

MARLON AMPREY
Legislative District 40
Baltimore City

DEPUTY MAJORITY WHIP

Economic Matters Committee



The Maryland House of Delegates
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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Thursday, February 25, 2025

Testimony of Delegate Marlon Amprey in Support of House Bill 1171 Corporations and Associations Revisions

Dear Chair Wilson, Vice Chair Crosby, and Committee Members,

I appreciate the opportunity to testify in support of the proposed HB 1171 Corporations and Associations Revisions. This bill aims to modernize and clarify aspects of the Maryland General Corporation Law and related business statutes. These changes will enhance the efficiency, practicality, and clarity of Maryland's corporate laws, ultimately benefiting businesses operating within our state.

First, the bill creates a statutory safe harbor for banks and other lenders in foreclosure proceedings or secured party sales. This provision allows these entities to sell mortgaged, pledged, or secured assets without requiring stockholder approval. By eliminating unnecessary procedural hurdles, this change will provide greater certainty and efficiency in financial transactions while ensuring that lenders can operate within a predictable legal framework.

Second, the bill removes antiquated and misunderstood requirements for certain statements in articles of merger between corporations and other types of entities, such as limited liability companies. These outdated provisions have caused confusion and inefficiencies in corporate transactions. Their removal will align Maryland's laws with modern business practices and reduce administrative burdens for businesses seeking to merge or restructure.

Finally, this legislation corrects an error introduced into the MGCL by an amendment in 2015. This correction ensures consistency and accuracy in the law, preventing potential legal ambiguities that could disrupt business operations or lead to unintended legal consequences.

In sum, these proposed changes promote clarity, efficiency, and legal certainty for businesses in Maryland. By supporting this bill, we reinforce our commitment to

maintaining a strong and competitive corporate legal framework in our state. I respectfully urge the Committee's favorable consideration of this important legislation.

For these reasons, I urge you to vote favorably on HB1171.

Respectfully,

A handwritten signature in black ink, appearing to read "Marlon Amprey". The signature is written in a cursive style with a large initial "M" and a long, sweeping tail.

Delegate Marlon Amprey
40th Legislative District of Maryland