firms being licensed. For instance, former Art. 56, § 217(a) stated that "it should be unlawful for any person, copartnership, association, or corporation to engage in or carry on the business of or act in the capacity of a real estate broker or a real estate salesman within this State without first obtaining a license as herein provided". However, the requirements to qualify for a license under the former law were clearly the type that could only be met by individuals. Also, in practice, the Commission only granted licenses to individuals. The revision resolves this conflict by stating clearly that only individuals may qualify for a license.

2. Relationship between real estate brokers and real estate firms.

The former law lacked provisions specifying how a real estate broker may operate through a corporate or partnership firm, the respective responsibilities of the broker and the firm, and other aspects of the relationship between the broker and the firm. This is remedied by § 4-321 [Practice through corporations or partnerships authorized] of this title, which specifies the requirements that a broker must meet to qualify to provide real estate brokerage services through a corporate or partnership firm; requires that each individual who provides real estate brokerage services through a firm be a licensed real estate broker who is the broker of the firm or a licensed associate real estate broker or real estate salesperson who is affiliated with and providing services on behalf of the broker of the firm; clarifies the responsibility of a licensed real estate broker who serves as the broker of a firm; and clarifies the liability of a corporation or partnership through which real estate brokerage services are provided and of the individuals who provide real estate brokerage services through the firm.

3. Regulation of real estate firms.

The former law lacked any process by which a corporate or partnership firm that provided real estate brokerage services could be regulated. Since firms are not required to be licensed, the Commission does not have any disciplinary authority over them. As a means for responding to the wrongful acts of these firms, § 4-612 [Violations by corporation, partnership, or other association] is added. This new section prohibits a firm from: (1) committing or causing any other person to commit any act that constitutes a ground for disciplinary action against a licensee under § 4-322 [Denials, reprimands, suspensions, and revocations -- Grounds] or § 4-329 [Summary suspension of licenses for trust fund violations] of this title; or (2) violating or causing any other person to violate any other provision of this title. The penalty for a violation of § 4-612, as set forth under § 4-613(b), provides for a fine not exceeding $5,000 on conviction.