

**testimony.pdf**

Uploaded by: Elizabeth Sanabria

Position: FAV

## **Testimony in support of HB0533/HB0425**

Elizabeth Sanabria

February 17, 2022

Dear Committee Members,

I am writing to you to share my testimony as an immigrant and to show support of House Bill 0533/0425, which would allow members of the community who lack legal documentation to be able to apply for and obtain selected practice licenses.

Here is a little bit of my story.

### ***Trying to shine, while living in the shadow***

First, let me tell you about myself, I'm originally from Peru, I'm a typical girl with big dreams. Nothing out of the ordinary, you might think, but what makes me different is that I'm an immigrant.

My story as an immigrant student began June 2003, when my parents, my sister and I immigrated from Peru to the United States. Since the moment we arrived at this country, we have worked really hard to get a better life and create better opportunities. However, this has not always been an easy task.

As an immigrant student, I had to overcome many obstacles. I was not only an immigrant; I was what many people are afraid to say "illegal". I have heard the phrase "If you only have your papers, I would ... hire you, give you a scholarship/financial aid, approve your credit, etc. so many times I have lost count. I have sat in classrooms without understanding a word, spend hours filling out applications, and rehearsing for interviews for jobs that I never got simply because of my immigration status, these were just a few between many other incidents in which my immigration status has held me back. When I first started college many of my friends did not support my decision, as they did not believe I was going to be able to ever work in a job that was related to my field of study due to my immigration status. However, that did not stop me from pursuing my dreams. I had to work really hard to be able to pay for university. I used to wake up at four in the morning in order to go to work and work fourteen hours per day during the summer in order to have enough money to pay for classes. I also got fired on the spot from my first job because of my immigration status and had to spend several months without a job. Getting accommodations in my schedule at work was also a no no, my boss believed she was already risking a lot by giving a job even though I was undocumented. Although I wanted to study and pursued a higher education, school had to come second. My class schedule had to adapt to my job and that put me behind so many times. Things were definitely not easy. There were moments in which I asked myself if I was doing the right thing. But now I know that I was, and I still am. My dedication, my passion for my career, and my motivation to success in life, have given me the strength to stay in school and keep perusing my dreams. And now I can say I did. I currently hold an associate degree in general studies, a bachelors' degree in Psychology, and a master's degree in social work. A few years ago, I was able to get deferred action, a status that opened doors that I didn't know existed before and an opportunity that has made me have a taste of many of my most desires wishes and dreams. A status which granted me an employment authorization card and relieved me from removal from the country, or from entering into removal proceedings. However, this is still not enough. Knowing that all this could end any minute and without me or

anybody involve being able to do anything about it is something that constantly runs through my head.

I used to be the one afraid to talk about my immigration status. I have used to see it as an identifier, and a negative label that would put me on a list of "foreigners", "intruder", "undesired", just to name a few. However, listening to the story of other immigrants has helped me realized that I'm not alone.

Everyday hundreds of immigrant's struggles with the "what if" my dreams were to end, or even worse "what if" my dreams of working in my chosen career will never begin. It's easy for us, immigrants to picture it, but what about others who simply have not had the same type of experience or know much about the issue?

I have decided to share my story not because I think it is unique, neither to fight, nor to judge others who think differently than myself, but my main purpose is so that others can start and continue the conversation about this issue. I have found sharing to be a way to put a face and a story to many immigrants that as myself have worked hard for this country, but who are now feeling voiceless and afraid of an uncertain future.

Respectfully,

Elizabeth Sanabria

**SB 425\_realtors\_fav.pdf**

Uploaded by: Patricia Long

Position: FAV



**Senate Bill 425 – Real Estate Associate Brokers and Salespersons – Compensation – Payment from Title Insurance Companies**

**Position:** Favorable

Maryland REALTORS® supports SB 425 which would allow real estate companies to direct title companies to disburse a brokerage payment to a licensee at the settlement table along with the other disbursements made by the title company.

