

BY adding to

~~Article – Business Occupations and Professions~~

~~Section 17-512.1~~

~~Annotated Code of Maryland~~

~~(2004 Replacement Volume and 2004 Supplement)~~

BY repealing and reenacting, with amendments,

Article – Business Occupations and Professions

Section 17-512 and 17-604(b)

Annotated Code of Maryland

(2004 Replacement Volume and 2004 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

~~17-512.1.~~

~~(A) WITH THE CONSENT OF A LICENSED REAL ESTATE BROKER, ONE OR MORE LICENSED REAL ESTATE SALESPERSONS AND LICENSED ASSOCIATE REAL ESTATE BROKERS WHO ARE AFFILIATED WITH THE LICENSED REAL ESTATE BROKER MAY ORGANIZE AND WHOLLY OWN A LIMITED LIABILITY COMPANY UNDER THE MARYLAND LIMITED LIABILITY COMPANY ACT.~~

~~(B) A LIMITED LIABILITY COMPANY MAY BE ORGANIZED AND OWNED UNDER THIS SECTION BY ANY NUMBER AND ANY COMBINATION OF LICENSED REAL ESTATE SALESPERSONS AND LICENSED ASSOCIATE REAL ESTATE BROKERS PROVIDED THAT EACH SHAREHOLDER IN THE COMPANY IS EITHER A LICENSED REAL ESTATE SALESPERSON OR A LICENSED ASSOCIATE REAL ESTATE BROKER.~~

~~(C) A LICENSED REAL ESTATE SALESPERSON OR A LICENSED ASSOCIATE REAL ESTATE BROKER WHO IS A SHAREHOLDER OF A LIMITED LIABILITY COMPANY MAY DIRECT THAT ANY COMMISSION DUE THE SALESPERSON OR ASSOCIATE BROKER BE PAID TO THE COMPANY.~~

17-512.

(a) With the consent of a licensed real estate broker, one or more licensed real estate salespersons and licensed associate real estate brokers who are affiliated with the licensed real estate broker may:

(1) organize and wholly own a professional service corporation under the Maryland Professional Service Corporation Act; OR

(2) FORM A LIMITED LIABILITY COMPANY UNDER THE MARYLAND LIMITED LIABILITY COMPANY ACT.

(b) A professional service corporation may be organized and owned OR A LIMITED LIABILITY COMPANY MAY BE FORMED under this section by any number and any combination of licensed real estate salespersons and licensed associate real estate