

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 825 (Montgomery County Delegation)
Economic Matters and Ways and Means

**Montgomery County - Residential Property Advertisements and Sales - School
District Information**
MC 20-20

This bill prohibits a licensed real estate broker, associate real estate broker, or real estate sales person from including the name of the school district in which a residential property is located in an advertisement for the sale or rental of a residential property in Montgomery County. The State Real Estate Commission must enforce this prohibition and may receive complaints, conduct investigations, issue subpoenas, and hold hearings for purposes of enforcement. In addition, the bill requires a contract of sale for a single-family residential property in Montgomery County to include a specified written notice in bold, conspicuous, and underscored type stating that Montgomery County Public School schools, school district, and school boundaries designated for the property are subject to change at any time. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None. Enforcement of the bill's provisions can be handled with existing resources. Expanded application of existing monetary penalties is not expected to materially affect general fund revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill's provisions do not prohibit a licensed real estate professional from including the name of a school district in a written communication with a factual description of the features of the residential property and the community in which the residential property is located *if* the written communication includes a notice in conspicuous type stating that school boundaries are not guaranteed and may be changed at any time.

A contract of sale for single-family residential property in Montgomery County may not be voided solely because the notice required under the bill is not included in the contract or the buyer does not initial the notice.

Current Law: Contracts of sale for residential real property are subject to various notice and disclosure requirements as specified under the Real Property Article.

State Real Estate Commission

A person generally must be licensed by the State Real Estate Commission to act as a real estate broker, associate real estate broker, or real estate salesperson in the State. The commission is responsible for enforcing the laws governing real estate professionals in the State and may take disciplinary action and/or impose a fine of up to \$5,000 for violations.

A licensed real estate professional may not advertise unless (1) the name or designated name of the licensed real estate professional, as it appears on the license certificate and pocket card issued by the State Real Estate Commission, is meaningfully and conspicuously included in the advertisement and (2) the name of the business with which the licensed real estate professional is affiliated is meaningfully and conspicuously included in the advertisement and is the full name of the business (not a logo used by the business). "Advertisement," as it applies to advertising by licensed real estate professionals, means, unless the context requires otherwise, any oral, written, or printed media advertisement.

State law establishes special provisions pertaining to discriminatory real estate practices in Baltimore City and Montgomery County.

Discrimination in Housing

It is the policy of the State to (1) provide for fair housing throughout the State to all, regardless of race, color, religion, sex, familial status, national origin, marital status, sexual orientation, gender identity, or disability. As such, discriminatory practices with respect to residential housing by any person are prohibited, as specified.

Discriminatory housing practices include (1) the refusal to rent, sell, or otherwise make available a dwelling; (2) discrimination with regard to terms or conditions of sale or rentals of dwellings; and (3) discrimination with regard to the making or purchasing of loans or providing other financial assistance. Prohibited practices also include retaliation, coercion, intimidation, or threats because a person exercises the rights and protections granted by State law to prevent discrimination. A person claiming to have been injured by a discriminatory housing practice may file a complaint with the Maryland Commission on Civil Rights or file a civil action in circuit court.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Department of Labor; Judiciary (Administrative Office of the Courts); Montgomery County; Montgomery County Public Schools; Department of Legislative Services

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mm/mcr

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