

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 1107
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Wood” and substitute “Wood, Conroy, Impallaria, Krebs, Miller, Parrott, Taylor, and Walkup”; in line 4, after “estate” insert “brokerage”; in line 16, after “actions;” insert “authorizing the Commission to take certain actions if a certain applicant or licensee has been disciplined under a real estate licensing law of another jurisdiction; prohibiting the Commission from imposing a fine based solely on a certain violation; authorizing the Commission to deny an application for a reciprocal license under certain circumstances; requiring a person that holds a reciprocal license to provide certain notification to the Commission under certain circumstances; requiring a person that holds a reciprocal license to obtain a standard license under the licensing provisions of the Maryland Real Estate Brokers Act within a certain time period under certain circumstances; authorizing a person that holds a reciprocal license to renew the reciprocal license in accordance with certain provisions of law; requiring an applicant to provide certain proof at the time of application for renewal of a reciprocal license;”; in line 18, after “terms;” insert “altering a certain definition;”; after line 19, insert:

“BY repealing and reenacting, with amendments,

Article – Business Occupations and Professions

Section 17-101(g) and 17-322(b)(33) and (34) and (c)

Annotated Code of Maryland

(2004 Replacement Volume and 2005 Supplement)”;

in line 22, after “Section” insert “17-322(b)(35); and”; and in the same line, strike “17-3A-11” and substitute “17-3A-10”.

AMENDMENT NO. 2

On page 2, after line 1, insert:

(Over)

“17-101.

(g) (1) “License” means, unless the context requires otherwise, a license issued by the Commission.

(2) “License” includes, unless the context requires otherwise:

(i) a real estate broker license;

(ii) an associate real estate broker license; [and]

(iii) a real estate salesperson license;

(IV) A RECIPROCAL LICENSE, AS DEFINED IN § 17-3A-01 OF THIS TITLE; AND

(V) A STANDARD LICENSE, AS DEFINED IN § 17-3A-01 OF THIS TITLE.

17-322.

(b) Subject to the hearing provisions of § 17-324 of this subtitle, the Commission may deny a license to any applicant, reprimand any licensee, or suspend or revoke a license if the applicant or licensee:

(33) violates any regulation adopted under this title or any provision of the code of ethics; [or]

(34) violates § 17-320(d) of this subtitle by failing as a branch office manager to exercise reasonable and adequate supervision over the provision of real estate brokerage services by any [sales agent] SALESPERSON or associate broker registered with that office; OR

(35) HAS BEEN DISCIPLINED UNDER A REAL ESTATE LICENSING LAW OF ANOTHER JURISDICTION.

(c) (1) Instead of or in addition to reprimanding a licensee or suspending or revoking a license under this section, the Commission may impose a penalty not exceeding \$5,000 for each violation.

(2) To determine the amount of the penalty imposed, the Commission shall consider:

- (i) the seriousness of the violation;
- (ii) the harm caused by the violation;
- (iii) the good faith of the licensee; and
- (iv) any history of previous violations by the licensee.

(3) The Commission shall pay any penalty collected under this subsection into the General Fund of the State.

(4) THE COMMISSION MAY NOT IMPOSE A FINE BASED SOLELY ON A VIOLATION OF SUBSECTION (B)(35) OF THIS SECTION.”;

in lines 13, 16, and 32, in each instance, after “ESTATE” insert “BROKERAGE”; in lines 17 and 18, in each instance, strike “TYPE” and substitute “CATEGORY”; and in line 30, before “EXCEPT” insert “(A)”.

