

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

Committee Report: Favorable

Senate action: Adopted

Read second time: February 1, 2013

CHAPTER _____

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,

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 Article – Environment
2 Section 9–206(j)(1)
3 Annotated Code of Maryland
4 (2007 Replacement Volume and 2012 Supplement)

5 BY repealing and reenacting, without amendments,
6 Article – Estates and Trusts
7 Section 13–324
8 Annotated Code of Maryland
9 (2011 Replacement Volume and 2012 Supplement)

10 BY repealing and reenacting, without amendments,
11 Article – Natural Resources
12 Section 8–704.1 and 8–1808.2(d)
13 Annotated Code of Maryland
14 (2012 Replacement Volume)

15 BY repealing and reenacting, without amendments,
16 Chapter 485 of the Acts of the General Assembly of 2009, as amended by
17 Chapter 483 of the Acts of the General Assembly of 2010 and Chapter 444
18 of the Acts of the General Assembly of 2012
19 Section 1(3) Item QB08.02(A)

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

22 **Article – Corporations and Associations**

23 4A–601.

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

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

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

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

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

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

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

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

6 (c) Unless otherwise agreed, a person may be admitted as a member of a
7 limited liability company and may be the sole member of a limited liability company
8 without:

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

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

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

13 4A–602.

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

15 4A–603.

16 (a) Unless otherwise agreed:

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

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

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

22 (1) Dissolve the limited liability company; or

23 (2) Entitle the assignee to:

24 (i) Become a member; or

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

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

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

4 (e) The pledge or grant of a security interest, lien, or other encumbrance in
5 or against all or a part of the economic interest of a member does not cause the
6 member to cease to be a member or affect the member's noneconomic interest in the
7 limited liability company.

8 4A-604.

9 (a) An assignee of an economic interest in a limited liability company may
10 become a member of the limited liability company under any of the following
11 circumstances:

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

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

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

18 (b) An assignee who becomes a member:

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

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

24 4A-605.

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

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

32 4A-606.

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

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

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

7 (3) The person:

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

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

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

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

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

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

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

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

31 (i) Death; or

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

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

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

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

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

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

12 4A-606.1.

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

21 (b) If a person ceases to be a member of a limited liability company under §
22 4A-606 of this subtitle and the limited liability company elects not to completely
23 liquidate the person's membership interest under § 4A-606.1(a) of this subtitle, that
24 person will be deemed to be an assignee of the unredeemed economic interest under §§
25 4A-603 and 4A-604 of this subtitle.

26 DRAFTER'S NOTE:

27 Error: Function paragraphs of bills being cured incorrectly indicated that §§
28 4A-601 through 4A-601.1, rather than §§ 4A-601 through 4A-606.1, of the
29 Corporations and Associations Article were being amended.

30 Occurred: Chapters 599 and 600 (Senate Bill 855/House Bill 777) of the Acts of
31 2012.

32 **Article – Education**

33 7-10B-04.

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

- 1 (1) The State Superintendent or the State Superintendent’s designee;
- 2 (2) The Director of the Maryland Virtual Learning Opportunities
3 Office within the Department;
- 4 (3) Two members of the Senate of Maryland appointed by the
5 President of the Senate;
- 6 (4) Two members of the House of Delegates of Maryland appointed by
7 the Speaker of the House;
- 8 (5) The following members appointed by the Governor:
- 9 (i) One local superintendent of schools;
- 10 (ii) One representative of the Maryland Association of Boards of
11 Education;
- 12 (iii) One representative of the Maryland Parent Teacher
13 Association;
- 14 (iv) Two representatives of virtual learning providers;
- 15 (v) One representative of the business community;
- 16 (vi) One parent of a student participating in digital learning
17 opportunities;
- 18 (vii) One school teacher engaged in digital instruction;
- 19 (viii) One member of the Baltimore Teachers Union;
- 20 (ix) One member of the Maryland State Education Association;
- 21 and
- 22 (x) One charter school advocate; and
- 23 (6) Six members appointed by the Department that are employees of
24 local schools that have excelled in the ability to incorporate technology into the
25 classroom.
- 26 (b) In making the appointments required under this section, the Governor
27 and the Department shall ensure that the Council is representative of:
- 28 (1) All geographic areas of the State; and

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

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

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

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

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

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

11 (e) From among the members of the Council, a chair shall be elected for a
12 3-year term.

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

16 DRAFTER'S NOTE:

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

19 Occurred: Chapters 290 and 291 (Senate Bill 689/House Bill 745) of the Acts of
20 2012.

21 Article – Environment

22 9–206.

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

26 (1) A plat of the subdivision;

27 DRAFTER'S NOTE:

28 Error: Function paragraph of bill being cured incorrectly indicated that §
29 9–206(j)(1) of the Environment Article was being amended.

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

Article – Estates and Trusts

13–324.

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

DRAFTER’S NOTE:

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

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

Article – Natural Resources

8–704.1.

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

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

(1) To another governmental agency;

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

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

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

DRAFTER’S NOTE:

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

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

2 8–1808.2.

3 (d) A bona fide intrafamily transfer from a parcel of land shall be a
4 subdivision of the parcel of land that is subject to local approval under Title 5 or Title
5 23 of the Land Use Article or under any subdivision control provisions of a charter
6 county.

7 DRAFTER’S NOTE:

8 Error: Function paragraph of bill being cured incorrectly indicated that §
9 8–1808(d), rather than § 8–1808.2(d), of the Natural Resources Article was being
10 amended.

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

12 **Chapter 485 of the Acts of 2009, as amended by Chapter 483 of the Acts of**
13 **2010 and Chapter 444 of the Acts of 2012**

14 Section 1(3)

15 QB08.02 NORTH BRANCH CORRECTIONAL INSTITUTION
16 (Allegany County)

17 (A) Maryland Correctional Enterprises Upholstery and
18 Re-upholstery Plant. Provide funds to design, construct, and
19 equip a new Maryland Correctional Enterprises building at
20 the North Branch Correctional Institution to house an
21 Upholstery and Re-upholstery Plant 5,345,000

22 DRAFTER’S NOTE:

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

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

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

30 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
31 measure, is necessary for the immediate preservation of the public health or safety,
32 has been passed by a yea and nay vote supported by three-fifths of all the members

1 elected to each of the two Houses of the General Assembly, and shall take effect from
2 the date it is enacted.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.