

SUBCOMMITTEE COMMENT: This section is new language derived without substantive change from former Art. 56, § 232A.

As to the Md. Program Evaluation Act, see Title 8, Subtitle 4 of the State Government Article.

GENERAL SUBCOMMITTEE COMMENT:

I. General Comments.

Senate Bill _____ is the product of several months of intensive study by the Joint Subcommittee on the Business Occupations Article and the staff of the Code Revision Division of the Department of Legislative Reference. Originally, this project was part of the Code Revision Division's overall revision of the State's business occupations laws. However, after extensive analysis and consultation with various experts in the field (including representatives of the Department of Licensing and Regulation, the Real Estate Commission of Maryland, and the Office of the Attorney General) the Code Revision staff recognized that the Real Estate Brokers law contained serious problems that it would be inappropriate to address and attempt to resolve in a formal, nonsubstantive revision such as that of the proposed Business Occupations Article. It was clear that these problems were not merely academic but created uncertainty in the interpretation and application of the law. Consequently, the Joint Subcommittee on the Business Occupations Article was formed from members of the Senate Economic and Environmental Affairs Committee and the House Economic Matters Committee to undertake an exhaustive study of these problems and to present its recommendations to the General Assembly, independent of the general revision work of the Code Revision Division. The scope of the review was not to be limited to a nonsubstantive revision and, indeed, the Joint Subcommittee was requested to consider substantive proposals.

The revision addresses hundreds of problems. In many instances the solutions proposed by the Joint Subcommittee had substantive effects. In each instance the problem and the solution recommended by the Subcommittee are discussed in the Subcommittee Comment to the affected section. The following sets forth a summary of only the most fundamental, or otherwise significant, problems addressed by the Subcommittee.

II. Specific Problems.

1. Licensing of individuals as opposed to firms.

It was uncertain, under the former law, whether both individuals and firms could qualify for licenses to provide real estate brokerage services or only individuals could qualify for licenses. The former law made reference to both individuals and