

BY repealing and reenacting, with amendments,

Article 56 - Licenses
Section 217A(d)(5) and (f)
Annotated Code of Maryland
(1979 Replacement Volume and 1983 Supplement)

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

Article 56 - Licenses

217A.

(d) (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 through ownership of any other interest, with any real estate broker or firm doing business in this State. [A discharge in bankruptcy shall not relieve a person from the penalties and disabilities provided in this subsection.]

(f) (1) When said Commission has caused to be paid from said guaranty fund any sum to the aggrieved person, the Commission shall be subrogated BY OPERATION OF LAW to all of the rights of the aggrieved person up to the amount paid, [and the aggrieved person shall assign all of his right, title and interest in the claim up to such amount paid to said Commission,] and any amount and interest recovered by said Commission on the claim shall be deposited to said guaranty fund. IN ADDITION, THE COMMISSION SHALL BE DEEMED A CREDITOR WITH RESPECT TO THE AMOUNT PAID FOR THE PURPOSE OF EXCEPTING TO ANY DISCHARGE OF THE LICENSED BROKER OR SALESMAN UNDER 11 U.S.C.A. § 523 OR ANY AMENDMENT THERETO.

(2) The Commission, the Attorney General, and other State agencies or officials having authority to collect money owed to the State shall act promptly and use their best efforts to assure that money owed to the fund is collected and repaid expeditiously.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1984.

Approved May 29, 1984.
