

HOUSE BILL 881

C1

3lr1298

By: **Delegate Lafferty**

Introduced and read first time: February 7, 2013

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Corporations and Associations – Limited Liability Companies – Company**
3 **Representative**

4 FOR the purpose of requiring a limited liability company to have a company
5 representative; establishing a certain fee for processing a notice of change of
6 name, street address, telephone number, or electronic mail address of a
7 company representative; requiring the articles of organization, articles of
8 cancellation, and articles of reinstatement of a limited liability company to
9 include the name, street address, telephone number, and electronic mail
10 address of its company representative; prohibiting the State Department of
11 Assessments and Taxation from accepting any change of company
12 representative before certain fees have been paid to the Department; applying
13 to a company representative certain provisions of law relating to a change of a
14 resident agent, a change of address of a resident agent, or a resignation of a
15 resident agent of a limited liability company; requiring a foreign limited liability
16 company to include the name, street address, telephone number, and electronic
17 mail address of its company representative in an application for registration
18 submitted to the Department; defining a certain term; making a stylistic
19 change; providing for the application of this Act; and generally relating to
20 company representatives and limited liability companies.

21 BY renumbering

22 Article – Corporations and Associations
23 Section 4A–101(g) through (t), respectively
24 to be Section 4A–101(h) through (u), respectively
25 Annotated Code of Maryland
26 (2007 Replacement Volume and 2012 Supplement)

27 BY repealing and reenacting, with amendments,

28 Article – Corporations and Associations

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 1–203(b)(2), 4A–204(a), 4A–207(b), 4A–210, 4A–909, 4A–916, and
2 4A–1002
3 Annotated Code of Maryland
4 (2007 Replacement Volume and 2012 Supplement)

5 BY adding to
6 Article – Corporations and Associations
7 Section 4A–101(g)
8 Annotated Code of Maryland
9 (2007 Replacement Volume and 2012 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That Section(s) 4A–101(g) through (t), respectively, of Article –
12 Corporations and Associations of the Annotated Code of Maryland be renumbered to
13 be Section(s) 4A–101(h) through (u), respectively.

14 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
15 read as follows:

16 **Article – Corporations and Associations**

17 1–203.

18 (b) (2) For each of the following documents, the nonrefundable processing
19 fee is as indicated:

20 (i) Notice of change of address of principal office \$25

21 (ii) Notice of change of name or address of resident agent ... \$25,
22 up to a maximum of \$30,000 for a bulk filing

23 **(III) NOTICE OF CHANGE OF NAME, STREET ADDRESS,
24 TELEPHONE NUMBER, OR ELECTRONIC MAIL ADDRESS OF COMPANY
25 REPRESENTATIVE\$25,
26 UP TO A MAXIMUM OF \$30,000 FOR A BULK FILING**

27 **[(iii)] (IV)** Certificate of correction \$25

28 **[(iv)] (V)** Any other documents \$25

29 4A–101.

30 **(G) “COMPANY REPRESENTATIVE” MEANS AN INDIVIDUAL WHO:**

31 **(1) IS AN EMPLOYEE OR A MEMBER OF A LIMITED LIABILITY**
32 **COMPANY;**

1 **(2) HAS THE AUTHORITY TO MAKE BUSINESS DECISIONS**
2 **REGARDING THE LIMITED LIABILITY COMPANY;**

3 **(3) HAS THE AUTHORITY TO ACT FOR THE LIMITED LIABILITY**
4 **COMPANY; AND**

5 **(4) MAINTAINS A STREET ADDRESS IN THE STATE WHERE THE**
6 **LIMITED LIABILITY COMPANY WAS FORMED.**

7 4A-204.

8 (a) The articles of organization shall set forth:

9 (1) The name of the limited liability company;

10 (2) The address of its principal office in this State and the name and
11 address of its resident agent; [and]

12 **(3) THE NAME, STREET ADDRESS, TELEPHONE NUMBER, AND**
13 **ELECTRONIC MAIL ADDRESS OF THE COMPANY REPRESENTATIVE; AND**

14 **[(3)](4)** Any other provision, not inconsistent with law, which the
15 members elect to set out in the articles, including, but not limited to, a statement that
16 the authority of members to act for the limited liability company solely by virtue of
17 their being members is limited.

18 4A-207.

19 (b) The Department may not accept for record or filing any articles,
20 certificate, qualification, registration, change of resident agent [or], **CHANGE OF**
21 **COMPANY REPRESENTATIVE, CHANGE OF** principal office, report, service of process
22 or notice, or other document until all required recording, filing, and other fees have
23 been paid to the Department.

24 4A-210.

25 (a) Each limited liability company shall have:

26 (1) A principal office in this State; [and]

27 (2) A resident agent; **AND**

28 **(3) A COMPANY REPRESENTATIVE.**

1 (b) (1) A limited liability company may designate or change its resident
2 agent, **COMPANY REPRESENTATIVE**, or principal office by filing for record with the
3 Department a statement signed by an authorized person which authorizes the
4 designation or change.

5 (2) A limited liability company may change the address of its resident
6 agent **OR COMPANY REPRESENTATIVE** by filing for record with the Department a
7 statement of the change signed by an authorized person.

