

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE  
Revised

Senate Bill 144 (Senator Della)  
Economic and Environmental Affairs

Referred to Economic Matters

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**Real Estate Brokers - Continuing Education**

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This amended bill provides that a real estate licensee who has been licensed continuously for at least ten years immediately preceding the end of the license term may satisfy the continuing education requirements and renew a license for the next full term by completing a three-hour course covering relevant changes in the law. The bill applies to those currently licensed and the two-year license term that begins in 1998. This represents a change from current law which requires 15 hours of continuing education for all real estate license renewals.

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**Fiscal Summary**

**State Effect:** Any computer reprogramming costs could be handled within existing resources.

**Local Effect:** None.

**Small Business Effect:** Potential meaningful impact on small businesses as discussed below.

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**Fiscal Analysis**

**State Expenditures:** The Department of Labor, Licensing and Regulation advises that the Real Estate Commission would experience a one-time expenditure of \$2,000 to reprogram its computer system to capture the number of licensees who have been licensed for ten years or more. It is assumed these costs could be handled with existing departmental resources.

**Small Business Effect:** Real estate continuing education providers would be meaningfully

impacted by this bill. Based on the following assumptions it is estimated that revenues of approximately \$979,000 to \$2,203,000 would be lost to small businesses that provide real estate continuing education courses every two years based on the biannual license renewal requirements.

- 50 schools actively providing real estate education in the State to approximately 36,000 licensees.
- Of these schools, it is estimated that 34 are small businesses.
- At least half of current licensees have been licensed for ten years or more.
- The average three-hour credit course costs approximately \$20 to \$45.
- Course requirements for licensees licensed for more than ten years would be reduced from five three-hour courses to one three-hour course.
- Real estate continuing education providers are utilized equally by those licensees licensed for ten or more years.

This bill would also have a positive impact on the real estate agents who have been licensed for ten years or longer. These licensees would save from \$80 to \$180 every two years based on the reduced continuing education requirements.

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**Information Source(s):** Department of Labor, Licensing and Regulation; State Real Estate Commission; Maryland Real Estate Association

**Fiscal Note History:** First Reader - January 28, 1997  
nrd Revised - Senate Third Reader - March 17, 1997

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