

## Article - Business Regulation

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§4.5–308.

(a) (1) The Unit may deny registration or a registration certificate to an applicant, reprimand a registrant or registered sales representative, suspend or revoke a registration or a registration certificate, or impose a civil penalty on a registrant or registered sales representative if the Unit determines that the applicant, registrant, or registered sales representative:

(i) fraudulently or deceptively obtained or attempted to obtain a registration or registration certificate;

(ii) fraudulently or deceptively used a registration or registration certificate;

(iii) presented or attempted to present the home builder registration number of another registrant as the applicant's or registrant's home builder registration number;

(iv) used or attempted to use an expired, suspended, or revoked home builder registration number or registration certificate;

(v) presented or attempted to present the registration certificate of another registered sales representative as the applicant's or registered sales representative's registration certificate;

(vi) impersonated or falsely represented oneself as a registered home builder or registered sales representative;

(vii) repeatedly violated this title;

(viii) engaged in a pattern of unfair or deceptive trade practices under the Consumer Protection Act, as determined by a final administrative order or judicial decision;

(ix) repeatedly violated a local building, development, or zoning permit law or regulations, or a State or federal law or regulation, including an environmental protection law or regulation, that relates to the fitness and qualification or ability of the applicant or registrant to build homes;

(x) engaged in a pattern of poor workmanship as evidenced by one or more of the following:

1. repeated unresolved building code violations;
2. repeated unsatisfied arbitration awards in favor of

consumers against the applicant or registered home builder based on incomplete or substandard work; or

3. an unsatisfied final judgment in favor of a consumer;

(xi) repeatedly engaged in fraud, deception, misrepresentation, or knowing omissions of material facts related to home building contracts;

(xii) had a similar registration, registration certificate, or license denied, suspended, or revoked in another state or jurisdiction;

(xiii) had the renewal of a similar registration, registration certificate, or license denied for any cause other than failure to pay a renewal fee; or

(xiv) in the Chesapeake and Atlantic Coastal Bays Critical Area, as defined under § 8–1802 of the Natural Resources Article, failed to comply with:

1. the terms of a State or local permit, license, or approval; or

2. any State or local law, an approved plan, or other legal requirement.

(2) The Critical Area Commission for the Chesapeake and Atlantic Coastal Bays, as established under Title 8, Subtitle 18 of the Natural Resources Article, shall notify the Unit of any applicant or registrant who fails to comply with any requirement under paragraph (1)(xiv) of this subsection.

(b) (1) The Unit may deny a registration to a nonpublicly traded applicant or suspend or revoke a registration of a nonpublicly traded registrant if a principal of the applicant or registrant, other than a financial institution or a nonprofit organization, that owns at least 10 percent of the applicant or registrant, was a principal of a home builder that had a similar registration or license denied, suspended, or revoked by the Unit or in another state or jurisdiction for any cause other than a failure to pay a renewal fee if the Unit determines that the interests of the public cannot be protected if the applicant or registrant is allowed to act as a home builder in the State.

(2) For the purposes of this subsection, the interests of a principal include interests held by the parents, spouse, or children of the principal.

(c) The Unit shall provide an applicant, registrant, or registered sales representative notice and an opportunity to request a hearing under Title 10, Subtitle 2 of the State Government Article to contest a proposed disciplinary action.

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