

HOUSE BILL 981

C1

3lr2730

By: **Delegate Grammer**

Introduced and read first time: February 10, 2023

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Limited Liability Companies – Articles of Organization – Required Information**

3 FOR the purpose of requiring a limited liability company to include in its articles of
4 organization the name and home address of each member of the limited liability
5 company; prohibiting a person from filing with the State Department of Assessments
6 and Taxation articles of organization for a limited liability company that the person
7 knows or has reason to know contain false information required under this Act; and
8 generally relating to the articles of organization of a limited liability company.

9 BY repealing and reenacting, with amendments,
10 Article – Corporations and Associations
11 Section 4A–204 and 4A–207
12 Annotated Code of Maryland
13 (2014 Replacement Volume and 2022 Supplement)

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

16 **Article – Corporations and Associations**

17 4A–204.

18 (a) The articles of organization shall set forth:

19 (1) The name of the limited liability company;

20 (2) The address of its principal office in this State and the name and
21 address of its resident agent; [and]

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(3) THE NAME AND HOME ADDRESS OF EACH MEMBER OF THE**
2 **LIMITED LIABILITY COMPANY; AND**

3 ~~[(3)]~~ **(4)** Any other provision, not inconsistent with law, which the
4 members elect to set out in the articles, including, but not limited to, a statement that the
5 authority of members to act for the limited liability company solely by virtue of their being
6 members is limited.

7 (b) It is not necessary to set out in the articles of organization any of the powers
8 enumerated in this title.

9 (c) An amendment to the articles of organization shall be:

10 (1) In writing;

11 (2) Unless otherwise agreed, approved by unanimous consent of the
12 members;

13 (3) Executed under the provisions of § 4A–206 of this subtitle; and

14 (4) Filed for record with the Department.

15 4A–207.

16 (a) (1) The Department may not accept for record or filing any document of a
17 limited liability company that does not conform with law.

18 (2) Any document which purports to be acknowledged may be treated by
19 the Department as properly acknowledged.

20 (b) The Department may not accept for record or filing any articles, certificate,
21 qualification, registration, change of resident agent or principal office, report, service of
22 process or notice, or other document until all required recording, filing, and other fees have
23 been paid to the Department.

24 (c) When the Department accepts for record any articles, certificate, or other
25 document, the Department shall:

26 (1) Endorse on the document its acceptance for record and the date and
27 time of acceptance;

28 (2) Record promptly the document; and

29 (3) Send an acknowledgment to the limited liability company, its attorney,
30 or its agent stating the date and time that the document was accepted for record.

1 **(D) (1) A PERSON MAY NOT FILE ARTICLES OF ORGANIZATION WITH THE**
2 **DEPARTMENT THAT THE PERSON KNOWS OR HAS REASON TO KNOW CONTAIN**
3 **INCORRECT INFORMATION REQUIRED UNDER § 4A-204(A)(3) OF THIS SUBTITLE.**

4 **(2) A PERSON WHO VIOLATES THIS SUBSECTION IS GUILTY OF A**
5 **MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING**
6 **\$10,000.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2023.