

Chapter 544

(Senate Bill 500)

AN ACT concerning

Small Claim Action Appeals From District Court – Nonattorney Representation

FOR the purpose of exempting certain representatives of certain entities from the requirement of admission to the Bar of Maryland and other requirements of the Court of Appeals for representing the entity in the appeals of certain civil actions originating in the District Court under certain circumstances; and generally relating to nonattorney representation in small claim action appeals.

BY repealing and reenacting, without amendments,
Article – Business Occupations and Professions
Section 10–206(a)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 10–206(b)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 4–405
Annotated Code of Maryland
(2013 Replacement Volume and 2016 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

10–206.

(a) Except as otherwise provided by law, before an individual may practice law in the State, the individual shall:

- (1) be admitted to the Bar; and
- (2) meet any requirement that the Court of Appeals may set by rule.

(b) This section does not apply to:

(1) a person while representing a landlord in a summary ejectment or a rent escrow proceeding in the District Court of Maryland;

(2) a person while representing a tenant in a summary ejectment or a rent escrow proceeding in the District Court of Maryland if the person is:

(i) a law student practicing in a clinical law program at a law school accredited by the American Bar Association with the in-court supervision of a faculty member; or

(ii) employed by a nonprofit organization receiving grants from the Maryland Legal Services Corporation and:

1. the person has training and experience;
2. the person is supervised by a lawyer; and
3. the supervising lawyer's appearance is entered in the proceeding;

(3) an insurance company while defending an insured through staff counsel;

(4) an officer of a corporation, an employee designated by an officer of a corporation, a partner in a business operated as a partnership or an employee designated by a partner, a member of a limited liability company or an employee designated by a member of a limited liability company, or an employee designated by the owner of a business operated as a sole proprietorship while the officer, partner, member, or employee is appearing on behalf of the corporation, partnership, limited liability company, or business in a civil action in the District Court of Maryland **OR AN APPEAL FROM THE DISTRICT COURT OF MARYLAND** if:

(i) the action **OR APPEAL**:

1. is based on a claim that does not exceed the amount set under § 4-405 of the Courts Article for a small claim action; and

2. is not based on an assignment, to the corporation, partnership, or business, of the claim of another;

(ii) in the case of a designated employee, the employee:

1. is not assigned on a full-time basis to appear in the District Court on behalf of the corporation, partnership, or business;

2. provides the court a power of attorney sworn to by the employer that certifies that the designated employee is an authorized agent of the corporation, partnership, limited liability company, or sole proprietorship and may bind the corporation, partnership, limited liability company, or sole proprietorship on matters pending before the court; and

3. is not an individual who is disbarred or suspended as a lawyer in any state; and

(iii) the corporation, partnership, limited liability company, or business does not contract, hire, or employ another business entity to provide appearance services;

(5) an individual who is authorized by a county employee to represent the employee at any step of the county's grievance procedure; or

(6) a director or an officer of a common ownership community while representing the common ownership community in a dispute, hearing, or other matter before a board or commission established to oversee one or more of the following common ownership communities:

(i) a development subject to a declaration enforced by a homeowners association as defined in § 11B–101 of the Real Property Article;

(ii) a residential condominium as defined in § 11–101 of the Real Property Article; or

(iii) a cooperative housing corporation as defined in § 5–6B–01 of the Corporations and Associations Article.

Article – Courts and Judicial Proceedings

4–405.

The District Court has exclusive jurisdiction over a small claim action, which, for purposes of this section, means a civil action for money in which the amount claimed does not exceed \$5,000 exclusive of interest, costs, and attorney's fees, if attorney's fees are recoverable by law or contract; and landlord tenant action under §§ 8–401 and 8–402 of the Real Property Article, in which the amount of rent claimed does not exceed \$5,000 exclusive of interest and costs.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved by the Governor, May 4, 2017.