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By: **Delegates Moe, Brown, and Harrison**  
Introduced and read first time: February 2, 2001  
Assigned to: Economic Matters

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: February 27, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Real Estate Brokers - Deposit of Trust Money**

3 FOR the purpose of requiring a real estate broker to deposit trust money within a  
4 certain time in an account that is maintained by the real estate broker; and  
5 generally relating to real estate brokers and trust money.

6 BY repealing and reenacting, with amendments,  
7 Article - Business Occupations and Professions  
8 Section 17-502  
9 Annotated Code of Maryland  
10 (2000 Replacement Volume and 2000 Supplement)

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

13 **Article - Business Occupations and Professions**

14 17-502.

15 (a) An associate real estate broker or a real estate salesperson who obtains  
16 trust money while providing real estate brokerage services promptly shall submit the  
17 trust money to the real estate broker on whose behalf the associate real estate broker  
18 or the real estate salesperson provided the real estate brokerage services.

19 (b) (1) Except as otherwise provided in subsection (c) of this section, a real  
20 estate broker [promptly] PROMPTLY, WITHIN 3 7 BUSINESS DAYS AFTER THE  
21 ACCEPTANCE OF A CONTRACT OF SALE BY BOTH PARTIES, shall deposit trust money  
22 in an account that is maintained by the real estate broker:

1 (i) separately from the real estate broker's own accounts; and

2 (ii) solely for trust money.

3 (2) A real estate broker may not use trust money for any purpose other  
4 than that for which it is entrusted to the real estate broker.

5 (c) Subsection (b)(1) of this section does not apply if the real estate broker  
6 receives written directions to the contrary as authorized under § 17-505(c) of this  
7 subtitle.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2001.