AMENDMENT NO. 3

On page 3, after line 17, insert:

“(II) THE APPLICANT HAS NOT BEEN CONVICTED UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE OF:

- 1. A FELONY;
- 2. A MISDEMEANOR THAT IS DIRECTLY RELATED TO THE FITNESS AND QUALIFICATIONS OF THE APPLICANT TO PROVIDE REAL ESTATE BROKERAGE SERVICES; OR

(Over)

3. A CRIME THAT CONSTITUTES A VIOLATION OF ANY PROVISION OF THIS TITLE;”;

in lines 18 and 22, strike “(II)” and “(III)”, respectively, and substitute “(III)” and “(IV)”, respectively; in line 20, strike “SUBTITLE” and substitute “TITLE”; in the same line, strike “AND”; in line 21, after “COMMISSION” insert “; AND”

3. MARYLAND CODE OF ETHICS”;

in line 27, after “EQUIVALENT” insert “STANDARD”; and after line 30, insert:

“(B) THE COMMISSION MAY DENY AN APPLICATION FOR A RECIPROCAL LICENSE IF THE COMMISSION FINDS THAT AN APPLICANT IS NOT OF GOOD CHARACTER BASED ON:

(1) A VIOLATION OF A REAL ESTATE LICENSING LAW OF ANOTHER STATE BY AN APPLICANT; OR

(2) THE CONVICTION OF AN APPLICANT OF A CRIME DESCRIBED IN SUBSECTION (A)(4)(II) OF THIS SECTION.”.

AMENDMENT NO. 4

On page 4, strike in their entirety lines 1 through 5, inclusive; in lines 6, 17, and 30, strike “17-3A-07.”, “17-3A-08.”, and “17-3A-09.”, respectively, and substitute “17-3A-06.”, “17-3A-07.”, and “17-3A-08.”, respectively; strike in their entirety lines 10 through 13, inclusive; in line 14, strike “(C)” and substitute “(B)”; in the same line, strike “§ 17-3A-08” and substitute “§ 17-3A-07”; in line 25, strike “JURISDICTION” and substitute “STATE”; and in line 34, strike “§ 17-3A-07” and substitute “§ 17-3A-06”.

AMENDMENT NO. 5

On page 5, in lines 2 and 6, in each instance, strike “§ 17-3A-08” and substitute “§ 17-3A-07”; in line 5, after “FOR” insert “APPLICANTS FROM”; in lines 7 and 15, strike “17-3A-10.” and “17-3A-11.”, respectively, and substitute “17-3A-09.” and “17-3A-10.”, respectively; in line 10, after “ESTATE” insert “BROKERAGE”; strike beginning with “ON” in line 11 down through “OF” in line 12 and substitute “A PERSON THAT HOLDS”; in line 13, strike “BE

REQUIRED TO”; in line 14, after “TITLE” insert “WITHIN 90 DAYS AFTER ESTABLISHING A PRINCIPAL PLACE OF BUSINESS IN THE STATE”; in lines 16 and 19, in each instance, strike “(B)” and substitute “(C)”; after line 18, insert:

“(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A PERSON THAT HOLDS A RECIPROCAL LICENSE ISSUED BY THE COMMISSION MAY RENEW THE RECIPROCAL LICENSE IN ACCORDANCE WITH THE RENEWAL PROCEDURES FOR THE COMPARABLE OR EQUIVALENT STANDARD LICENSE UNDER § 17-314 OF THIS TITLE.

(2) AT THE TIME OF APPLICATION FOR THE RENEWAL OF A RECIPROCAL LICENSE, THE APPLICANT SHALL PROVIDE PROOF THAT THE APPLICANT:

(I) CONTINUES TO HOLD A CURRENT LICENSE IN THE STATE IN WHICH THE APPLICANT’S PRINCIPAL PLACE OF BUSINESS IS LOCATED; AND

(II) IS NOT THE SUBJECT OF DISCIPLINE OR A CURRENT INVESTIGATION OR PROCEEDING ALLEGING MISCONDUCT UNDER A REAL ESTATE LICENSING LAW OF THE STATE IN WHICH THE APPLICANT’S PRINCIPAL PLACE OF BUSINESS IS LOCATED.”;

in line 21, strike “AND”; and in line 22, after “17-315” insert “, 17-503, AND 17-517”.