

In subsection (a)(1) of this section, the defined term "sell[ing] a home improvement" is substituted for the former phrase "in the solicitation or negotiation of any one home-improvement contract with an owner" to use the defined term. Similarly, in the introductory language of subsection (b) of this section, the reference to "selling a home improvement" is substituted for the former reference to "a home-improvement transaction" for clarity.

In subsection (a)(2) of this section, the former limitation "whether for the purpose of offering the contract to various contractors other than the one the salesman purported to represent in negotiation or otherwise" is deleted as unnecessary since it did not limit the effect of the prohibition.

In subsection (a)(2) and (3) of this section, the former words "principal" and "prime", both of which modified "contractor", are deleted as unnecessary in light of the defined term "contractor".

The Business Regulation Article Review Committee notes, for consideration by the General Assembly, that the meaning of former Art. 56, § 262(b), which provided in part that "[n]o salesman shall ... pay any compensation ... for any person other than the contractor whom he represents ...", is unclear. Although the essence of this provision is retained as subsection (b)(2) of this section, the General Assembly may wish to clarify its intended effect.

Defined terms: "Contractor" § 8-101

"Home improvement contract" § 8-101

"Owner" § 8-101

"Salesperson" § 8-101

"Sell a home improvement" § 8-101

8-503. INDUCEMENTS.

(A) COMPENSATION FOR REFERRAL.

AS AN INDUCEMENT TO MAKE A HOME IMPROVEMENT CONTRACT, A PERSON MAY NOT PROMISE OR OFFER TO PAY TO AN OWNER ANY COMPENSATION OR REWARD FOR OBTAINING OR PLACING HOME IMPROVEMENT BUSINESS WITH OTHERS.

(B) GIFTS AS INDUCEMENTS.

A CONTRACTOR OR SALESPERSON MAY NOT OFFER, GIVE, OR PAY TO AN OWNER A GIFT, BONUS AWARD, MERCHANDISE, TRADING STAMPS, OR CASH LOAN AS AN INDUCEMENT TO MAKE A HOME IMPROVEMENT CONTRACT.

(C) TANGIBLE ITEMS FOR ADVERTISING.

TO ADVERTISE OR TO PROMOTE SALES, A CONTRACTOR OR SALESPERSON MAY GIVE TO A PROSPECTIVE CUSTOMER A TANGIBLE ITEM IF: