

# HOUSE BILL 144

C3

3lr1229

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By: **Delegate Qi**

Introduced and read first time: January 13, 2023

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 26, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Real Estate Brokers – Inactive Licenses – Requirements After Expiration**

3 FOR the purpose of requiring a person who fails to reactivate a real estate broker license  
4 on inactive status within a certain period of time to comply with certain  
5 requirements in order to obtain a license; and generally relating to real estate broker  
6 licensing.

7 BY repealing and reenacting, with amendments,

8 Article – Business Occupations and Professions

9 Section 17–316

10 Annotated Code of Maryland

11 (2018 Replacement Volume and 2022 Supplement)

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

14 **Article – Business Occupations and Professions**

15 17–316.

16 (a) (1) The Commission shall place the license of a real estate broker on  
17 inactive status if the real estate broker:

18 (i) requests that the license of the broker be placed on inactive  
19 status; and

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (ii) surrenders the license certificate and pocket card of the broker  
2 to the Commission.

3 (2) The Commission shall place the license of an associate real estate  
4 broker or a real estate salesperson on inactive status if:

5 (i) the associate broker or salesperson no longer is affiliated with  
6 the licensed real estate broker whose firm is named in the license certificate of the associate  
7 broker or salesperson; or

8 (ii) the associate broker or salesperson:

9 1. requests that the license of the associate broker or  
10 salesperson be placed on inactive status; and

11 2. surrenders the license certificate and pocket card of the  
12 associate broker or salesperson to the Commission.

13 (b) (1) A licensee whose license is on inactive status may not provide real  
14 estate brokerage services through that license.

15 (2) The placement of a license on inactive status does not affect the power  
16 of the Commission to suspend or revoke the license or to take any other disciplinary action  
17 against the licensee.

18 (c) Unless a license on inactive status is reactivated, the license expires 3 years  
19 after the date it is placed on inactive status.

20 (d) (1) Subject to paragraph (2) of this subsection, a licensee whose license is  
21 on inactive status remains responsible for renewing the license as required under § 17–314  
22 of this subtitle.

23 (2) Subject to the 3–year limitation under subsection (c) of this section, a  
24 licensee may renew a license while it is on inactive status if the licensee complies with the  
25 continuing education requirements of § 17–315 of this subtitle.

26 (e) **IF A PERSON WHOSE LICENSE IS ON INACTIVE STATUS FAILS TO**  
27 **REACTIVATE THE LICENSE BEFORE THE LICENSE EXPIRES UNDER SUBSECTION (C)**  
28 **OF THIS SECTION, THE PERSON MUST COMPLY WITH THE REQUIREMENTS UNDER §§**  
29 **17–301 THROUGH 17–308 OF THIS SUBTITLE IN ORDER TO OBTAIN A LICENSE.**

30 (F) (1) The Commission shall reactivate the license of a real estate broker that  
31 is on inactive status and reissue a license certificate and pocket card to the broker if the  
32 broker:

33 (i) requests that the license be reactivated;

1 (ii) pays to the Commission a reissuance fee set by the Commission;  
2 and

3 (iii) meets the continuing education requirements that would have  
4 been required for renewal of a license under § 17–315 of this subtitle if the license had not  
5 been on inactive status.

6 (2) The Commission shall reactivate the license of an associate real estate  
7 broker or a real estate salesperson that is on inactive status and reissue a license certificate  
8 and pocket card to the associate broker or salesperson if the associate broker or salesperson:

9 (i) requests that the license be reactivated;

10 (ii) pays to the Commission a reissuance fee set by the Commission;

11 (iii) meets the continuing education requirements that would have  
12 been required for renewal of a license under § 17–315 of this subtitle if the license had not  
13 been on inactive status; and

14 (iv) submits to the Commission adequate evidence that the associate  
15 broker or salesperson has obtained, from a licensed real estate broker, a commitment  
16 providing that the associate broker or salesperson shall become affiliated with the broker  
17 as an associate real estate broker or a real estate salesperson on reactivation of the license  
18 of the associate broker or salesperson.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 October 1, 2023.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.