

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 4/4/2000**Reference No.:** CB-10-2000**Proposer:** County Executive**Draft No.:** 2**Sponsors:** Shapiro

Item Title: An Act excepting builders who construct exclusively rental multifamily dwellings from the new home warranty security plan requirement, and generally relating to Building Contractor's Licenses

Drafter: Karen Anderson
Office of Law**Resource** Stan Wildesen
Personnel: DER

LEGISLATIVE HISTORY:**Date Presented:** 2/22/2000**Executive Action:** 4/10/2000 S**Committee Referral:** 2/22/2000 THE**Effective Date:** 5/26/2000**Committee Action:** 3/9/2000 FAV(A)**Date Introduced:** 3/14/2000**Public Hearing:** 4/4/2000 1:00 P.M.**Council Action:** 4/4/2000 ENACTED**Council Votes:** DB:A, JE:-, IG:A, TH:A, WM:A, RVR:A, AS:A, PS:A, MW:A**Pass/Fail:** P**Remarks:** _____

TRANSPORTATION, HOUSING AND ENVIRONMENT COMMITTEE DATE: 3/9/00

Committee Vote: Favorable as amended, 4-0, (In favor: Council Members Shapiro, Gourdine, Hendershot and Maloney).

Staff gave an overview of the legislation and informed the Committee of referral comments that were received. Currently, contractors who exclusively build apartments in the County are required to meet builder-licensing requirements. This legislation would exempt contractors who exclusively build apartments in the County from the Home Warranty Security Plan, which is a licensing requirement.

A representative from the Business and Regulatory Affairs indicates that builders of multi-family dwellings were not able to obtain a Home Warranty Security Plan since their properties were

never sold. This requirement is beneficial for homes that are sold by the builder.

The fact that only one license was being issued, regardless of the type of construction was of concern to the Legislative Officer. Contractors affected by this exception could possibly build dwelling other than those that are rental multifamily dwellings. The Office of Law suggested the following amendment to CB-10-2000, on page 2, line 22: Any license issued for building rental multifamily dwellings exclusively shall be identified in a manner acceptable to the Director. This explanation will give the Director the authority to administratively implement a procedure for remedying this concern.

The Department of Environmental Resources and the County Executive supports CB-10-2000.

BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

This legislation will amend Subtitle 2, Division 14A, Building Contractor's License of the County Code. Changes to this Subtitle are needed to eliminate the warranty requirement in cases where a contractor is building an apartment. Contractors who exclusively build apartments in the County are required to meet builder licensing requirements. Unfortunately, current licensing qualifications require that the contractor participate in a new home warranty security plan. While the requirement is beneficial for homes that are sold by the builder, the requirement has no value for apartments that are never sold.

CODE INDEX TOPICS: