SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect July 1, 1990.

SECTION   -3- 4̶.̶ 5.   AND BE IT FURTHER ENACTED, That *Sections 2 and 3 of* this Act shall take effect July 1, 1989.

Approved May 25, 1989.

CHAPTER 563

(Senate Bill 265)

AN ACT concerning

Deposits on New Homes – Letters of Credit

FOR the purpose of adding irrevocable letters of credit as an
    alternative form of required security for certain deposits
    received by certain vendors or builders of new single-family
    residential units; establishing the form and amount of a
    letter of credit obtained under the provisions of this Act;
    repealing-a-requirement-that-corporate-surety-bonds-obtained
    to-secure-certain-deposits-be-deposited-with--the--Insurance
    Division;--repealing--a--requirement--that--corporate-surety
    bonds-obtained-to-secure--certain--deposits--be--in--a--form
    approved--by--the-Insurance-Division;-requiring-the-bonds-to
    be-deposited-with-and-approved-by-the-Division--of--Consumer
    Protection--of-the-Office-of-the-Attorney-General; repealing
    a requirement that the Insurance Division adopt certain
    rules and regulations; requiring the Division-of-Consumer
    Protection--of--the--Office--of--the--Attorney--General---to
    administer--the--provisions--of--this--Act-and Department of
    Licensing and Regulation to adopt certain regulations;
    making it a misdemeanor to fail to obtain and maintain an
    irrevocable letter of credit under the provisions of this
    Act; requiring--the--Division--of--Consumer--Protection--to
    receive-and-investigate-complaints-from--purchasers--of--new
    single-family--residential-units-under-certain-circumstances
    and-to-draw-against-a-letter-of-credit--obtained--under--the
    provisions--of--this--Act--if--the--Division-makes-a-certain
    finding; and generally relating to deposits on new homes.

BY repealing and reenacting, with amendments,

    Article – Real Property
    Section 10-301,-10-302; and 10-305
    Annotated Code of Maryland
    (1988 Replacement Volume and 1988 Supplement)