

SENATE BILL 283

P5

EMERGENCY BILL

3lr0846

By: **The President (By Request – Department of Legislative Services)**

Introduced and read first time: January 22, 2013

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Annual Curative Bill**

3 FOR the purpose of generally curing previous Acts of the General Assembly with
4 possible title defects; requiring the State Department of Education or the
5 Governor to appoint a member of the Maryland Advisory Council for Virtual
6 Learning in the event of a vacancy; prohibiting a member of the Council from
7 receiving compensation but authorizing the reimbursement of certain expenses;
8 providing for the effect and construction of certain provisions of this Act;
9 making this Act an emergency measure; and generally repealing and reenacting
10 without amendments certain Acts of the General Assembly that may be subject
11 to possible title defects in order to validate those Acts.

12 BY repealing and reenacting, without amendments,
13 Article – Corporations and Associations
14 Section 4A–601 through 4A–606.1
15 Annotated Code of Maryland
16 (2007 Replacement Volume and 2012 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Education
19 Section 7–10B–04
20 Annotated Code of Maryland
21 (2008 Replacement Volume and 2012 Supplement)

22 BY repealing and reenacting, without amendments,
23 Article – Environment
24 Section 9–206(j)(1)
25 Annotated Code of Maryland
26 (2007 Replacement Volume and 2012 Supplement)

27 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Estates and Trusts
2 Section 13–324
3 Annotated Code of Maryland
4 (2011 Replacement Volume and 2012 Supplement)

5 BY repealing and reenacting, without amendments,
6 Article – Natural Resources
7 Section 8–704.1 and 8–1808.2(d)
8 Annotated Code of Maryland
9 (2012 Replacement Volume)

10 BY repealing and reenacting, without amendments,
11 Chapter 485 of the Acts of the General Assembly of 2009, as amended by
12 Chapter 483 of the Acts of the General Assembly of 2010 and Chapter 444
13 of the Acts of the General Assembly of 2012
14 Section 1(3) Item QB08.02(A)

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**

18 4A–601.

19 (a) A person becomes a member of a limited liability company at:

20 (1) The time the limited liability company is formed;

21 (2) A later time specified in the operating agreement; or

22 (3) The time specified in § 4A–902(b)(1) of this title relating to
23 continuation of the limited liability company after there are no remaining members.

24 (b) After the formation of a limited liability company, a person may be
25 admitted as a member:

26 (1) In the case of a person acquiring a membership interest directly
27 from the limited liability company, upon compliance with the operating agreement or,
28 if the operating agreement does not so provide, upon the unanimous consent of the
29 members;

30 (2) In the case of an assignee of the economic interest of a member,
31 only as provided in § 4A–604 of this subtitle; or

32 (3) In the case of a personal representative or successor to the last
33 remaining member who is not an assignee of the last remaining member, as provided
34 in § 4A–902(b)(1) of this title.

1 (c) Unless otherwise agreed, a person may be admitted as a member of a
2 limited liability company and may be the sole member of a limited liability company
3 without:

4 (1) Making a capital contribution to the limited liability company;

5 (2) Being obligated to make a capital contribution to the limited
6 liability company; or

7 (3) Acquiring an economic interest in the limited liability company.

8 4A-602.

9 A membership interest in a limited liability company is personal property.

10 4A-603.

11 (a) Unless otherwise agreed:

12 (1) Only an economic interest in a limited liability company may be
13 assigned; and

14 (2) An economic interest is wholly or partly assignable.

15 (b) An assignment of an economic interest in a limited liability company does
16 not:

17 (1) Dissolve the limited liability company; or

18 (2) Entitle the assignee to:

19 (i) Become a member; or

20 (ii) Exercise any rights of a member, including the noneconomic
21 interest of the assignor.

22 (c) If an assignee of an economic interest in a limited liability company
23 becomes a member of the limited liability company, the assignor is not released from
24 the assignor's liability under § 4A-502 of this title to the limited liability company.

25 (d) On assignment of all of a member's economic interest in a limited liability
26 company, the member ceases to be a member of the limited liability company and
27 forfeits the member's noneconomic interest in the limited liability company.

28 (e) The pledge or grant of a security interest, lien, or other encumbrance in
29 or against all or a part of the economic interest of a member does not cause the

1 member to cease to be a member or affect the member's noneconomic interest in the
2 limited liability company.

3 4A-604.

4 (a) An assignee of an economic interest in a limited liability company may
5 become a member of the limited liability company under any of the following
6 circumstances:

7 (1) In accordance with the terms of the operating agreement providing
8 for the admission of a member;

9 (2) By the unanimous consent of the members; or

10 (3) If there are no remaining members of the limited liability company
11 at the time the assignee obtains the economic interest, on terms that the assignee may
12 determine in accordance with § 4A-902(b)(1) of this title.

13 (b) An assignee who becomes a member:

14 (1) Has, to the extent assigned, the rights and powers, and is subject
15 to the restrictions and liabilities, of a member under the operating agreement and this
16 title; and

17 (2) Is liable for any obligations of his assignor to make capital
18 contributions.

19 4A-605.

20 (a) Unless otherwise agreed, a member may withdraw from a limited
21 liability company prior to the dissolution and winding up of the limited liability
22 company by giving not less than 6 months' prior written notice to the other members
23 at their respective addresses as shown on the books and records of the limited liability
24 company.

25 (b) The operating agreement may provide that a member may not withdraw
26 or otherwise place limits on the ability of a member to withdraw.

27 4A-606.

28 Unless otherwise agreed, a person ceases to be a member of a limited liability
29 company upon the occurrence of any of the following events:

30 (1) The person withdraws from the limited liability company as
31 authorized by § 4A-605 of this subtitle;

1 (2) The person is removed as a member in accordance with the
2 operating agreement;

3 (3) The person:

4 (i) Makes an assignment for the benefit of creditors;

5 (ii) Institutes a voluntary proceeding with respect to the person
6 under the federal bankruptcy code;

7 (iii) Is adjudged bankrupt or insolvent or has entered against the
8 person an order for relief in any bankruptcy or insolvency proceeding;

9 (iv) Files a petition or answer seeking for that person any
10 reorganization, arrangement, composition, readjustment, liquidation, dissolution, or
11 similar relief under any statute, law, or regulation;

12 (v) Seeks, consents to, or acquiesces in the appointment of a
13 trustee for, receiver for, or liquidation of the member or of all or any substantial part
14 of the person's properties; or

15 (vi) Files an answer or other pleading admitting or failing to
16 contest the material allegations of a petition filed against the person in any proceeding
17 described in this subsection;

18 (4) The continuation of any proceeding against the person seeking
19 reorganization, arrangement, composition, readjustment, liquidation, dissolution, or
20 similar relief under any statute, law, or regulation, for 120 days after the
21 commencement thereof, or the appointment of a trustee, receiver, or liquidator for the
22 members or all or any substantial part of the person's properties without the person's
23 agreement or acquiescence, which appointment is not vacated or stayed for 120 days
24 or, if the appointment is stayed, for 120 days after the expiration of the stay during
25 which period the appointment is not vacated;

26 (5) In the case of a member who is an individual, the individual's:

27 (i) Death; or

28 (ii) Adjudication by a court of competent jurisdiction as
29 incompetent to manage the individual's person or property;

30 (6) In the case of a member who is acting as a member by virtue of
31 being a trustee of a trust, the termination of the trust;

32 (7) In the case of a member that is a partnership or another limited
33 liability company, the dissolution and commencement of winding up of the partnership
34 or limited liability company;

1 (8) In the case of a member that is a corporation, the dissolution of the
2 corporation or the revocation of its charter;

3 (9) In the case of a member that is an estate, the distribution by the
4 fiduciary of the estate's entire economic interest in the limited liability company; or

5 (10) On assignment of all of a person's economic interest in the limited
6 liability company as provided in § 4A-603(d) of this subtitle.

7 4A-606.1.

8 (a) Unless otherwise agreed, if a person ceases to be a member of a limited
9 liability company under § 4A-606 of this subtitle, and the limited liability company is
10 not dissolved as a result, then, within a reasonable time after the person ceased to be a
11 member, the limited liability company may elect to pay the person or the person's
12 successor in interest, in complete liquidation of the person's membership interest, the
13 fair value of the person's economic interest in the limited liability company as of the
14 date the person ceased to be a member, based upon the person's right to share in
15 distributions from the limited liability company.

16 (b) If a person ceases to be a member of a limited liability company under §
17 4A-606 of this subtitle and the limited liability company elects not to completely
18 liquidate the person's membership interest under § 4A-606.1(a) of this subtitle, that
19 person will be deemed to be an assignee of the unredeemed economic interest under §§
20 4A-603 and 4A-604 of this subtitle.

21 DRAFTER'S NOTE:

22 Error: Function paragraphs of bills being cured incorrectly indicated that §§
23 4A-601 through 4A-601.1, rather than §§ 4A-601 through 4A-606.1, of the
24 Corporations and Associations Article were being amended.

25 Occurred: Chapters 599 and 600 (Senate Bill 855/House Bill 777) of the Acts of
26 2012.

27 **Article – Education**

28 7-10B-04.

29 (a) The Council consists of the following members:

30 (1) The State Superintendent or the State Superintendent's designee;

31 (2) The Director of the Maryland Virtual Learning Opportunities
32 Office within the Department;

1 (3) Two members of the Senate of Maryland appointed by the
2 President of the Senate;

3 (4) Two members of the House of Delegates of Maryland appointed by
4 the Speaker of the House;

5 (5) The following members appointed by the Governor:

6 (i) One local superintendent of schools;

7 (ii) One representative of the Maryland Association of Boards of
8 Education;

9 (iii) One representative of the Maryland Parent Teacher
10 Association;

11 (iv) Two representatives of virtual learning providers;

12 (v) One representative of the business community;

13 (vi) One parent of a student participating in digital learning
14 opportunities;

15 (vii) One school teacher engaged in digital instruction;

16 (viii) One member of the Baltimore Teachers Union;

17 (ix) One member of the Maryland State Education Association;
18 and

19 (x) One charter school advocate; and

20 (6) Six members appointed by the Department that are employees of
21 local schools that have excelled in the ability to incorporate technology into the
22 classroom.

23 (b) In making the appointments required under this section, the Governor
24 and the Department shall ensure that the Council is representative of:

25 (1) All geographic areas of the State; and

26 (2) All levels of education, including early childhood learning,
27 elementary school, middle school, and high school.

28 (c) (1) The term of a member appointed under this section is 3 years.

29 (2) The terms of members shall be staggered.

1 (3) At the end of a term, a member shall continue to serve until a
2 successor is appointed.

3 (4) A member who is appointed after a term has begun shall serve for
4 the remainder of the term or until a successor is appointed.

5 (d) The Governor or the Department shall appoint a successor in the event of
6 a vacancy on the Council.

7 (e) From among the members of the Council, a chair shall be elected for a
8 3-year term.

9 (f) A member of the Council may not receive compensation but is entitled to
10 reimbursement for expenses under the Standard State Travel Regulations, as
11 provided in the State budget.

12 DRAFTER'S NOTE:

13 Error: Purpose paragraphs of bills being cured failed to accurately describe the
14 changes made by the bills.

15 Occurred: Chapters 290 and 291 (Senate Bill 689/House Bill 745) of the Acts of
16 2012.

17 **Article – Environment**

18 9–206.

19 (j) With respect to land that is platted for subdivision, a person may not
20 offer any of the land for sale or development or erect a permanent building on the
21 land, unless there have been submitted to the Department:

22 (1) A plat of the subdivision;

23 DRAFTER'S NOTE:

24 Error: Function paragraph of bill being cured incorrectly indicated that §
25 9–206(j)(1) of the Environment Article was being amended.

26 Occurred: Chapter 149 (Senate Bill 236) of the Acts of 2012.

27 **Article – Estates and Trusts**

28 13–324.

29 This subtitle may be cited as the “Maryland Uniform Transfers to Minors Act”.

1 DRAFTER'S NOTE:

2 Error: Function paragraphs of bills being cured incorrectly indicated that §
3 3–324, rather than § 13–324, of the Estates and Trusts Article was being repealed and
4 reenacted without amendments.

5 Occurred: Chapters 68 and 69 (Senate Bill 396/House Bill 822) of the Acts of
6 2012.

7 **Article – Natural Resources**

8 8–704.1.

9 (a) Except as provided in subsection (b) of this section, the Department may
10 not furnish to any person the name, address, or other identifying information about
11 the owner of the registered vessel.

12 (b) This section does not prevent the Department from furnishing
13 information under this section:

14 (1) To another governmental agency;

15 (2) If not requested for the purpose of preparing a mailing list, to a
16 person requesting the information in connection with the compilation of statistical
17 data;

18 (3) As to the owners of vessels registered under this subtitle, to a
19 person whose request for the information is determined by the Department to be
20 limited to, and necessary for, the protection of the ownership, safe operation, proper
21 maintenance, or repair of the vessel; or

22 (4) To a financial institution, as defined in § 1–101(i) of the Financial
23 Institutions Article, or its agents, employees, or contractors, requesting information
24 under § 10–616(s) of the State Government Article.

25 DRAFTER'S NOTE:

26 Error: Function paragraph of bill being cured failed to indicate that § 8–704.1 of
27 the Natural Resources Article was being amended.

28 Occurred: Chapter 657 (House Bill 269) of the Acts of 2012.

29 8–1808.2.

30 (d) A bona fide intrafamily transfer from a parcel of land shall be a
31 subdivision of the parcel of land that is subject to local approval under Title 5 or Title

1 23 of the Land Use Article or under any subdivision control provisions of a charter
2 county.

3 DRAFTER’S NOTE:

4 Error: Function paragraph of bill being cured incorrectly indicated that §
5 8–1808(d), rather than § 8–1808.2(d), of the Natural Resources Article was being
6 amended.

7 Occurred: Chapter 427 (House Bill 1130) of the Acts of 2012.

8 **Chapter 485 of the Acts of 2009, as amended by Chapter 483 of the Acts of**
9 **2010 and Chapter 444 of the Acts of 2012**

10 Section 1(3)

11 QB08.02 NORTH BRANCH CORRECTIONAL INSTITUTION
12 (Allegany County)

13 (A)	Maryland Correctional Enterprises Upholstery and 14 Re–upholstery Plant. Provide funds to design, construct, and 15 equip a new Maryland Correctional Enterprises building at 16 the North Branch Correctional Institution to house an 17 Upholstery and Re–upholstery Plant	5,345,000
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18 DRAFTER’S NOTE:

19 Error: Function paragraph of bill being cured incorrectly indicated that
20 QB08–02 of Chapter 485 of the Acts of the General Assembly of 2009, as amended by
21 Chapter 483 of the Acts of the General Assembly of 2010 was being amended.

22 Occurred: Chapter 444 (Senate Bill 151) of the Acts of 2012.

23 SECTION 2. AND BE IT FURTHER ENACTED, That the Drafter’s Notes
24 contained in this Act are not law and may not be considered to have been enacted as
25 part of this Act.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
27 measure, is necessary for the immediate preservation of the public health or safety,
28 has been passed by a yea and nay vote supported by three–fifths of all the members
29 elected to each of the two Houses of the General Assembly, and shall take effect from
30 the date it is enacted.