

(4) FILE WITH THE SECRETARY A SURETY BOND OR AN IRREVOCABLE LETTER OF CREDIT FROM A FEDERALLY INSURED FINANCIAL INSTITUTION IN AN AMOUNT SET BY THE SECRETARY, BUT NOT LESS THAN \$100,000, FOR THE BENEFIT OF OWNERS INJURED BY THE FAILURE OF THE NEW HOME WARRANTY SECURITY PLAN TO PAY CLAIMS AS REQUIRED UNDER THIS SUBTITLE;

(5) PROVIDE WITHIN THE NEW HOME WARRANTY DOCUMENTS THE PERFORMANCE STANDARDS THAT DESCRIBE THE BUILDER'S OBLIGATIONS FOR DEFECTS WARRANTED UNDER THIS SUBTITLE;

(6) PROVIDE FOR THE MEDIATION OF DISPUTES BETWEEN AN OWNER AND A BUILDER BEFORE A CLAIM WILL BE PAID BY THE BUILDER'S NEW HOME WARRANTY SECURITY PLAN; AND

(7) MEET ANY OTHER REQUIREMENTS DETERMINED BY THE SECRETARY AND BE APPROVED BY THE SECRETARY.

(B) (1) THE SECRETARY MAY REVOKE OR SUSPEND APPROVAL FOR A NEW HOME WARRANTY SECURITY PLAN IF THE SECRETARY DETERMINES THAT THE PLAN:

(I) IS UNABLE TO MEET ITS OBLIGATIONS UNDER A NEW HOME WARRANTY; OR

(II) IS ADMINISTERED IN A MANNER THAT DENIES OWNERS THE WARRANTY COVERAGE REQUIRED UNDER THIS SUBTITLE.

(2) EXCEPT FOR NEW HOMES THAT WERE ~~ENROLLED~~ REGISTERED IN THE NEW HOME WARRANTY SECURITY PLAN PRIOR TO THE REVOCATION OR SUSPENSION AND FOR WHICH A PURCHASE OR CONSTRUCTION CONTRACT HAS BEEN EXECUTED, DURING THE TIME PERIOD THAT APPROVAL FOR A NEW HOME WARRANTY SECURITY PLAN IS REVOKED OR SUSPENDED BY THE SECRETARY, THE NEW HOME WARRANTY SECURITY PLAN MAY NOT PROVIDE WARRANTY COVERAGE FOR ANY NEW HOMES BUILT IN MARYLAND.

(C) (1) UNLESS THE SECRETARY DETERMINES THAT A SHORTER NOTICE PERIOD IS NEEDED TO PROTECT THE INTERESTS OF THE BUILDERS AND OWNERS, THE SECRETARY SHALL GIVE A NEW HOME WARRANTY SECURITY PLAN AT LEAST 90 DAYS NOTICE THAT THE SECRETARY'S APPROVAL OF THE PLAN IS BEING REVOKED OR SUSPENDED; AND

(2) A NEW HOME WARRANTY SECURITY PLAN SHALL GIVE TO ITS PARTICIPATING BUILDERS AT LEAST 60 DAYS' NOTICE OF THE PLAN'S REVOCATION OR SUSPENSION, OR SUCH SHORTER TIME AS SPECIFIED BY THE SECRETARY IF THE PLAN RECEIVES LESS THAN 90 DAYS' NOTICE.