

HOUSE BILL 93

C2, I3

6lr1121

(PRE-FILED)

By: **Delegate Crosby**

Requested: October 8, 2025

Introduced and read first time: January 14, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Home Builders – Model Homes and Contracts for the Intent to Purchase a New**
3 **Home – Requirements**

4 FOR the purpose of requiring certain home builders that construct model homes to make
5 certain information about the model home available to prospective home buyers in a
6 certain manner; requiring a home builder to provide certain information about model
7 home upgrades to a home buyer at the time of signing a certain contract; providing
8 that a home buyer has a right to rescind a contract for the intent to purchase a new
9 home for any reason within a certain period of time; requiring a home builder to
10 refund certain money to a home buyer under certain circumstances; and generally
11 relating to model homes, contracts for the intent to purchase a new home, and home
12 builders.

13 BY repealing and reenacting, without amendments,
14 Article – Business Regulation
15 Section 4.5–101(a), (g), and (m)
16 Annotated Code of Maryland
17 (2024 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Business Regulation
20 Section 4.5–502; and 4.5–801 to be under the amended subtitle “Subtitle 9. Short
21 Title”
22 Annotated Code of Maryland
23 (2024 Replacement Volume and 2025 Supplement)

24 BY adding to
25 Article – Business Regulation
26 Section 4.5–801 through 4.5–803 to be under the new subtitle “Subtitle 8. Model
27 Homes and Contracts for the Intent to Purchase a New Home”

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

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

Article – Business Regulation

4.5–101.

(a) In this title the following words have the meanings indicated.

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

(2) “Home builder” includes:

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

(ii) a new home builder subject to § 10–301 of the Real Property
Article;

(iii) the installer or retailer of a mobile home or an industrialized
building intended for residential use; and

(iv) a person that enters into a contract with a consumer under which
the person agrees to provide the consumer with a new home.

(3) “Home builder” does not include:

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

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

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

(iv) a real estate developer who does not construct, or enter into
contracts with consumers to provide or construct, homes;

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

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

(vii) a buyer's agent, as defined in § 17-530 of the Business Occupations and Professions Article, when representing a prospective buyer in the purchase of a new home.

(m) (1) "New home" means each newly constructed residential dwelling unit in the State and the fixtures and structure that are made a part of a newly constructed private dwelling unit at the time of construction.

(2) "New home" includes:

(i) a custom home as defined in § 10-501(c) of the Real Property Article;

(ii) a new home to which § 10-301 of the Real Property Article applies;

(iii) an industrialized building intended for residential use; and

(iv) a mobile home.

4.5-502.

(a) Subject to the notice and hearing provisions of Title 10, Subtitle 2 of the State Government Article, the Division may bring a civil administrative action against a person that violates § 4.5-501(a) of this subtitle **OR ANY PROVISION OF SUBTITLE 8 OF THIS TITLE.**

(b) After a hearing, if the Division finds that a person has:

(1) violated § 4.5-501(a) of this subtitle, the Division may:

[(1)] (I) order the person to cease and desist from unlawful practice; and

[(2)] (II) impose a civil penalty of not more than \$1,000 for each day of unlawful practice; **OR**

(2) VIOLATED ANY PROVISION OF SUBTITLE 8 OF THIS TITLE, THE DIVISION MAY:

(I) ORDER THE PERSON TO CEASE AND DESIST FROM UNLAWFUL PRACTICE; AND

(II) 1. FOR A FIRST OFFENSE OR FOR A SECOND OFFENSE IF THE HOME BUILDER REMAINS IN VIOLATION FOR LESS THAN 3 DAYS, IMPOSE A FINE UP TO \$5,000 PER DAY THAT THE VIOLATION CONTINUES;

2. FOR A SECOND OFFENSE, IF THE HOME BUILDER REMAINS IN VIOLATION FOR 3 DAYS OR MORE, IMPOSE A FINE UP TO \$10,000 PER DAY THAT THE VIOLATION CONTINUES; AND

3. FOR A THIRD OR SUBSEQUENT OFFENSE, SUSPEND THE REGISTRATION OF THE HOME BUILDER FOR UP TO 30 DAYS.

(c) Any party aggrieved by a decision and order of the Division under this section may file an appeal as provided under §§ 10-222 and 10-223 of the State Government Article.

SUBTITLE 8. MODEL HOMES AND CONTRACTS FOR THE INTENT TO PURCHASE A NEW HOME.

4.5-801.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “BASE MODEL HOME” MEANS A MODEL HOME THAT INCLUDES ONLY BUILDER GRADE ITEMS WITH NO UPGRADES.

(C) “BUILDER GRADE” MEANS ANY STANDARD, BASIC QUALITY FEATURE, MATERIAL, OR APPLIANCE THAT IS INCLUDED IN THE PURCHASE PRICE OF A BASE MODEL NEW HOME WITH NO UPGRADES.

