the report to the 132nd
17 Legislature in 2025.

18 **FISCAL NOTE REQUIRED**

19 (See attached)



131st MAINE LEGISLATURE

LD 1929

LR 1086(03)

An Act to Protect Consumers by Licensing Home Building Contractors

Fiscal Note for Bill as Amended by Committee Amendment *B. (M)-930*
Committee: Innovation, Development, Economic Advancement and Business
Fiscal Note Required: Yes

Fiscal Note

Legislative Cost/Study

Legislative Cost/Study

The general operating expenses of this study are projected to be \$3,050 in fiscal year 2024-25. The Legislature's budget for the 2024-2025 biennium includes \$14,500 in each of fiscal years 2023-24 and 2024-25 for the costs of legislative studies, as well as \$38,909 of balances carried over from prior years for this purpose. Whether these amounts are sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature. The additional costs of providing staffing assistance to the study during the interim can be absorbed utilizing existing budgeted staff resources.