

SENATE BILL 878

P5

EMERGENCY BILL

1lr0610

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

Introduced and read first time: February 9, 2021

Assigned to: Rules

Committee Report: Favorable

Senate action: Adopted

Read second time: February 18, 2021

CHAPTER _____

1 AN ACT concerning

2 **Annual Curative Bill**

3 FOR the purpose of generally curing previous Acts of the General Assembly with possible
4 title defects; authorizing, rather than requiring, the Board of License Commissioners
5 for Anne Arundel County to revoke a certain license after a finding that a certain
6 activity has occurred; providing that certain stockholders' rights of inspection do not
7 apply to holders of certain stock; providing that approval of stockholders is not
8 required for certain transfers of stock; requiring certain consolidations, mergers,
9 share exchanges, or transfers of assets by certain Maryland corporations to be
10 approved in a certain manner; making this Act an emergency measure; and generally
11 repealing and reenacting without amendments certain Acts of the General Assembly
12 that may be subject to possible title defects in order to validate those Acts.

13 BY repealing and reenacting, without amendments,

14 Article – Alcoholic Beverages

15 Section 11–2104

16 Annotated Code of Maryland

17 (2016 Volume and 2020 Supplement)

18 BY repealing and reenacting, without amendments,

19 Article – Corporations and Associations

20 Section 2–513(a), 3–104(a), 3–105(a)(8), and 5–648(b)

21 Annotated Code of Maryland

22 (2014 Replacement Volume and 2020 Supplement)

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 BY repealing and reenacting, without amendments,
2 Article – Correctional Services
3 Section 9–609.1(c)
4 Annotated Code of Maryland
5 (2017 Replacement Volume and 2020 Supplement)

6 BY repealing and reenacting, without amendments,
7 Article – Criminal Law
8 Section 10–110(f)
9 Annotated Code of Maryland
10 (2012 Replacement Volume and 2020 Supplement)

11 BY repealing and reenacting, without amendments,
12 Article – Insurance
13 Section 15–130(a)
14 Annotated Code of Maryland
15 (2017 Replacement Volume and 2020 Supplement)

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

18 **Article – Alcoholic Beverages**

19 11–2104.

20 (a) This section applies only to an entertainment facility license issued under §
21 11–1005 of this title.

22 (b) Notwithstanding the mandatory revocation requirement for local licensing
23 boards under § 4–605(a) of this article, after a finding that an activity listed in § 4–605 of
24 this article has occurred, the Board may revoke the license.

25 DRAFTER’S NOTE:

26 Error: Purpose paragraph of bill being cured failed to accurately describe the changes
27 made by the bill.

28 Occurred: Chapter 626 (Senate Bill 126) of the Acts of 2020.

29 **Article – Corporations and Associations**

30 2–513.

31 (a) Unless the charter of a corporation provides otherwise by reference to this
32 section or the subject matter of this section, this section does not apply, in whole or in part,
33 to holders of any shares or any class or series of stock, other than common stock, that is
34 classified or reclassified by articles of supplementary, or created by articles of incorporation

1 or an amendment to the charter, accepted for record by the Department on or after October
2 1, 2020.

3 DRAFTER'S NOTE:

4 Error: Purpose paragraph of bill being cured failed to accurately describe the changes
5 made by the bill.

6 Occurred: Chapters 292 and 293 (House Bill 668/Senate Bill 469) of the Acts of 2020.
7 3–104.

8 (a) Notwithstanding any other provision of this subtitle, unless the charter or
9 bylaws of a corporation provide otherwise by reference to this section or the subject matter
10 of this section, the approval of the stockholders is not required for any:

11 (1) Transfer of assets by a corporation in the ordinary course of business
12 actually conducted by it or as a distribution as defined in § 2–301 of this article;

13 (2) Mortgage, pledge, or creation of any other security interest in any or all
14 of the assets of a corporation, whether or not in the ordinary course of its business;

15 (3) Transfer of assets by a corporation to one or more persons if all of the
16 equity interests of the person or persons are owned, directly or indirectly, by the
17 corporation;

18 (4) Transfer of assets by a corporation registered as an open–end
19 investment company under the Investment Company Act of 1940, including a transfer
20 between or among classes or series of stock of a corporation; or

21 (5) Transfer of assets by a corporation that is dissolved.

22 DRAFTER'S NOTE:

23 Error: Purpose paragraph of bill being cured failed to accurately describe the changes
24 made by the bill.

25 Occurred: Chapters 292 and 293 (House Bill 668/Senate Bill 469) of the Acts of 2020.
26 3–105.

27 (a) A consolidation, merger, share exchange, or transfer of assets shall be
28 approved in the manner provided by this section, except that:

29 (8) A consolidation, merger, or share exchange shall be approved by a
30 Maryland corporation registered as an open–end investment company under the

1 Investment Company Act of 1940 only by a majority of the entire board of directors and in
2 the manner and by the vote required under the Investment Company Act of 1940.

3 DRAFTER'S NOTE:

4 Error: Purpose paragraph of bill being cured failed to accurately describe the changes
5 made by the bill.

6 Occurred: Chapters 292 and 293 (House Bill 668/Senate Bill 469) of the Acts of 2020.
7 5–648.

8 (b) On payment of the fees provided for in § 5–649 of this subtitle, the Department
9 shall accept for record any articles or certificate filed with the Department under this
10 section if the Department finds that the articles or certificate conform to the requirements
11 of this subtitle.