(D) “CONSULTATION SERVICES” MEANS PROFESSIONAL ADVISORY SERVICES PROVIDED BY A HOME BUILDER TO A POTENTIAL HOME BUYER REGARDING THE DESIGN AND PURCHASE OF A NEW HOME BEFORE THE PURCHASE OF A NEW HOME, INCLUDING REVIEWING PRICING INFORMATION AND BUILDING OPTIONS AND ANSWERING RELATED INQUIRIES.

(E) “MODEL HOME” MEANS A REPRESENTATIVE HOME CONSTRUCTED AND FURNISHED TO DEMONSTRATE THE FEATURES, DESIGNS, AND LAYOUTS AVAILABLE FOR PURCHASE IN A NEW HOME FROM A HOME BUILDER.

(F) “UPGRADE” MEANS ANY FEATURE, MATERIAL, APPLIANCE, IMPROVEMENT, OR OTHER EXTRA THAT HAS A STANDARD OF QUALITY ABOVE A BUILDER GRADE OFFERING.

4.5–802.

(A) (1) FOR EACH MODEL HOME CONSTRUCTED BY A HOME BUILDER, THE HOME BUILDER SHALL PROVIDE TO EACH PROSPECTIVE HOME BUYER A DOCUMENT THAT INCLUDES:

(I) A COMPLETE LIST OF ALL UPGRADES IN THE MODEL HOME AND THE ESTIMATED COST OF EACH UPGRADE;

(II) FOR EACH BUILDER GRADE ITEM NOT USED IN THE MODEL HOME, THE CREDIT VALUE FOR THE BUILDER GRADE ITEM TOWARD AN UPGRADED ITEM;

(III) THE TOTAL PRICE AND SQUARE FOOTAGE OF THE BASE
MODEL HOME; AND

(IV) THE TOTAL PRICE AND SQUARE FOOTAGE OF THE MODEL HOME INCLUSIVE OF ALL UPGRADES IN THE MODEL HOME.

(2) AT THE REQUEST OF A POTENTIAL HOME BUYER, THE HOME BUILDER SHALL MAKE A COPY OF THE DOCUMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION AVAILABLE IN BOTH PAPER AND ELECTRONIC FORMATS.

(B) (1) THE HOME BUILDER OF A MODEL HOME SHALL POST A SIGN WITHIN 10 FEET OF THE MAIN ENTRANCE OF THE MODEL HOME THAT IS CLEARLY VISIBLE TO A POTENTIAL HOME BUYER THAT INCLUDES THE FOLLOWING INFORMATION:

(I) A LIST OF ALL UPGRADES INCLUDED IN THE MODEL HOME;

(II) THE COST OF EACH INDIVIDUAL UPGRADE IN THE MODEL HOME, INCLUDING MATERIALS, LABOR, AND BUILDER MARKUP CLEARLY LISTED;

(III) THE TOTAL PRICE AND SQUARE FOOTAGE OF THE BASE MODEL HOME WITH NO UPGRADES; AND

(IV) THE TOTAL PRICE AND SQUARE FOOTAGE OF THE MODEL HOME INCLUSIVE OF ALL UPGRADES.

(2) A SIGN POSTED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) USE A CLEAR, SIMPLE FONT;

(II) HAVE LETTERS A MINIMUM OF ONE-HALF INCH IN HEIGHT;
AND

(III) BE UNOBSTRUCTED FROM VIEW.

4.5-803.

(A) AT THE TIME OF SIGNING A CONTRACT FOR THE INTENT TO PURCHASE A NEW HOME, THE HOME BUILDER SHALL PROVIDE THE HOME BUYER WITH A COMPLETE LIST OF ALL AVAILABLE UPGRADES AND THE COST OF EACH UPGRADE.

(B) A HOME BUILDER MAY CHARGE A FEE OF UP TO \$250 FOR CONSULTATION SERVICES TO A PROSPECTIVE HOME BUYER.

(C) (1) A HOME BUYER HAS THE RIGHT TO RESCIND A CONTRACT FOR THE INTENT TO PURCHASE A NEW HOME WITHIN 5 BUSINESS DAYS AFTER THE DATE OF SIGNING THE CONTRACT FOR ANY REASON.

(2) EXCEPT FOR A CONSULTATION FEE UNDER SUBSECTION (B) OF THIS SECTION, IF THE HOME BUYER RESCINDS A CONTRACT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE HOME BUILDER SHALL FULLY REFUND ALL MONEY PAID TO THE HOME BUILDER, INCLUDING:

(I) ANY DEPOSIT FOR A HOMESITE, LOT, OR OTHER PARCEL OF LAND;

(II) A DEPOSIT FOR THE NEW HOME; AND

(III) ANY OTHER ADVANCE MONEY PAID AS PART OF THE NEW HOME PURCHASING PROCESS.

Subtitle [8.] 9. Short Title.

[4.5-801.] 4.5-901.

This title may be cited as the Maryland Home Builder Registration Act.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.