

**Department of Legislative Services**  
Maryland General Assembly  
2024 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

Senate Bill 461

(Senator Watson)

Education, Energy, and the Environment

Economic Matters

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**State Real Estate Commission - Complaints - Advertising Violations**

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This bill establishes that a complaint filed with the State Real Estate Commission alleging an advertising violation may be made anonymously and not under oath (but must be accompanied by documentary or other evidence).

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**Fiscal Summary**

**State Effect:** The bill is not anticipated to materially affect State finances or operations. However, to the extent a meaningful number of additional complaints are received because of the bill, the State Real Estate Commission may require additional staff.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** The State Real Estate Commission must commence proceedings on a complaint made to the commission (by a member of the commission or any other person). A complaint must be in writing and state specifically the facts on which the complaint is based. If a complaint is made by any person other than a member of the commission, the complaint must be made under oath by the person who submits the complaint. A complaint may be accompanied by documentary or other evidence.

The commission (or its designee) must review each complaint received. A complaint must be referred for investigation if, after a review, it is determined that the complaint (1) alleges

facts that establish a *prima facie* case that is grounds for disciplinary action and (2) meets the other requirements noted above.

A complaint not referred for investigation must be dismissed. If a complaint is dismissed, any member of the commission may file an exception to the decision within 30 days from the date of dismissal. If an exception is filed, the commission must set a hearing on the matter by the full commission on whether the complaint satisfies the relevant requirements. If the commission determines that the complaint is satisfactory, the matter must be referred for an investigation.

If an exception is not filed within the required timeframe, the decision of the commission is final and any party aggrieved by the decision may take a judicial appeal under specified provisions of State law.

On completion, an investigation must be referred directly to the commission or its designee. If the commission or its designee determines there is reasonable basis to believe any grounds exist for disciplinary action, the investigation must be referred for a hearing, as specified. A complaint not referred for a hearing by the commission or its designee must be dismissed, and any party aggrieved by the decision may take a judicial appeal.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 520 (Delegate A. Johnson) - Economic Matters.

**Information Source(s):** Maryland Department of Labor; Department of Legislative Services

**Fiscal Note History:** First Reader - February 6, 2024  
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Analysis by: Eric F. Pierce

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510