



Senate Bill 589 – Business Regulation, Collection Agencies, Licensure Exemption for Property Managers

Position: Support

Maryland REALTORS® supports Senate Bill 589, which clarifies that routine collection of rent, utilities, and fees by a property manager for a residential property owner during the lease term or a holdover period does not require a collection agency license.

Maryland REALTORS® supports this clarification because the current interpretation of the Maryland Collection Agency Licensing Act can require a collection agency license for routine property management activities such as transmitting rent payments and sending payment notices, even when the property manager is acting within the scope of day-to-day management. Under current law and regulatory guidance, the real estate broker exemption is limited to Maryland licensed brokers and does not extend to brokers licensed in other states, even when the activity is routine rent and fee collection as part of managing residential property. Senate Bill 589 creates a clear and limited exemption tied to the lease term and holdover period and limited to situations where debt collection is not the primary purpose, providing consistency for property managers while preserving consumer protections.

For these reasons, Maryland REALTORS® respectfully requests a favorable report.

For more information contact
lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org