

HOUSE BILL 144

C3

3lr1229

By: **Delegate Qi**

Introduced and read first time: January 13, 2023

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Estate Brokers – Inactive Licenses – Requirements After Expiration**

3 FOR the purpose of requiring a person who fails to reactivate a real estate broker license
4 on inactive status within a certain period of time to comply with certain
5 requirements in order to obtain a license; and generally relating to real estate broker
6 licensing.

7 BY repealing and reenacting, with amendments,
8 Article – Business Occupations and Professions
9 Section 17–316
10 Annotated Code of Maryland
11 (2018 Replacement Volume and 2022 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Business Occupations and Professions**

15 17–316.

16 (a) (1) The Commission shall place the license of a real estate broker on
17 inactive status if the real estate broker:

18 (i) requests that the license of the broker be placed on inactive
19 status; and

20 (ii) surrenders the license certificate and pocket card of the broker
21 to the Commission.

22 (2) The Commission shall place the license of an associate real estate
23 broker or a real estate salesperson on inactive status if:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) the associate broker or salesperson no longer is affiliated with
2 the licensed real estate broker whose firm is named in the license certificate of the associate
3 broker or salesperson; or

4 (ii) the associate broker or salesperson:

5 1. requests that the license of the associate broker or
6 salesperson be placed on inactive status; and

7 2. surrenders the license certificate and pocket card of the
8 associate broker or salesperson to the Commission.

9 (b) (1) A licensee whose license is on inactive status may not provide real
10 estate brokerage services through that license.

11 (2) The placement of a license on inactive status does not affect the power
12 of the Commission to suspend or revoke the license or to take any other disciplinary action
13 against the licensee.

14 (c) Unless a license on inactive status is reactivated, the license expires 3 years
15 after the date it is placed on inactive status.

16 (d) (1) Subject to paragraph (2) of this subsection, a licensee whose license is
17 on inactive status remains responsible for renewing the license as required under § 17–314
18 of this subtitle.

19 (2) Subject to the 3–year limitation under subsection (c) of this section, a
20 licensee may renew a license while it is on inactive status if the licensee complies with the
21 continuing education requirements of § 17–315 of this subtitle.

22 (e) **IF A PERSON WHOSE LICENSE IS ON INACTIVE STATUS FAILS TO**
23 **REACTIVATE THE LICENSE BEFORE THE LICENSE EXPIRES UNDER SUBSECTION (C)**
24 **OF THIS SECTION, THE PERSON MUST COMPLY WITH THE REQUIREMENTS UNDER §§**
25 **17–301 THROUGH 17–308 OF THIS SUBTITLE IN ORDER TO OBTAIN A LICENSE.**

26 (F) (1) The Commission shall reactivate the license of a real estate broker that
27 is on inactive status and reissue a license certificate and pocket card to the broker if the
28 broker:

29 (i) requests that the license be reactivated;

30 (ii) pays to the Commission a reissuance fee set by the Commission;

31 and

1 (iii) meets the continuing education requirements that would have
2 been required for renewal of a license under § 17–315 of this subtitle if the license had not
3 been on inactive status.

4 (2) The Commission shall reactivate the license of an associate real estate
5 broker or a real estate salesperson that is on inactive status and reissue a license certificate
6 and pocket card to the associate broker or salesperson if the associate broker or salesperson:

7 (i) requests that the license be reactivated;

8 (ii) pays to the Commission a reissuance fee set by the Commission;

9 (iii) meets the continuing education requirements that would have
10 been required for renewal of a license under § 17–315 of this subtitle if the license had not
11 been on inactive status; and

12 (iv) submits to the Commission adequate evidence that the associate
13 broker or salesperson has obtained, from a licensed real estate broker, a commitment
14 providing that the associate broker or salesperson shall become affiliated with the broker
15 as an associate real estate broker or a real estate salesperson on reactivation of the license
16 of the associate broker or salesperson.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2023.