

**CHRISTOPHER T. ADAMS**  
*Legislative District 37B*  
Caroline, Dorchester, Talbot,  
and Wicomico Counties

Economic Matters Committee



The Maryland House of Delegates  
6 Bladen Street, Room 426  
Annapolis, Maryland 21401  
410-841-3343 · 301-858-3343  
800-492-7122 Ext. 3343  
Fax 410-841-3299 · 301-858-3299  
Christopher.Adams@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

HB770

Business Regulation-Home Improvement Contracts-Deposits

- ***What does the Bill do?***

The bill allows a contractor to collect a deposit of 50% on home improvement contracts.

- ***Why is it important to pass now?***

The success of a home improvement contractor is based upon their ability to manage costs and cash flow. Most home improvement contractors have material job costs that exceeds the minimum deposit requirements allowed by the Maryland Home Improvement Commission. This puts a contractor in a negative cash flow situation before they ever step foot on the job. By allowing a 50% deposit Maryland recognizes the need for home improvement contractors to successfully complete the work for home owners. The 50% deposit goes a long way toward allowing good contractors the ability to manage their business to the benefit of their customer.