Adrian Boafo Legislative District 23 Prince George's County

Economic Matters Committee



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Chairman C.T. Wilson Economic Matters Committee House Office, Room 231 Annapolis, Maryland 21401

Chairman C.T. Wilson, Vice-Chair Brian Crosby and Members of the Economic Matters Committee,

HB1239 requires a definite termination date, the amount of compensation to be paid to the broker, the client's rights and obligations, conditions for compensation, and provisions for cancellation of the brokerage relationship to be included in a brokerage agreement between a real estate broker and a seller or lessor or a buyer or lessee.

Across the nation, there are sellers not aware that the compensation they provide to their agent may be split with another agent who represents the buyer. While this seems like a simple issue, it can lead to complex cases of theft and legal issues. HB1239 would change the law to require all brokerage agreements in Maryland to inform the client (seller or buyer) about the compensation, who pays, and what happens if one party (in this case typically the seller) refuses to share compensation with the other agent.

HB1239 gives consumers greater notice and consent in compensation arrangements. By getting ahead of this issue we can ensure compensation is equitably distributed. I strongly urge this committee to define realtor fees and pass a favorable report on HB1239.

Thank you,

Delegate Adrian Boafo