

# SENATE BILL 256

C2

(11r1834)

## *ENROLLED BILL*

— *Finance/Economic Matters* —

Introduced by **Senators Middleton and Kelley**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

## CHAPTER \_\_\_\_\_

1 AN ACT concerning

### 2 **Business Regulation – Definition of Home Builder**

3 FOR the purpose of altering the definition of “home builder” to include a person who  
4 enters into a contract with a consumer under which the person agrees to  
5 provide the consumer with a new home; excluding from the definition of “home  
6 builder” a real estate developer who does not enter into contracts with  
7 consumers to provide or construct homes; excluding from the definition of “home  
8 builder” a buyer’s agent representing a prospective buyer in the purchase of a  
9 new home; and generally relating to the definition of home builder for the  
10 purpose of home builder registration.

11 BY repealing and reenacting, with amendments,  
12 Article – Business Regulation  
13 Section 4.5–101(g)  
14 Annotated Code of Maryland

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber/conference committee amendments.



1 (2010 Replacement Volume and 2010 Supplement)

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

4 **Article – Business Regulation**

5 4.5–101.

6 (g) (1) “Home builder” means a person that undertakes to erect or  
7 otherwise construct a new home.

8 (2) “Home builder” includes:

9 (i) a custom home builder as defined in § 10–501 of the Real  
10 Property Article;

11 (ii) a new home builder subject to § 10–301 of the Real Property  
12 Article; [and]

13 (iii) the installer or retailer of a mobile home or an industrialized  
14 building intended for residential use; **AND**

15 **(IV) A PERSON ~~WHO~~ THAT ENTERS INTO A CONTRACT WITH A**  
16 **CONSUMER UNDER WHICH THE PERSON AGREES TO PROVIDE THE CONSUMER**  
17 **WITH A NEW HOME.**

18 (3) “Home builder” does not include:

19 (i) an employee of a registrant who does not hold himself or  
20 herself out for hire in home building except as an employee of a registrant;

21 (ii) subcontractors or other vendors hired by the registrant to  
22 perform services or supply materials for the construction of a new home who do not  
23 otherwise meet the requirements of this title;

24 (iii) the manufacturer of industrialized buildings intended for  
25 residential use or of mobile homes, unless the manufacturer also installs the  
26 industrialized buildings or mobile homes;

27 (iv) a real estate developer who does not construct, **OR ENTER**  
28 **INTO CONTRACTS WITH CONSUMERS TO PROVIDE OR CONSTRUCT,** homes;

29 (v) a financial institution that lends funds for the construction  
30 or purchase of residential dwellings in the State; [or]

1 (vi) except as otherwise provided in this title, a person who  
2 erects or constructs new homes solely in Montgomery County; OR

3 (VII) A BUYER'S AGENT, AS DEFINED IN § 17-530 OF THE  
4 BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE, WHEN REPRESENTING A  
5 PROSPECTIVE BUYER IN THE PURCHASE OF A NEW HOME.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 2011.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.