

HOUSE BILL 1166

N1, C1

71r2924

By: **Delegate Feldman**

Introduced and read first time: February 19, 2007

Assigned to: Rules and Executive Nominations

Re-referred to: Economic Matters, March 5, 2007

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2007

CHAPTER _____

1 AN ACT concerning

2 **Real Estate Investment Trusts – Definition and Share Information**

3 FOR the purpose of ~~establishing that~~ altering the definition of “real estate investment
4 trust” ~~applies to an unincorporated business trust to clarify that the term~~
5 means an unincorporated “business” trust or association formed under certain
6 provisions of law; establishing that a real estate investment trust, on request of
7 the shareholder, shall send a written statement containing certain information
8 for shares issued without certificates without charge; ~~making a certain technical~~
9 ~~change~~; and generally relating to real estate investment trust law.

10 BY repealing and reenacting, with amendments,
11 Article – Corporations and Associations
12 Section 8–101 and 8–203(f)
13 Annotated Code of Maryland
14 (1999 Replacement Volume and 2006 Supplement)

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

17 **Article – Corporations and Associations**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 8–101.

2 (a) In this title the following words have the meanings indicated.

3 (b) “Real estate investment trust” means an unincorporated **BUSINESS** trust
4 or association formed under this title in which property is acquired, held, managed,
5 administered, controlled, invested, or disposed of for the benefit and profit of any
6 person who may become a shareholder.

7 (c) “Share” means a transferable unit of beneficial interest in a real estate
8 investment trust.

9 8–203.

10 (f) Unless the declaration of trust provides otherwise, the trustees of a real
11 estate investment trust may authorize the issue of some or all of the shares of any or
12 all of its classes or series without certificates. The authorization does not affect shares
13 already represented by certificates until they are surrendered to the real estate
14 investment trust. [At the time of issuance or transfer of shares without certificates,]
15 **FOR SHARES ISSUED WITHOUT CERTIFICATES, ON REQUEST OF THE**
16 **SHAREHOLDER,** the real estate investment trust shall send **WITHOUT CHARGE TO**
17 the shareholder a written statement of the information required on certificates by
18 subsection (d) or (e) of this section.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 June 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.