
By: **Delegates Kach, Eckardt, Gordon, Krysiak, Love, Mitchell, and Walkup**
Introduced and read first time: February 4, 2002
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Home Builders - Registration Fee**

3 FOR the purpose of altering the registration fee for home builders under the Home
4 Builder Registration Unit; repealing the authority of the Consumer Protection
5 Division of the Attorney General's Office to establish by regulation certain fees;
6 providing for a delayed effective date; and generally relating to home builder
7 registration fees and the Home Builder Registration Unit.

8 BY repealing and reenacting, with amendments,
9 Article - Business Regulation
10 Section 4.5-203
11 Annotated Code of Maryland
12 (1998 Replacement Volume and 2001 Supplement)

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

15 **Article - Business Regulation**

16 4.5-203.

17 (a) (1) There is a Home Builder Registration Fund.

18 (2) The Division shall administer the Registration Fund.

19 (3) The Registration Fund shall be used to cover the actual documented
20 direct and indirect costs incurred for the administration and enforcement of the
21 Maryland Home Builder Registration Act.

22 (4) The Registration Fund is a continuing, nonlapsing fund, and is
23 subject to § 7-302 of the State Finance and Procurement Article.

24 (5) Unspent assets of the Registration Fund shall remain in the
25 Registration Fund and may not revert or be transferred to the General Fund of the
26 State.

1 (6) The Registration Fund may not be supported by appropriations of
2 State funds.

3 (b) (1) [By regulation, the Division shall establish reasonable fees that may
4 not exceed \$600 over a 2-year period, and a fee schedule for the issuance and renewal
5 of registrations.] THE DIVISION SHALL COLLECT A BIENNIAL REGISTRATION FEE
6 FROM EACH PERSON REQUIRED TO BE REGISTERED UNDER THIS TITLE.

7 (2) THE REGISTRATION FEE SHALL BE BASED ON THE NUMBER OF NEW
8 HOMES CONSTRUCTED BY THE PERSON IN THE CALENDAR YEAR PRECEDING THE
9 2-YEAR REGISTRATION PERIOD AS FOLLOWS:

10 (I) 10 OR FEWER NEW HOMES..... \$300

11 (II) 11 OR MORE NEW HOMES..... \$600

12 (3) The fees charged shall approximate the direct and indirect costs of
13 administering and enforcing the Maryland Home Builder Registration Act.

14 (c) The Division shall pay all funds collected under § 4.5-303 of this title to
15 the Comptroller, who shall distribute the fees to the Registration Fund.

16 (d) The Office of Legislative Audits shall audit the accounts and transactions
17 of the Registration Fund under § 2-1220 of the State Government Article.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 January 1, 2003.