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Anne Arundel County

Economic Matters Committee

Subcommittees

Banking, Consumer Protection, and

Commercial Law

Unemployment Insurance



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

January 19th, 2021

Testimony in Favor of HB0239
State Real Estate Commission – Property Managers - Registration

Chair Davis, Vice-Chair Dumais, and members of the Economic Matters Committee

I respectfully request a favorable report of House Bill 239, which was previous HB0929(2020). This requires certain property managers to be either licensed by the Maryland Real Estate Commission or to be registered with the Maryland Real Estate Commission.

This legislation seeks to close an enforcement hole in the Real Estate Commission’s powers. Real estate managers currently are not required to be licensed. As a result, if a real estate practitioner’s license is terminated because of law violations related to property management, that individual can open a new office the next day and continue their rental property activities. The former licensee would only be prohibited from conducting further sales activities.

HB 239 gives the Real Estate Commission additional authority to register most property managers if those individuals are not already licensed. If a licensee loses their license, that individual cannot open the same business the next day.

In the last 5 years, the Real Estate Commission has paid out more than \$150,000 in real estate guarantee fund payments to consumers who were harmed by real estate property managers. HB 239 is a targeted approach that seeks to require registration of individuals similar to those brought before the Real Estate Commission – mostly independent operators managing smaller properties for many different owners.

HB 239 also increases the consumer’s remedies when working with a property manager who is registered with the Real Estate Commission. Although the consumer would not be able to access the guarantee fund, the consumer would have the benefit of a surety bond. The bill also gives consumers additional protection and helps the Real Estate Commission close a hole in its enforcement authority.

Again, I request favorable support for House Bill 239.

Sincerely,

A handwritten signature in black ink that reads "Mike Rogers".

Mike Rogers
Maryland Delegate, 32nd District