

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 859

(Delegate A. Johnson)

Economic Matters

Education, Energy, and the Environment

Real Estate Brokers - Licensing - License Renewals and Continuing Education

This bill makes numerous technical and procedural changes to licensing and continuing education requirements for real estate brokers, associate real estate brokers, and real estate salespersons.

Fiscal Summary

State Effect: The State Real Estate Commission can implement the bill’s changes with existing resources. Some of the changes conform statute to current practice. Revenues are likely not materially affected.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law:

Staggered Licenses

Under current law, a real estate broker, real estate salesperson, or associate real estate broker license is renewed every two years on March 1, subject to specified requirements. The Secretary of the Department of Labor *may* determine that licenses expire on a staggered basis. Under the bill, licenses *must* expire on a staggered basis.

Renewal Process

Under current law, at least *one month* before a license expires, the State Real Estate Commission must mail or electronically transmit to a licensee a renewal application form and a notice stating (1) the date on which the current license expires and (2) the amount of the renewal fee. The bill requires the notice to be sent at least *60 days* before a license expires.

Under current law, before a license expires, the licensee periodically may renew it for an additional two-year term if the licensee, among other things, submits to the commission the original certificate of completion verifying that the licensee has complied with the relevant continuing education requirements. The bill repeals the requirement that a licensee submit an original certificate of completion and instead requires the continuing education requirements be completed within 30 days before the license expires. If a licensee fails to comply with this requirement, the licensee is subject to a reasonable processing fee set by the commission.

Virtual or Remote Courses

The commission is required to adopt regulations related to the conduct of continuing education instruction courses by (1) remote access satellite; (2) closed-circuit video; (3) computer; (4) home study; and (5) any other delivery system approved by the commission. The bill repeals these provisions and instead requires the commission to adopt regulations related to the conduct of continuing education by *virtual or remote means*.

Certificate of Completion

Under current law, the entity or instructor that conducts a continuing education course must issue to the licensee a certificate of completion that states the number of clock hours of that course. The commission must accept the original certificate, a photocopy, an email certificate, or a photocopy of an email certificate as evidence of completion of a continuing education course. However, instead of providing a certificate of completion to the licensee, the entity that conducted the course may submit the course completion information directly to the commission and the licensee by electronic means. Under the bill, the entity conducting the course is instead *required* to submit the course completion information directly to the commission and the licensee by electronic means within 14 days after completion of the course.

Additional Information

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

Designated Cross File: SB 564 (Senator Watson, *et al.*) - Education, Energy, and the Environment.

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

Fiscal Note History: First Reader - February 13, 2024
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