# **Department of Legislative Services**

Maryland General Assembly 2018 Session

### FISCAL AND POLICY NOTE First Reader

House Bill 1619 Judiciary (Delegate Wivell, et al.)

# Civil Actions - Nonattorney Representation - Corporations, Partnerships, LLCs, and Sole Proprietorships

This bill allows eligible individuals who have not been admitted to the Bar to represent a corporation, partnership, limited liability company, or sole proprietorship in a civil action in the District Court or an appeal from the District Court if the amount claimed does not exceed \$10,000. The bill does not address whether fees, costs, and attorney's fees are considered in the calculation of the amount claimed.

# **Fiscal Summary**

**State Effect:** The bill is not expected to materially affect State finances or District Court operations.

**Local Effect:** The bill is not expected to materially affect local finances or circuit court operations.

Small Business Effect: Potential meaningful.

## **Analysis**

**Current Law/Background:** State law generally requires that an individual be admitted to the Bar and meet any requirement that the Court of Appeals may set by rule before the individual may practice law in the State.

One of several exceptions to this general requirement allows an officer of a corporation, a partner of a business operating as a partnership, a member of a limited liability company, an owner of a sole proprietorship, or, subject to certain requirements, an employee

designated by any of those individuals to represent the business entity in a civil action in the District Court or an appeal from the District Court.

Eligible individuals who have not been admitted to the Bar may represent a corporation, partnership, limited liability company, or sole proprietorship in a civil action in the District Court or an appeal from the District Court if the action or appeal is (1) not based on an assignment to the business entity and (2) if the amount claimed does not exceed \$5,000, exclusive of interest, costs, and attorney's fees if attorney's fees are recoverable.

**Small Business Effect:** Some small businesses may benefit from the ability to have nonattorney representation in civil cases under the bill. Law firms that are small businesses may experience a potential reduction in demand for their services.

#### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Judiciary (Administrative Office of the Courts); Department of

Legislative Services

**Fiscal Note History:** First Reader - March 5, 2018

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