

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 386.

This bill generally relates to new home warranty security plans and warranties to be provided by builders of new homes.

House Bill 511, which was passed by the General Assembly and signed by me on May 2, 1990, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 386.

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 386

AN ACT concerning

Real Property – ~~Licensing and Regulation~~ – New Home Warranties

FOR the purpose of requiring new home builders to make certain disclosures to purchasers and owners of new homes; requiring an acknowledgment by the purchaser under certain circumstances; allowing certain purchasers who have made the acknowledgment to rescind the contract within a certain number of days; establishing the required provisions and permitted exclusions of new home warranty coverage; requiring builders who participate in warranty security plans to furnish certain information and provide a new home with a warranty under certain 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.