STATE OF RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION CONTRACTORS' REGISTRATION AND LICENSING BOARD 560 JEFFERSON BOULEVARD, SUITE 200 WARWICK, R.I. 02886

In the Matter of:

Matthew Blood d/b/a

Paragon Tile Installation and d/b/a M Blood Carpentry,

CRLB No. C-23-471

Respondent.

DECISION

I. INTRODUCTION

This matter arose pursuant to a Notice of Hearing ("Notice") issued on March 6, 2024 by the Department of Business Regulation Contractors' Registration and Licensing Board ("Department" or "Board") to Matthew Blood d/b/a Paragon Tile Installation and d/b/a M Blood Carpentry ("Respondent"). The Respondent is registered as a contractor pursuant to R.I. Gen. Laws § 5-65-1 et seq. A hearing was scheduled for April 10, 2024 at which time the Respondent did not appear. Pursuant to R.I. Gen. Laws § 5-65-6 and § 1.15.1 of 440-RICR-10-00-1 General Rules and Regulations for Applications, Registration, Licensing, Claims, Violations, and Administrative Hearings ("Regulation"), service may be made by first-class mail or certified mail and service is complete upon mailing when sent to the last known address of the party. In this matter, the Notice was sent to the Respondent's address on record with the Department by first class and certified mail. Since the Respondent was adequately noticed of hearing, a remote

¹ See Department's Exhibits One (1) (Notice); Two (2) (print out of United States Post Office certified mail tracking sheet showing certified mail was unclaimed); and Three (3) (Respondent's registration record with the Department listing his mailing address used by the Department for the Notice).

hearing was held before the undersigned on April 10, 2024.² Additionally, § 1.17 of the Regulation³ provides that a default judgment may be entered based on pleadings and/or evidence submitted at hearing by a non-defaulting party. The Board was represented by counsel who rested on the record.

II. JURISDICTION

The administrative hearing was held pursuant to R.I. Gen. Laws § 42-14-1 *et seq.*, R.I. Gen. Laws § 5-65-1 *et seq.*, R.I. Gen. Laws § 42-35-1 *et seq.*, and the Regulation.

III. ISSUE

Whether the Respondent violated R.I. Gen. Laws § 5-65-10(a), and if so, what should be the sanction(s).

IV. MATERIAL FACTS

Based on the pleadings and exhibits entered at hearing, it is undisputed as follows: The Respondent entered into an agreement on October 23, 2022 with a homeowner in Lincoln to rebuild and remodel a shower under a warranty claim at the homeowner's house. Said homeowner (via the company providing the warranty) paid a total of \$12,250 for the work to be performed. The Respondent did not start and did not perform any of the work for which he was contracted to perform. Department's Exhibits One (1) (Notice); Four (4) (inspection report); Five (5) (contract); Six (6) (copy of deposit check, text from Respondent to homeowner stating he received the deposit check); and Eight (8) and Nine (9) (texts between homeowner and Respondent).

² The undersigned hearing officer heard this matter pursuant to R.I. Gen. Laws § 5-65-12.

³ Section 1.17 of the Regulation provides as follows:

If any Party to a proceeding fails to answer a complaint, plead, appear at a prehearing conference or hearing or otherwise fails to prosecute or defend an action as provided by these Rules, the Hearing Officer or Board may enter a default judgment against the defaulting Party or take such action based on the pleadings and/or other evidence submitted by the non-defaulting Party as the forum deems appropriate. Challenge to such an order shall be made as a motion for reconsideration per § 1.15.6 of this Part.

V. DISCUSSION

A. Legislative Intent

The Rhode Island Supreme Court has consistently held that it effectuates legislative intent by examining a statute in its entirety and giving words their plain and ordinary meaning. *In re Falstaff Brewing Corp.*, 637 A.2d 1047 (R.I. 1994). If a statute is clear and unambiguous, "the Court must interpret the statute literally and must give the words of the statute their plain and ordinary meanings." *Oliveira v. Lombardi*, 794 A.2d 453, 457 (R.I. 2002) (citation omitted). The Supreme Court has also established that it will not interpret legislative enactments in a manner that renders them nugatory or that would produce an unreasonable result. See *Defenders of Animals v. DEM*, 553 A.2d 541 (R.I. 1989) (citation omitted). In cases where a statute may contain ambiguous language, the Rhode Island Supreme Court has consistently held that the legislative intent must be considered. *Providence Journal Co. v. Rodgers*, 711 A.2d 1131, 1134 (R.I. 1998).

B. Standard of Review for an Administrative Hearing

It is well settled that in formal or informal adjudications modeled on the Federal Administrative Procedures Act, the initial burdens of production and persuasion rest with the moving party. 2 Richard J. Pierce, Administrative Law Treatise § 10.7 (2002). Unless otherwise specified, a preponderance of the evidence is generally required to prevail. *Id.* See *Lyons v. Rhode Island Pub. Employees Council 94*, 559 A.2d 130 (R.I. 1989) (preponderance standard is the "normal" standard in civil cases). This means that for each element to be proven, the fact-finder must believe that the facts asserted by the proponent are more probably true than false. *Id.* When there is no direct evidence on a particular issue, a fair preponderance of the evidence may be supported by circumstantial evidence. *Narragansett Electric Co. v. Carbone*, 898 A.2d 87 (R.I. 2006).

