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By: ~~Senator Greenip~~ **Senators Greenip and Forehand**

Introduced and read first time: January 15, 2004

Assigned to: Judicial Proceedings

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 3, 2004

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CHAPTER \_\_\_\_\_

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)

1 Annotated Code of Maryland  
2 (2000 Replacement Volume and 2003 Supplement)

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

5 **Article - Courts and Judicial Proceedings**

6 4-405.

7 The District Court has exclusive jurisdiction over a small claim action, which,  
8 for purposes of this section, means a civil action for money in which the amount  
9 claimed does not exceed \$5,000 exclusive of interest, costs, and attorney's fees, if  
10 attorney's fees are recoverable by law or contract; and landlord tenant action under §§  
11 8-401 and 8-402 of the Real Property Article of the Code, in which the amount of rent  
12 claimed does not exceed \$5,000 exclusive of interest and costs.

13 **Article - Business Occupations and Professions**

14 10-206.

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

17 (1) be admitted to the Bar; and

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

19 (b) This section does not apply to:

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

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

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

32 (ii) an employee designated under subparagraph (i) of this  
33 paragraph:

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

