

# HOUSE BILL 850

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

Introduced and read first time: February 4, 2026

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 27, 2026

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

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.

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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.



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

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

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

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

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

16 (ii) the first agreement signed by the consumer.

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

25 **(2) THE DISCLOSURE REQUIRED UNDER PARAGRAPH (1) OF THIS  
26 SUBSECTION SHALL:**

27 **(I) USE A CLEAR, SIMPLE FONT;**

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

29 **AND**

30 **(III) BE UNOBSTRUCTED FROM VIEW.**

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