

HOUSE BILL 1112

C2

9lr2908

By: **Kent County Delegation**

Introduced and read first time: February 13, 2009

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Kent County - Home Builders Guaranty Fund Fees - Administrative Costs**

3 FOR the purpose of requiring the building and permits department of Kent County to
4 retain a certain portion of the Home Builders Guaranty Fund fees collected each
5 month by the building and permits department in an amount not to exceed the
6 actual cost of administering the Guaranty Fund fees; and generally relating to
7 the Home Builders Guaranty Fund fees and Kent County.

8 BY repealing and reenacting, with amendments,
9 Article - Business Regulation
10 Section 4.5-704
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2008 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 4.5-704.

17 (a) (1) Subject to the provisions of subsection (c) of this section, a home
18 builder shall pay to the building and permits department of a county a Guaranty Fund
19 fee as set by the Division under subsection (c) of this section with each application for
20 a permit for construction of a new home.

21 (2) The home builder may collect the Guaranty Fund fee from the
22 consumer.

23 (3) (I) [Each] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
24 **THIS PARAGRAPH, EACH** month, the building and permits department of a county

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 shall remit all the Guaranty Fund fees to the Division to be deposited in the Guaranty
2 Fund.

3 **(II) IN KENT COUNTY ONLY, THE BUILDING AND PERMITS**
4 **DEPARTMENT SHALL RETAIN A PORTION OF THE GUARANTY FUND FEES**
5 **COLLECTED BY THE BUILDING AND PERMITS DEPARTMENT EACH MONTH IN AN**
6 **AMOUNT NOT TO EXCEED THE ACTUAL COST OF ADMINISTERING THE**
7 **GUARANTY FUND FEES.**

8 (4) The Guaranty Fund fee may be deposited only in the Guaranty
9 Fund.

10 (b) If a registrant fails to pay the Guaranty Fund fee, the registrant's home
11 builder registration is suspended until the fee is paid.

12 (c) The Division shall set the amount of the Guaranty Fund fee required
13 under subsection (a) of this section so as to not exceed \$50 and to maintain the
14 Guaranty Fund level required under § 4.5-703(a) of this subtitle.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 2009.