For about thirty years, some real estate companies arranged with title companies to have the licensee compensation paid at the settlement table. This arrangement allowed agents to receive their “split” with the broker in a timelier manner. The process for disbursing the money was completely administrative. The real estate broker would issue a disbursement authorization to the title company and the title company would simply direct payment to the licensee at the settlement table along with the other disbursements made by the title company. The title company had no discretion to change any of the compensation to the licensee beyond the disbursement authorization.

This past year, the Real Estate Commission was asked about this long-time practice and issued an opinion that the practice was not compliant with current law which directs that licensees may not accept a commission from a person other than real estate broker with whom they are affiliated.

However, the payment is not “from” the title company, the title company is simply disbursing it. SB 425 will clarify the statute to permit title insurance producers to transmit these payments if the payment is directed through a written disbursement authorization by a real estate broker.

The Maryland REALTORS® recommends a favorable report.

**For more information contact [bill.castelli@mdrealtor.org](mailto:bill.castelli@mdrealtor.org);  
[susan.mitchell@mdrealtor.org](mailto:susan.mitchell@mdrealtor.org)**

**SB 425\_realtors\_fav.pdf**

Uploaded by: William Castelli

Position: FAV



**Senate Bill 425 – Real Estate Associate Brokers and Salespersons – Compensation – Payment from Title Insurance Companies**

**Position:** Favorable

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**MLTA SB 425 written testimony opposed.pdf**

Uploaded by: Mary Clare Schuller

Position: UNF





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**To:** Members of the Senate Education, Health and Environmental Affairs Committee

**From:** MLTA Legislative Committee

**Date:** February 15, 2022

**Subject:** **SB 425 – Real Estate Associate Brokers and Salespersons - Compensation - Payment From Title Insurance Producer**

**Position:** **Opposed**

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**The Maryland Land Title Association (MLTA) opposes Senate Bill 425 – Real Estate Associate Brokers and Salespersons – Compensation – Payment from Title Insurance Producers.**

The bill seeks to permit Brokers to instruct the Title Insurance Producer to distribute its commissions to other Real Estate Salespersons, Associate Brokers or other Business Entities. This bill (1) invites anti-competitive behavior in the referral of buyers to title service providers; (2) creates uncertainty in the administrative responsibilities of the disbursing Title Insurance Producers; and (3) is unnecessary in light of the widespread use of instantaneous wire disbursements.

As memorialized in the Real Estate Settlement Procedures Act (RESPA), the consumer is harmed when professionals in the real estate industry act in non-competitive manner. This bill invites anti-competitive behavior by Brokerages due to the fact that a Brokerage can limit its authorization to disburse to only its preferred Title Agents. Many Brokerages have business relationships with particular Title Companies, including joint venture agreements, shared marketing agreements or a common ownership interest. By authorizing only those preferred partner Title Agents to directly disburse commissions, it is creating a significant financial incentive for its salespeople to steer all of his or her deals to the partner Title Agent. The consumer will be unaware that their guided choice in Title Agent was for the benefit of the Broker and Salesperson, not for their own benefit.

Prior to the prohibition of these types of disbursements by the Maryland Real Estate Commission, there was significant confusion and uncertainty among Title Agents relating to their responsibilities in disbursing these funds. Is the Title Agent now responsible for issuing 1099s to the Real Estate Salespeople? Do they have a responsibility to verify the appropriateness of the distributions if they suspect inappropriate kick-back payments? Is acting as a payroll processor for the Brokerages an act of giving something of value in exchange for a referral, triggering a possible RESPA violation? The statutory authorization does not resolve these remaining issues.

And finally, the recent exponential growth in the use of wires to disburse commissions has eliminated the practical need for such distributions because Brokerages have good funds in their account the day of closing. There is no longer a need to wait for the receipt of the check from the Salesperson, wait for the clearance of the check and then disburse all commissions owed. With cleared funds in their account on the same day as closing, a Brokerage can disburse commissions as quickly as their internal administrative process allows.

### **Technical Note**

The term “compensation” in 17-322 appears to be an undefined term and has raised concerns among our membership about what items on the settlement sheet will fall into this category.