C. Relevant Statutes

- R.I. Gen. Laws § 5-65-10 provides in part as follows:
- (a) The board or office may revoke, suspend, or refuse to issue, reinstate, or reissue a certificate of registration if the board or office determines, after notice and opportunity for a hearing:
- (10) The board may take disciplinary action against a contractor who performed work, or arranged to perform work, while the registration was suspended, invalidated, or revoked. Deposits received by a contractor and ordered returned are not considered a monetary award when no services or supplies have been received.
- (14) That the registrant has failed to complete a project(s) for construction or willfully failed to comply with the terms of a contract or written warranty.

D. Whether the Respondent violated R.I. Gen. Laws § 5-65-10(a)(14)

Based on the testimony and the exhibits entered at hearing, it was undisputed that the Respondent entered into a contract with the homeowner and accepted a deposit in the amount of \$12,250 for work that he never performed. The Respondent violated R.I. Gen. Laws § 5-65-10(a)(10) and (14) by failing to complete the project and by not returning the deposit.

E. Sanctions

R.I. Gen. Laws § 5-65-10(a) provides that a registration may be suspended for violations of R.I. Gen. Laws § 5-65-10. The Respondent violated R.I. Gen. Laws § 5-65-10(a)(14) and (10) by failing to finish the project and by failing to repay the homeowner the deposit that he took for the work he never performed. Pursuant to R.I. Gen. Laws § 5-65-10(a)(10), the Respondent shall repay the deposit to the homeowner. The Board requested that the Respondent's registration be suspended until he repaid the deposit to the homeowner.

In light of the Respondent's statutory violations and failure to repay the deposit of the \$12,250 to the homeowner, the Respondent's registration shall be suspended until he complies with the terms of this decision.

V. FINDINGS OF FACT

Based on the foregoing, the undersigned makes the following findings of fact:

- 1. The Notice was issued on March 6, 2023 by the Board to the Respondent.
- 2. The Respondent is registered as a contractor pursuant to R.I. Gen. Laws § 5-65-1 et seq.
- 3. A hearing was scheduled for April 10, 2024 at which time the Respondent did not appear. As the Respondent was adequately notified, the hearing was held with the Board resting on the record.
- 4. Pursuant to § 1.17 of the Regulation, the Respondent is declared to be in default for failing to appear at the hearing.
 - 5. The facts contained in Sections I, IV, and V are incorporated by reference herein.

VII. <u>CONCLUSIONS OF LAW</u>

Based on the foregoing, the Respondent violated R.I. Gen. Laws § 5-65-10(a)(10) and (14) by failing to return the homeowner's deposit and failing to start and complete the project for which hired to do.

Pursuant to R.I. Gen. Laws § 5-65-10(a)(10), the Respondent is ordered to return the deposit of \$12,250 to said homeowner and confirm the same with the Board within 20 days of the date of this decision.

Pursuant to R.I. Gen. Laws § 5-65-10(a), the Respondent's registration is suspended until he complies with the terms of this decision (repayment of the deposit). The suspension shall begin 20 days from the date of this decision.⁴

⁴ If the Respondent complies with the decision (repayment within 20 days), the registration will not be suspended. He must provide proof of compliance to the Board.

Issued by R.I. Contractors' Registration and Licensing Board.

Entered: 401124, 2024

Catherine R. Warren Hearing Officer

NOTICE OF APPELLATE RIGHTS

Pursuant to R.I. Gen. Laws § 5-65-20 and § 1.13.2 of the Regulation, this decision may be appealed to the full Board by requesting an appeal in writing to the Board within twenty (20) days of the date of mailing or issuance of this decision.

Any appeal shall give the specific reasons why a party believes that the findings of the hearing officer are incorrect, based on testimony or evidence received at the hearing. No new testimony or evidence will be accepted. The Board does not rehear any issues but can only accept argument as to why a wrong decision may have been reached in this case. If an appeal is filed, the parties will be notified of the date, time, and location of the Board's meeting. Either party may appear before the Board to give oral argument. Failure of either party to appear before the Board may result in an adverse decision against the party. If no appeal is filed, payment of the administrative penalties is due within 20 days as stated above.

I hereby certify on this 24th day of April, 2024 that a copy of the within Decision and Notice of Appellate Rights were sent by first class mail, postage prepaid and certified mail to Matthew Blood, 255 Ann Street, Cumberland, R.I. 02864 and by electronic delivery to matthewblood 78@gmail.com and by electronic delivery to James Cambio, Building Code Commissioner, Donna Costantino, Associate Director, Matthew Lambert, Principal State Building Code Officer, Christina Santos, Administrator Management Information Systems, Pamela Toro, Esquire, Joshua Nault, Esquire, and Megan Mihara, Principal Program Planner, Department of Business Regulation, Pastore Complex, 1511 Pontiac Avenue, Cranston, R.I.

Sheren J. Kaplan