12 DRAFTER'S NOTE:

13 Error: Function paragraph of bill being cured incorrectly indicated that § 5–647(b),
14 rather than § 5–648(b), of the Corporations and Associations Article was being amended.

15 Occurred: Chapter 606 (House Bill 999) of the Acts of 2020.

16 **Article – Correctional Services**

17 9–609.1.

18 (c) On or before January 5, 2022, and each January 5 thereafter, the Department
19 shall report to the General Assembly, in accordance with § 2–1257 of the State Government
20 Article, the following information for the preceding calendar year:

21 (1) the number of identification cards issued to inmates under this section;

22 (2) the number of birth certificates obtained for inmates under this section,
23 including the number of birth certificates obtained from each state;

24 (3) the number of Social Security cards obtained for inmates under this
25 section; and

26 (4) the number of inmates released from a State correctional facility:

27 (i) with an identification card issued under § 12–301 of the
28 Transportation Article;

29 (ii) without an identification card issued under § 12–301 of the
30 Transportation Article;

- 1 (iii) with a birth certificate obtained under this section;
- 2 (iv) without a birth certificate obtained under this section;
- 3 (v) with a Social Security card obtained under this section; and
- 4 (vi) without a Social Security card obtained under this section.

5 DRAFTER'S NOTE:

6 Error: Function paragraph of bill being cured incorrectly indicated that § 12–301.1(c)
7 of the Transportation Article, rather than § 9–609.1(c) of the Correctional Services Article,
8 was being added.

9 Occurred: Chapter 514 (Senate Bill 77) of the Acts of 2020.

10 **Article – Criminal Law**

11 10–110.

12 (f) (1) A person who violates this section is subject to the penalties provided
13 in this subsection.

14 (2) (i) A person who disposes of litter in violation of this section in an
15 amount not exceeding 100 pounds or 27 cubic feet and not for commercial gain is guilty of
16 a misdemeanor and on conviction is subject to imprisonment not exceeding 30 days or a
17 fine not exceeding \$1,500 or both.

18 (ii) A person who disposes of litter in violation of this section in an
19 amount exceeding 100 pounds or 27 cubic feet, but not exceeding 500 pounds or 216 cubic
20 feet, and not for commercial gain is guilty of a misdemeanor and on conviction is subject to
21 imprisonment not exceeding 1 year or a fine not exceeding \$12,500 or both.

22 (iii) A person who disposes of litter in violation of this section in an
23 amount exceeding 500 pounds or 216 cubic feet or in any amount for commercial gain is
24 guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 5 years
25 or a fine not exceeding \$30,000 or both.

26 (3) In addition to the penalties provided under paragraph (2) of this
27 subsection, a court may order the violator to:

28 (i) remove or render harmless the litter disposed of in violation of
29 this section;

30 (ii) repair or restore any property damaged by, or pay damages for,
31 the disposal of the litter in violation of this section;

1 (iii) perform public service relating to the removal of litter disposed
2 of in violation of this section or to the restoration of an area polluted by litter disposed of in
3 violation of this section; or

4 (iv) reimburse the State, county, municipal corporation, or bi-county
5 unit for its costs incurred in removing the litter disposed of in violation of this section.

6 (4) (i) If a person is convicted of a violation under this section and the
7 person used a motor vehicle in the commission of the violation, the court shall notify the
8 Motor Vehicle Administration of the violation.

9 (ii) The Chief Judge of the District Court and the Administrative
10 Office of the Courts, in conjunction with the Motor Vehicle Administration, shall establish
11 uniform procedures for reporting a violation under this paragraph.

12 **DRAFTER'S NOTE:**

13 Error: Function paragraph of bill being cured incorrectly indicated that § 10–110(f)
14 of the Criminal Law Article was being amended rather than shown without amendment.

15 Occurred: Chapter 160 (House Bill 1155) of the Acts of 2019.

16 **Article – Insurance**

17 15–130.

18 (a) (1) This section applies to:

19 (i) insurers and nonprofit health service plans that provide coverage
20 for prescription drugs on an outpatient basis under health insurance policies or contracts
21 that are issued or delivered in the State;

22 (ii) health maintenance organizations that provide coverage for
23 prescription drugs on an outpatient basis under contracts that are issued or delivered in
24 the State;

25 (iii) managed care organizations, as defined in § 15–101 of the Health
26 – General Article, that provide coverage for prescription drugs on an outpatient basis under
27 contracts that are issued or delivered in the State; and

28 (iv) to the extent consistent with State and federal law, third party
29 administrators.

30 (2) This section does not apply to:

31 (i) short-term travel or accident-only policies;

1 (ii) short-term nonrenewable policies of not more than 3 months
2 duration; or

3 (iii) any health maintenance organization that operates or maintains
4 its own pharmacies and dispenses, on an annual basis, over 95% of prescription drugs on
5 an outpatient basis to its enrollees at its own pharmacies.

6 DRAFTER’S NOTE:

7 Error: Function paragraph of bill being cured failed to indicate that § 15–130(a) of
8 the Insurance Article was being amended.

9 Occurred: Chapter 525 (Senate Bill 99) of the Acts of 2020.

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

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.