## WILLIAM DONALD SCHAEFER, Governor

THE HOME PRIMARILY FOR RESIDENTIAL PURPOSES DURING THE WARRANTY PERIOD.

- (M) "PLUMBING SYSTEMS" MEANS:
  - (1) GAS SUPPLY LINES AND FITTINGS;
- (2) WATER SUPPLY, WASTE, AND VENT PIPES AND THEIR FITTINGS;
  - (3) SEPTIC TANKS AND THEIR DRAIN FIELDS; AND
- (4) (I) WATER, GAS, AND SEWER SERVICE PIPING AND THEIR EXTENSIONS TO THE TIE-IN OF A PUBLIC UTILITY CONNECTION; OR
  - (II) ON-SITE WELLS AND SEWAGE DISPOSAL SYSTEMS.
- (N) "SECRETARY" MEANS THE SECRETARY OF LICENSING AND REGULATION OR THE SECRETARY'S DESIGNEE.
- (O) (1) "STRUCTURAL DEFECT" MEANS ANY DEFECT IN THE LOAD-BEARING PORTIONS OF A NEW HOME THAT ADVERSELY AFFECTS ITS LOAD-BEARING FUNCTION TO THE EXTENT THAT THE HOME BECOMES OR IS IN SERIOUS DANGER OF BECOMING UNSAFE, UNSANITARY, OR OTHERWISE UNINHABITABLE.
- (2) "STRUCTURAL DEFECT" INCLUDES DAMAGE DUE TO SUBSIDENCE, EXPANSION, OR LATERAL MOVEMENT OF SOIL THAT HAS BEEN LOCATED OR RELOCATED BY THE BUILDER.
- (3) "STRUCTURAL DEFECT" DOES NOT INCLUDE DAMAGE CAUSED BY MOVEMENT OF THE SOIL:
  - (I) RESULTING FROM A FLOOD OR EARTHQUAKE; OR
- (II) FOR WHICH COMPENSATION <del>IS OTHERWISE</del> <u>HAS BEEN</u> PROVIDED <del>BY LAW OR INSURANCE</del>.
- (P) "WARRANTY DATE" MEANS THE FIRST DAY THAT THE OWNER OCCUPIES THE NEW HOME, SETTLES ON THE NEW HOME, MAKES THE FINAL CONTRACT PAYMENT ON THE NEW HOME, OR OBTAINS AN OCCUPANCY PERMIT FOR THE NEW HOME IF THE HOME IS BUILT ON THE OWNER'S PROPERTY, WHICHEVER IS EARLIER.

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- (A) PRIOR TO ENTERING INTO A CONTRACT FOR SALE OR CONSTRUCTION OF A NEW HOME, THE BUILDER SHALL DISCLOSE IN WRITING TO THE OWNER WHETHER:
- (1) THE BUILDER PARTICIPATES IN A NEW HOME WARRANTY SECURITY PLAN THROUGH WHICH: