



**MSBA Main Office**  
520 West Fayette Street  
Baltimore, MD 21201  
410-685-7878 | [msba.org](http://msba.org)

**Annapolis Office**  
200 Duke of Gloucester Street  
Annapolis, MD 21401  
410-269-6464 | [msba.org](http://msba.org)

January 26, 2026

Senator Guy Guzzone, Chair  
Maryland Senate Budget & Taxation Committee  
3 West Miller Senate Office Building  
11 Bladen St.  
Annapolis, MD 21401

**Re:** Testimony in Support of Senate Bill 278 (State Department of Assessments and Taxation – Expedited Document Processing and Fees)

Dear Chair Guzzone, Vice Chair Rosapepe and Fellow Committee Members:

The Committee on Corporation Law of the Section on Business Law of the Maryland State Bar Association (the “Committee on Corporation Law”) regularly proposes legislation aimed at improving the Corporations and Associations Article of the Maryland Code. We submit this testimony in support of Senate Bill 278 (the “Bill”).

The Bill improves and expands the current, limited expedited services offered under Maryland’s Code for filings with the State Department of Assessments and Taxation (“SDAT”). Specifically, the Bill adds tiers of expedited processing, for guaranteed turnarounds. The Bill pairs these added tiers with increased fees to support the cost of such expedited processing. This creates predictable, elective service levels for Maryland businesses who need greater certainty with regard to the timing of their filing.

The Bill solves current pain points for Maryland businesses in critical transactions that are essential for business growth, including capital-raising transactions or mergers and acquisitions. Often, the nature of these transactions, or requirements of parties involved in the transaction, make time-certain, expedited acceptance of filings, critical for closing the transaction and managing risk. These include situations in which a company must: (i) align a filing with the opening of the stock market for purposes of securities issuances, exchange procedures, or market announcements; (ii) sequence multiple filings across multiple jurisdictions in a particular order—often within tight windows—to preserve lien priority or effect multi-step transactions or restructurings; and (iii) evidence a completed filing to satisfy lender funding conditions or payor release requirements at closing.

By establishing enhanced options for filing acceptance, the Bill arms Maryland businesses with a solution to these transactional challenges and gives greater certainty to lenders, counterparties, and markets engaging with Maryland businesses.

While Maryland has limited, expedited options, it has fallen behind other jurisdictions in this regard. Neighboring states like Pennsylvania and Delaware, as well as other states that have seen recent growth in entity formations, like Texas and Nevada, already offer expanded expedited services like those proposed in this Bill. The ability of other jurisdictions to outpace Maryland with more predictable services has become a competitive disadvantage to Maryland businesses. From our Committee on Corporation Law's experience, counseling clients on state-of-formation decisions and transactional planning, the absence of these additional expedited options weighs against businesses choice of Maryland as a state of formation. Our Committee on Corporation Law has seen renewed interest in alternative states of formation in recent months and years. Maryland catching up with other states in this regard, is a simple, but important and timely step, to ensure Maryland is a competitive choice for business formation.

Our Committee on Corporation Law has been in continued dialogue with Director Robert Yeager of SDAT, regarding this Bill and, specifically, its implementation. We support the Bill as presently drafted but, in recognition of certain requests made by Director Yeager and his SDAT staff, we would also support a Sponsor's Amendment to the Bill to (i) eliminate the thirty-minute filing tier, (ii) require pre-clearance of any document submitted for processing using the one-hour expedited filing option, and (iii) set the effective time of this Bill at January 1, 2028.

For the foregoing reasons, our Committee on Corporation Law respectfully urges a favorable report on Senate Bill 278.

Thank you for your time and consideration of our testimony supporting the Bill.

Sincerely,

MSBA Section of Business Law, Committee on  
Corporation Law

Trey Hilberg, Member  
William E. Carlson, Chair  
Scott R. Wilson, Vice Char

cc: Business Law Section Council