

# SENATE BILL 968

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By: **Senator Astle**

Introduced and read first time: February 5, 2016

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Home Builder Registration – Fees**

3 FOR the purpose of increasing certain fees for applicants for a home builder registration  
4 and a home builder sales representative registration; increasing the administrative  
5 fee for the Home Builder Guaranty Fund for certain home builders; increasing the  
6 fee for renewal of a certain registration or registration certificate; adding a renewal  
7 of registration fee based on a certain number of certain building permits issued to a  
8 certain registrant; and generally relating to fees for home builder registration.

9 BY repealing and reenacting, with amendments,  
10 Article – Business Regulation  
11 Section 4.5–304, 4.5–304.1, and 4.5–305  
12 Annotated Code of Maryland  
13 (2015 Replacement Volume and 2015 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
15 That the Laws of Maryland read as follows:

16 **Article – Business Regulation**

17 4.5–304.

18 (a) The Unit shall register and issue a home builder registration number to an  
19 applicant for a home builder registration that:

20 (1) meets the requirements of this title; and

21 (2) pays to the Division an initial nonrefundable 2–year registration fee of  
22 **[\$600] \$800.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) A home builder registration issued under this title may not be transferred,  
2 assigned, or pledged.

3 (c) A valid home builder registration authorizes the registrant to act as a home  
4 builder in the State.

5 (d) (1) A home builder that holds a license or registration in Montgomery  
6 County may act as a home builder in that county only, unless the home builder is also  
7 registered under this title.

8 (2) A home builder that holds a license or registration in Montgomery  
9 County and is not registered under this title is subject to Subtitle 7 of this title.

10 (3) (i) In addition to the county license or registration fee, a home  
11 builder that is required to hold a license or registration only in Montgomery County shall  
12 pay to the county a Guaranty Fund administrative fee of [~~\$150~~] **\$250**.

13 (ii) The county shall remit the Guaranty Fund administrative fee to  
14 the Unit to be deposited in the Registration Fund.

15 4.5–304.1.

16 (a) The Unit shall register and issue a registration certificate to an applicant for  
17 a home builder sales representative registration certificate that:

18 (1) meets the requirements of this title; and

19 (2) pays to the Division an initial nonrefundable 2–year registration fee of  
20 [~~\$200~~] **\$300**.

21 (b) A Unit shall include on each registration certificate that the Unit issues:

22 (1) that this is a registration certificate for a registered sales  
23 representative;

24 (2) the full name of the certificate holder;

25 (3) the certificate holder’s employer’s registration number or the name of  
26 the licensed or registered Montgomery County home builder; and

27 (4) the certificate holder’s registration number.

28 (c) A registration certificate issued under this title may not be transferred,  
29 assigned, or pledged.

30 (d) A valid registration certificate authorizes the certificate holder to act as a  
31 home builder sales representative in the State.

1 (e) The Unit may issue a registration certificate to replace a lost, destroyed, or  
2 mutilated registration certificate if the certificate holder pays the registration certificate  
3 replacement fee set by the Unit.

4 4.5–305.

5 (a) (1) Unless renewed under this section, a registration or registration  
6 certificate expires on the second anniversary of its effective date.

7 (2) A registrant or registered sales representative that meets the  
8 requirements of subsection (c) of this section may obtain a renewal of a registration or  
9 registration certificate before the registration or registration certificate expires for an  
10 additional 2–year term.

11 (3) Once expired, a registration or a registration certificate may not be  
12 renewed.

13 (b) At least 60 days before a registration or registration certificate expires, the  
14 Unit shall mail the registrant or registered sales representative, at the last known address  
15 of the registrant or registered sales representative:

16 (1) a renewal application form; and

17 (2) a notice that states:

18 (i) the date on which the current registration or registration  
19 certificate expires; and

20 (ii) the date by which the Unit must receive the renewal application  
21 for a renewal to be issued and mailed before the registration or registration certificate  
22 expires.

23 (c) The Unit shall renew the registration or registration certificate of each  
24 registrant or registered sales representative that:

25 (1) submits to the Unit a renewal application on the form provided by the  
26 Unit;

27 (2) would qualify for an initial registration or initial registration  
28 certificate;

29 (3) (i) for renewal of a registration, pays to the Division a  
30 nonrefundable renewal fee based on the number of building permits for the construction of  
31 new homes issued to the registrant in the preceding calendar year as follows:

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1 1. 10 or fewer new homes..... [~~\$300~~] **\$400**;

2 [~~and~~]

3 2. 11 [~~or more~~] **TO 24** new homes.....

4 [~~\$600~~] **\$800**; [~~or~~] **AND**

5 3. **25 OR MORE NEW HOMES** ..... **\$1,200**;

6 **OR**

7 (ii) for renewal of a registration certificate, pays to the Division a  
8 nonrefundable renewal fee of [~~\$200~~] **\$300**; and

9 (4) is otherwise entitled to be registered.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 October 1, 2016.