

circumstances; allowing purchasers the option of waiving warranty coverage in certain circumstances; providing that certain actions will constitute a material breach of the contract; providing that a new home warranty benefits a successor in title to the owner under certain circumstances; requiring builders of new homes with a warranty to provide purchasers with a certain notice incorporated into the contract; establishing certain requirements for warranty security plans and for approval of the plans by the Secretary of Licensing and Regulation; establishing certain requirements for new home warranty security plans; permitting the Secretary of Licensing and Regulation to revoke or suspend approval of a new home warranty security plan under certain circumstances; providing that purchasers who do not wish warranty coverage must make an affirmative waiver; allowing purchasers to rescind the waiver under certain circumstances; stating that warranties provided for under this Act are in addition to express or implied warranties otherwise provided by law or agreement; providing that a violation of this Act is an unfair and deceptive trade practice; providing for certain exceptions to the provisions of this Act; imposing a certain criminal penalty; extending the expiration period of implied warranties for structural defects; providing for a delayed effective date; and generally relating to new home warranty security plans and warranties to be provided by builders of new homes.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 10–204

Annotated Code of Maryland

(1988 Replacement Volume and 1989 Supplement)

BY adding to

Article – Real Property

Section 10–601 through 10–610, inclusive, to be under the new subtitle “Subtitle 6. New Home Warranties”

Annotated Code of Maryland

(1988 Replacement Volume and 1989 Supplement)

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 13–301(14)

Annotated Code of Maryland

(1983 Replacement Volume and 1989 Supplement)

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

**Article – Real Property**