

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**

House Bill 1037  
Economic Matters

(Delegate Minnick)

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**Licensed Real Estate Brokers - Branch Offices - Managers**

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This bill provides that a licensed real estate salesperson may serve as the manager of a real estate branch office if the salesperson has: (1) successfully completed a course in real estate for brokers approved by the State Real Estate Commission; and (2) passed the real estate broker's examination given by the State Real Estate Commission. However, prior to taking the real estate broker's examination, the real estate salesperson must submit to the commission a commitment from the real estate broker who is proposing to engage the salesperson as a branch office manager.

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**Fiscal Summary**

**State Effect:** Minimal operational effect on the State Real Estate Commission, which could be absorbed within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** Real estate brokers are required to designate a manager for each branch office of the broker. The manager is required to be a licensed associate real estate broker or a licensed real estate salesperson who has at least three years' experience providing real estate brokerage services.

**Background:** To qualify for a real estate salesperson license, an applicant must: (1) be of good character and reputation; (2) be at least 18 years old; (3) successfully complete specified course work; (4) pass an examination given by the commission; (5) obtain, from a licensed real estate broker, a commitment providing that the applicant will become affiliated with the licensed real estate broker as a real estate salesperson on the granting of a real estate salesperson license to the applicant; and (6) meet any other requirement that the commission establishes.

Under the bill, real estate salespersons with less than three years experience would have to successfully complete the 135-hour real estate broker's course of study and pass the real estate broker licensing exam in order to become qualified to be a real estate office branch manager.

**State Fiscal Effect:** The State Real Estate Commission would have to alter its licensing records to account for the new branch office manager classification which would require some minor computer reprogramming. Any costs associated with this change could be absorbed within existing budgeted resources.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Labor, Licensing, and Regulation; Department of Legislative Services

**Fiscal Note History:** First Reader - March 14, 2005  
ncs/ljm

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