

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2001.

Approved April 10, 2001.

CHAPTER 42

(House Bill 83)

AN ACT concerning

Real Estate Transactions - Distribution of Trust Money

FOR the purpose of altering the circumstances under which a real estate broker may distribute certain trust money; requiring the agreement under which a real estate broker is entrusted with trust money to include a certain statement; requiring a real estate broker to provide certain notice to certain persons in a certain manner prior to the distribution of certain trust money; authorizing certain persons to protest the distribution of the trust money; providing that the real estate broker will not be liable for the distribution under certain circumstances; and generally relating to the distribution of trust money by real estate brokers.

BY repealing and reenacting, with amendments,

Article - Business Occupations and Professions

Section 17-505

Annotated Code of Maryland

(2000 Replacement Volume and 2000 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

17-505.

(a) A real estate broker shall maintain trust money in an account authorized under this Part I of this subtitle until:

(1) the real estate transaction for which the trust money was entrusted is consummated or terminated;

(2) the real estate broker receives proper written instructions from the owner and beneficial owner directing withdrawal or other disposition of the trust money; **[or]**

(3) on an interpleader filed by the real estate broker, a court orders a different disposition; OR