

# HOUSE BILL 577

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CF 5lr1892

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By: **The Speaker (By Request – Office of the Comptroller)**

Introduced and read first time: January 23, 2025

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Miscellaneous State Business Licenses – Enforcement**  
3 **and Penalties**

4 FOR the purpose of authorizing the Comptroller to issue citations to enforce certain  
5 provisions of law concerning business licenses; requiring each application for a  
6 certain business license to designate an individual to serve as the license  
7 representative for the purpose of being subject to certain penalties; establishing that  
8 the penalties for violating certain provisions of law apply to certain persons; and  
9 generally relating to penalties and enforcement for miscellaneous State business  
10 licenses.

11 BY repealing and reenacting, with amendments,  
12 Article – Business Regulation  
13 Section 17–202(d), 17–302(f), and 17–2106  
14 Annotated Code of Maryland  
15 (2024 Replacement Volume)

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

18 **Article – Business Regulation**

19 17–202.

20 (d) To enforce this title, the Comptroller may make investigations and hold  
21 hearings on any matter covered by this title, at any time or place in the State, and, in  
22 connection with an investigation or hearing, may:

23 (1) administer oaths;

24 (2) examine witnesses;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) receive evidence; [and]

2 (4) issue subpoenas for the attendance of witnesses to testify or to produce  
3 evidence; AND

4 (5) ISSUE CITATIONS.

5 17-302.

6 (f) Each application for a license shall:

7 (1) DESIGNATE AT LEAST ONE INDIVIDUAL TO SERVE AS THE LICENSE  
8 REPRESENTATIVE WHO:

9 (I) IS A RESIDENT OF THE STATE;

10 (II) IS A REPRESENTATIVE OF THE BUSINESS FOR THE PURPOSE  
11 OF BEING SUBJECT TO THE PENALTIES FOR A VIOLATION OF SUBTITLE 21 OF THIS  
12 TITLE; AND

13 (III) HAS ACCEPTED THE RESPONSIBILITY UNDER ITEM (II) OF  
14 THIS ITEM;

15 (2) PROVIDE THE NAME, ADDRESS, AND CONTACT INFORMATION FOR  
16 THE LICENSE REPRESENTATIVE; AND

17 (3) contain any information required by the Comptroller in regulation.

18 17-2106.

19 (a) THE PENALTIES FOR A VIOLATION OF THIS SUBTITLE APPLY TO THE  
20 FOLLOWING PERSONS:

21 (1) A PERSON SPECIFIED AS THE BUSINESS OWNER IN THE LICENSE  
22 APPLICATION;

23 (2) AN INDIVIDUAL DESIGNATED AS A LICENSE REPRESENTATIVE  
24 UNDER § 17-302(F)(1) OF THIS TITLE;

25 (3) FOR A CORPORATION, THE CORPORATION OR ONE OR MORE  
26 OFFICERS OF THE CORPORATION;

27 (4) FOR A LIMITED LIABILITY COMPANY;

1           **(I) IF THE COMPANY DOES NOT HAVE AN OPERATING**  
2 **AGREEMENT, ONE OR MORE MEMBERS; OR**

3           **(II) IF THE COMPANY HAS AN OPERATING AGREEMENT, ONE OR**  
4 **MORE INDIVIDUALS WHO MANAGE THE BUSINESS AND AFFAIRS OF THE COMPANY;**

5           **(5) FOR A LIMITED LIABILITY PARTNERSHIP:**

6           **(I) IF THE PARTNERSHIP DOES NOT HAVE A WRITTEN**  
7 **PARTNERSHIP AGREEMENT, ONE OR MORE GENERAL PARTNERS; OR**

8           **(II) IF THE PARTNERSHIP HAS A WRITTEN PARTNERSHIP**  
9 **AGREEMENT, ONE OR MORE INDIVIDUALS WHO MANAGE THE BUSINESS AND**  
10 **AFFAIRS OF THE PARTNERSHIP; AND**

11           **(6) FOR A BUSINESS ENTITY NOT IDENTIFIED UNDER ITEMS (3)**  
12 **THROUGH (5) OF THIS SUBSECTION, ONE OR MORE INDIVIDUALS WHO MANAGE THE**  
13 **BUSINESS AND AFFAIRS OF THE ENTITY.**

14           **(B)** Except as otherwise specifically provided in this title, a person who violates  
15 this subtitle is guilty of a misdemeanor and, on conviction, is subject to a fine not exceeding  
16 \$300 or imprisonment not exceeding 30 days.

17           **[(b)] (C)** Each [agent or officer of a corporation] **PERSON WHO IS** convicted of  
18 violating this subtitle [who actually engaged in the unlicensed business is] **MAY BE**  
19 individually subject to the penalties provided by law.

20           **[(c)] (D)** The penalty provided in this section does not affect any other penalty  
21 specifically provided by law for a violation of a license law.

22           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2025.