

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 56 - Licenses

217A.

(d) (1) When any aggrieved person commences any claim under this section which may result in collection from the guaranty fund, the aggrieved person shall notify the Commission in writing to this effect at the time of the commencement of such action.

(2) When any aggrieved person sustains a pecuniary loss against any real estate broker or real estate salesman or the unlicensed employee of any such real estate broker for loss or damages sustained by reason of the embezzlement of money or property, or money or property unlawfully obtained from any person by false pretenses, artifice, trickery or forgery or by reason of any fraud, misrepresentation or deceit by or on the part of such real estate broker or salesman or the unlicensed employee of any such real estate broker, or by reason of a violation of this subtitle by such broker, salesman, or employee such aggrieved person shall file a verified claim with the Commission, and apply to such Commission for payment out of the guaranty fund of the amount of the loss found by the Commission to be incurred by such aggrieved person, subject to the limitations specified in this section.

(3) The Commission shall proceed upon such application in a summary manner, and, upon the hearing thereof, the aggrieved person shall be required to show:

(i) [he] HE is not a spouse of the debtor, or the personal representative of such spouse;

(ii) [he] HE has complied with all the requirements of this section.

(4) The Commission shall direct payment from the real estate guaranty fund of whatever sum it shall find to be payable upon the claim if the Commission is satisfied, upon the hearing, of the truth of all matters.

(5) If the Commission pays from the fund any amount in settlement of a claim against a licensed real estate broker or real estate salesman pursuant to an order under this section, the license of the broker or salesman shall be automatically revoked and no such broker or salesman shall be eligible to receive a new license until he has repaid in full, plus interest at the rate of 10 percent a year, the amount paid from the guaranty fund on his account. FURTHERMORE, UNTIL THE FUND IS REPAID THE BROKER OR SALESMAN SHALL BE BARRED FROM ANY ASSOCIATION, IN ANY CAPACITY WHATSOEVER INCLUDING AS A STOCKHOLDER, INVESTOR, OR