

CHAPTER 471

(House Bill 639)

AN ACT concerning

Real Estate Brokers – Limitation on Interest in Business by Associate Real Estate Brokers and Real Estate Salespersons

FOR the purpose of ~~creating a certain exception to the limitation on~~ increasing the percentage of interest in a real estate business that may be held by an associate real estate broker or real estate salesperson or any combination of associate brokers or salespersons; providing an exception to the general rule that an interest of a licensee in a business through which real estate brokerage services are provided shall include any interest in the business held by an immediate family member of the licensee; defining a certain term; providing for the effective date of this Act; and generally relating to the ownership of real estate businesses.

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 17-511
Annotated Code of Maryland
(1995 Replacement Volume and 1995 Supplement)

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

Article – Business Occupations and Professions

17-511.

(a) (1) In this section the following words have the meanings indicated.

(2) “Business” means a person or entity, regardless of legal structure, through which real estate brokerage services are provided.

(3) “Interest in a business” means, in the case of a business that is in a corporation, the outstanding voting stock of the corporation through which real estate brokerage services are provided.

(4) (I) “IMMEDIATE FAMILY MEMBER” MEANS A SPOUSE, PARENT, CHILD, OR SIBLING.

(II) “IMMEDIATE FAMILY MEMBER” INCLUDES A STEPPARENT, STEPCHILD, OR STEPSIBLING.

(b) (1) Not more than ~~49%~~ 50% of the interest in a business may be held directly or indirectly by associate real estate brokers, real estate salespersons, or any combination of associate brokers or salespersons.

(2) As ~~if~~ UNLESS THE IMMEDIATE FAMILY MEMBER IS AFFILIATED WITH THE BUSINESS AS AN ASSOCIATE REAL ESTATE BROKER OR REAL ESTATE