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By: **Senator Greenip**

Introduced and read first time: January 15, 2004

Assigned to: Judicial Proceedings

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A BILL ENTITLED

1 AN ACT concerning

2                                   **District Court - Small Claim Action - Member or Employee of Limited**  
3                                   **Liability Company**

4 FOR the purpose of exempting a member or employee of a limited liability company  
5 appearing on behalf of the limited liability company in a small claim action in  
6 the District Court from the requirement of admission to the Bar of Maryland  
7 and other requirements of the Court of Appeals under certain circumstances;  
8 and generally relating to a member or employee of a limited liability company  
9 appearing on behalf of the limited liability company in a small claim action in  
10 the District Court.

11 BY repealing and reenacting, without amendments,  
12 Article - Courts and Judicial Proceedings  
13 Section 4-405  
14 Annotated Code of Maryland  
15 (2002 Replacement Volume and 2003 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article - Business Occupations and Professions  
18 Section 10-206(a)  
19 Annotated Code of Maryland  
20 (2000 Replacement Volume and 2003 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article - Business Occupations and Professions  
23 Section 10-206(b)(4)  
24 Annotated Code of Maryland  
25 (2000 Replacement Volume and 2003 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
27 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Courts and Judicial Proceedings**

2 4-405.

3 The District Court has exclusive jurisdiction over a small claim action, which,  
4 for purposes of this section, means a civil action for money in which the amount  
5 claimed does not exceed \$5,000 exclusive of interest, costs, and attorney's fees, if  
6 attorney's fees are recoverable by law or contract; and landlord tenant action under §§  
7 8-401 and 8-402 of the Real Property Article of the Code, in which the amount of rent  
8 claimed does not exceed \$5,000 exclusive of interest and costs.

9 **Article - Business Occupations and Professions**

10 10-206.

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

13 (1) be admitted to the Bar; and

14 (2) meet any requirement that the Court of Appeals may set by rule.

15 (b) This section does not apply to:

16 (4) (i) an officer of a corporation, an employee designated by an officer  
17 of a corporation, a partner in a business operated as a partnership or an employee  
18 designated by a partner, A MEMBER OF A LIMITED LIABILITY COMPANY OR AN  
19 EMPLOYEE DESIGNATED BY A MEMBER OF A LIMITED LIABILITY COMPANY, or an  
20 employee designated by the owner of a business operated as a sole proprietorship  
21 while the officer, partner, MEMBER, or employee is appearing on behalf of the  
22 corporation, partnership, LIMITED LIABILITY COMPANY, or business in a civil action  
23 in the District Court of Maryland if the action:

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

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

28 (ii) an employee designated under subparagraph (i) of this  
29 paragraph:

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

32 2. shall provide the court a power of attorney sworn to by the  
33 employer that certifies that the designated employee is an authorized agent of the  
34 corporation, partnership, LIMITED LIABILITY COMPANY, or sole proprietorship and  
35 may bind the corporation, partnership, LIMITED LIABILITY COMPANY, or sole  
36 proprietorship on matters pending before the court; and

