

HOUSE BILL 850

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6lr0672

By: **Delegates Bhandari and A. Johnson**

Introduced and read first time: February 4, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Home Builders – Open House – Sales Representative Disclosure Requirements**

3 FOR the purpose of requiring a home builder holding a property open to the public to
4 display a certain notice to prospective buyers disclosing the duties of a home builder
5 sales representative; and generally relating to disclosure requirements and home
6 builders.

7 BY repealing and reenacting, with amendments,
8 Article – Business Regulation
9 Section 4.5–307
10 Annotated Code of Maryland
11 (2024 Replacement Volume and 2025 Supplement)

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

14 **Article – Business Regulation**

15 4.5–307.

16 (a) (1) Each registrant shall display its home builder registration number
17 conspicuously on all properties at which the registrant is performing work that requires
18 registration under this title.

19 (2) If a registrant is building multiple homes in one project area or
20 subdivision, the registrant may post its home builder registration number in one central
21 conspicuous location in the project area or subdivision.

22 (b) Each registered sales representative shall display the registration certificate
23 conspicuously at the property at which the registered sales representative primarily
24 performs work that requires registration under this title.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(c) (1) A home builder shall provide each prospective home buyer with a disclosure that states: "The sales representative works for the home builder, which means that he or she may assist the buyer in purchasing the property, but his or her duty of loyalty is only to the home builder."

(2) The disclosure under paragraph (1) of this subsection shall be in at least 12-point bold type and shall be included with:

(i) any written materials made available to consumers at the property at which a registered sales representative primarily performs work that requires registration under this title; and

(ii) the first agreement signed by the consumer.

(D) (1) A HOME BUILDER HOLDING A PROPERTY OPEN TO THE PUBLIC SHALL DISPLAY, IN A CONSPICUOUS MANNER, A NOTICE TO PROSPECTIVE BUYERS THAT STATES: "THE SALES REPRESENTATIVE WORKS FOR THE HOME BUILDER, WHICH MEANS THAT HE OR SHE MAY ASSIST THE BUYER IN PURCHASING THE PROPERTY, BUT HIS OR HER DUTY OF LOYALTY IS ONLY TO THE HOME BUILDER. AS A BUYER OF A NEW HOME, YOU HAVE THE RIGHT TO OBTAIN YOUR OWN INDEPENDENT REPRESENTATION TO NAVIGATE THE NEW HOME PURCHASING PROCESS."

(2) THE DISCLOSURE REQUIRED 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.

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