8 (3) A designation or change of a principal office [or], resident agent,
9 **OR COMPANY REPRESENTATIVE** or address of the resident agent **OR COMPANY**
10 **REPRESENTATIVE** for a limited liability company under this subsection is effective
11 when the Department accepts the statement for record.

12 (c) (1) A resident agent **OR COMPANY REPRESENTATIVE** who changes
13 addresses in this State may notify the Department of the change by filing for record
14 with the Department a statement of the change signed by or on behalf of the resident
15 agent.

16 (2) The statement shall include:

17 (i) The name of the limited liability company for which the
18 change is effective;

19 (ii) The old and new addresses of the resident agent **OR**
20 **COMPANY REPRESENTATIVE**; and

21 (iii) The date on which the change is effective.

22 (3) If the old and new addresses of the resident agent **OR COMPANY**
23 **REPRESENTATIVE** are the same as the old and new addresses of the principal office of
24 the limited liability company, the statement may include a change of address of the
25 principal office if:

26 (i) The resident agent **OR COMPANY REPRESENTATIVE**
27 notifies the limited liability company in writing; and

28 (ii) The statement recites that notice has been sent.

29 (4) The change of address of the resident agent, **COMPANY**
30 **REPRESENTATIVE**, or principal office is effective when the Department accepts the
31 statement for record.

32 (d) (1) A resident agent **OR COMPANY REPRESENTATIVE** may resign by
33 filing with the Department a counterpart or photocopy of the signed resignation.

1 (2) Unless a later time is specified in the resignation, it is effective:

2 (i) At the time it is filed with the Department, if the limited
3 liability company has more than 1 resident agent; or

4 (ii) 10 days after it is filed with the Department, if the limited
5 liability company has only 1 resident agent.

6 4A-909.

7 Articles of cancellation shall set forth:

8 (1) The name of the limited liability company and the address of its
9 principal office;

10 (2) The name and address of a resident agent of the limited liability
11 company who shall serve for ~~[one]~~ 1 year after termination;

12 **(3) THE NAME, STREET ADDRESS, TELEPHONE NUMBER, AND**
13 **ELECTRONIC MAIL ADDRESS OF A COMPANY REPRESENTATIVE OF THE LIMITED**
14 **LIABILITY COMPANY WHO SHALL SERVE FOR 1 YEAR AFTER TERMINATION;**

15 ~~[(3)]~~(4) The name and address of each member who was designated
16 to wind up the affairs of the limited liability company or if no member was so
17 designated, the names and addresses of all members;

18 ~~[(4)]~~(5) A statement that the limited liability company is terminated
19 effective upon the filing of the certificate of cancellation or on a date specified therein
20 which is no later than 30 days after the filing of the certificate;

21 ~~[(5)]~~(6) A statement that notice of the termination was sent by
22 registered mail, postage prepaid, return receipt requested to all known creditors of the
23 limited liability company and the date of the mailing, or a statement that the limited
24 liability company has no known creditors; and

25 ~~[(6)]~~(7) Any other provisions that the limited liability company
26 considers necessary.

27 4A-916.

28 Articles of reinstatement shall include:

29 (1) The name of the limited liability company at the time its right to
30 do business in Maryland was forfeited;

1 (2) The name that the limited liability company will use after
2 reinstatement, which shall comply with the provisions of this article with respect to
3 limited liability company names;

4 (3) The address of the principal office of the limited liability company
5 in this State if different from its principal office in this State at the time the right to do
6 business in Maryland was forfeited; [and]

7 (4) The name and address of the resident agent of the limited liability
8 company; AND

9 **(5) THE NAME, STREET ADDRESS, TELEPHONE NUMBER, AND**
10 **ELECTRONIC MAIL ADDRESS OF THE COMPANY REPRESENTATIVE OF THE**
11 **LIMITED LIABILITY COMPANY.**

12 4A-1002.

13 (a) Before doing any interstate, intrastate, or foreign business in this State, a
14 foreign limited liability company shall register with the Department.

15 (b) In order to register, a foreign limited liability company shall submit to
16 the Department an application for registration as a foreign limited liability company
17 executed by an authorized person and setting forth:

18 (1) The name of the foreign limited liability company and, if different,
19 the name under which it proposes to register and do business in this State;

20 (2) The state under whose laws it was formed and the date of its
21 formation;

22 (3) The general character of the business it proposes to transact in this
23 State;

24 (4) The name and address of its resident agent in this State;

25 **(5) THE NAME, STREET ADDRESS, TELEPHONE NUMBER, AND**
26 **ELECTRONIC MAIL ADDRESS OF ITS COMPANY REPRESENTATIVE;**

27 **[(5)](6)** A statement that the Department is appointed as the
28 resident agent of the foreign limited liability company if no resident agent has been
29 appointed under item (4) of this subsection or, if appointed, the resident agent's
30 authority has been revoked or if the agent cannot be found or served with the exercise
31 of reasonable diligence;

1 **[(6)](7)** The address of the office required to be maintained in the
2 state of its organization by the laws of that state or, if not so required, of the principal
3 office of the foreign limited liability company; and

4 **[(7)](8)** Proof acceptable to the Department of good standing in the
5 jurisdiction where it currently is organized.

6 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be
7 construed to apply only prospectively and may not be applied or interpreted to have
8 any effect on or application to any limited liability company formed before the effective
9 date of this Act.

10 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2013.