

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1124

6
7 H.P. 794

House of Representatives, March 26, 1985

8 Reference to the Committee on Business and Commerce suggested and
9 ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Brannigan of Portland.
Cosponsored by Representative Rioux of Biddeford.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT Concerning Business Brokers.
18

19 Be it enacted by the People of the State of Maine as
20 follows:

21 32 MRSA §4001, sub-§1 is repealed and the follow-
22 ing enacted in its place:

23 1. Real estate. "Real estate" shall include:

24 A. Leaseholds;

25 B. Other interests in real estate less than
26 leaseholds; and

27 C. Business enterprises and their assets in
28 cases where an enterprise holds any direct or in-
29 direct interest in real estate.

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STATEMENT OF FACT

2 The purpose of this bill is to address a problem
3 that has arisen with some business brokers in the
4 State. Because some businesses are sold that do not
5 involve a direct transfer of real estate, or involve
6 the sale of other assets in addition to real estate,
7 certain brokers specializing in handling sales of
8 business enterprises contend that they do not need to
9 obtain a real estate broker's license as other bro-
10 kers must. Not only is this unfair to the vast ma-
11 jority of brokers who do comply with State's educa-
12 tional and licensing requirements, it does not pro-
13 vide adequate protection to the parties in business
14 transactions which often involve more money and
15 greater complexity than an ordinary real estate
16 transaction. The Real Estate Commission has spent
17 much time and money attempting to enforce this obli-
18 gation. This bill makes it clear that Maine is among
19 the many other states that require brokers to be
20 properly licensed when involved in the transfer of a
21 business enterprise in cases where the enterprise
22 holds any direct or indirect interest in real estate.

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