

salesperson to enter into a written agreement with a Maryland broker and comply with certain Maryland laws. A "temporary license" would be issued to the nonresident for a \$45 fee.

Senate Bill 523 apparently attempts to make it easier for nonresident brokers and salespersons to do business in Maryland on a transaction-by-transaction basis. It is unclear, however, how this new licensing scheme would work. The bill allows the Real Estate Commission to charge a fee of \$45 for a "temporary license." The bill is silent as to the duration of that license, and as to whether a new temporary license is required for each transaction involving a nonresident broker or salesperson. Senate Bill 523 seems to create a regulatory burden to the extent that licenses are now to be issued on a transaction-by-transaction basis. Given that the bill anticipates reciprocity from other states, Maryland brokers and salespersons may face similarly burdensome structures in other states.

The "per transaction" approach in the bill is not only confusing, but unnecessary as well. Maryland law already makes it easy for a nonresident to obtain a license in Maryland. Section 17-308 of the Business Occupations and Professions Article allows the Commission to waive Maryland's licensing requirements for an applicant who holds a comparable or equivalent license in another state. The applicant is required to pay the appropriate application fee (\$95 for a broker or \$45 for a salesperson); provide evidence that the applicant meets the qualifications for licensure in Maryland; submit a copy of the applicant's comparable license from another state; and if the applicant holds a license comparable to a Maryland real estate broker license, provide evidence that the applicant actively maintains an office in the other state. Given the relative ease of acquiring a Maryland license, Senate Bill 523 is not necessary. The current procedure is much more clear and provides greater regulatory control to the Maryland Real Estate Commission.

For the above reasons, I have vetoed Senate Bill 523.

Sincerely,
Parris N. Glendening
Governor

Senate Bill No. 523

AN ACT concerning

Nonresident Real Estate Brokers - Commercial Real Estate - Reciprocity

FOR the purpose of adding a new part to a certain subtitle of the Business and Occupations Article; requiring a nonresident real estate broker to meet certain conditions in order to ~~provide commercial~~ engage in a commercial real estate ~~brokerage services~~ transaction in this State; requiring a certain written application to be submitted to the State Real Estate Commission before a nonresident real estate broker may provide services; requiring a nonresident real estate salesperson to meet certain conditions in order to provide certain real estate services in this State; establishing a fee for a temporary license; imposing certain reciprocity requirements; allocating certain trust money to be received