

# HOUSE BILL 1314

C1, C2, F5

4lr2658

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By: **Delegates Chisholm, Arentz, Boafo, Buckel, Forbes, Hartman, Henson, Hornberger, Howard, Hutchinson, Jacobs, Kipke, Mangione, McComas, Miller, T. Morgan, Simmons, Stonko, and Vogel**

Introduced and read first time: February 9, 2024

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Corporations and Associations – Annual Reports – Filing Fees**  
3 **(Right to Start Act)**

4 FOR the purpose of requiring the State Department of Assessments and Taxation to waive  
5 a certain filing fee for certain business entities for the first year that the business  
6 entity is in existence; requiring that a certain percentage of a certain filing fee be  
7 distributed in a certain manner; and generally relating to the filing fee for the annual  
8 report filed by certain business entities.

9 BY repealing and reenacting, without amendments,  
10 Article – Corporations and Associations  
11 Section 1–203(b)(3)(ii)  
12 Annotated Code of Maryland  
13 (2014 Replacement Volume and 2023 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Corporations and Associations  
16 Section 1–203(b)(13)  
17 Annotated Code of Maryland  
18 (2014 Replacement Volume and 2023 Supplement)

19 BY adding to  
20 Article – Corporations and Associations  
21 Section 1–203(f)  
22 Annotated Code of Maryland  
23 (2014 Replacement Volume and 2023 Supplement)

24 BY repealing and reenacting, without amendments,  
25 Article – Education

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9.5–113(a) and (c)(6)(i) and (ii) and 9.5–114(b)  
2 Annotated Code of Maryland  
3 (2022 Replacement Volume and 2023 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article – Education  
6 Section 9.5–113(c)(6)(v)  
7 Annotated Code of Maryland  
8 (2022 Replacement Volume and 2023 Supplement)

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

11 **Article – Corporations and Associations**

12 1–203.

13 (b) (3) (ii) Except as provided in paragraph (13) of this subsection, for each  
14 of the following documents which are filed but not recorded, the filing fee is as indicated:

15 Annual report of a Maryland corporation, except a charitable or benevolent  
16 institution, nonstock corporation, savings and loan corporation, credit union, family farm,  
17 and banking institution.....\$300

18 Annual report of a foreign corporation subject to the jurisdiction of this State, except  
19 a national banking association, savings and loan association, credit union, nonstock  
20 corporation, and charitable and benevolent institution.....\$300

21 Annual report of a Maryland savings and loan association, banking institution, or  
22 credit union or of a foreign savings and loan association, national banking association, or  
23 credit union that is subject to the jurisdiction of this State.....\$300

24 Annual report of a Maryland limited liability company, limited liability partnership,  
25 limited partnership, or of a foreign limited liability company, foreign limited liability  
26 partnership, or foreign limited partnership, except a family farm.....\$300

27 Annual report of a business trust.....\$300

28 Annual report of a real estate investment trust or foreign statutory trust doing  
29 business in this State.....\$300

30 Annual report of a family farm.....\$100

31 (13) (I) Beginning in fiscal year 2022, the Department shall waive the  
32 filing fee for a business entity described under paragraph (3)(ii) of this subsection for each  
33 year that the entity provides evidence to the Department that:

1                    [(i)] 1. The entity is required to comply with and is in compliance  
2 with Title 12 of the Labor and Employment Article; or

3                    [(ii)] 2. The entity otherwise provides an employer–offered  
4 savings arrangement, as defined in § 12–101(e) of the Labor and Employment Article, that  
5 is in compliance with federal law.

6                    (II) THE DEPARTMENT SHALL WAIVE THE FILING FEE FOR A  
7 BUSINESS ENTITY DESCRIBED UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION FOR  
8 THE FIRST YEAR THAT A BUSINESS ENTITY IS IN EXISTENCE.

9                    (F) OF THE FEES COLLECTED UNDER SUBSECTION (B)(3)(II) OF THIS  
10 SECTION:

11                    (1) 25% SHALL BE CREDITED TO THE CHILD CARE SCHOLARSHIP  
12 PROGRAM PRESUMPTIVE ELIGIBILITY FUND ESTABLISHED UNDER § 9.5–113 OF  
13 THE EDUCATION ARTICLE; AND

14                    (2) FOR FISCAL YEAR 2025, 25% SHALL BE DISTRIBUTED TO THE  
15 DEPARTMENT OF EDUCATION TO PROVIDE GRANTS UNDER THE GROWING FAMILY  
16 CHILD CARE OPPORTUNITIES PILOT PROGRAM ESTABLISHED UNDER § 9.5–114 OF  
17 THE EDUCATION ARTICLE.

18                    Article – Education

19 9.5–113.

20                    (a) In this section, “Program” means the Child Care Scholarship Program.

21                    (c) (6) (i) In this paragraph, “Fund” means the Child Care Scholarship  
22 Program Presumptive Eligibility Fund.

23                    (ii) There is a Child Care Scholarship Program Presumptive  
24 Eligibility Fund.

25                    (v) The Fund consists of:

26                    1. Money appropriated in the State budget to the Fund;

27                    2. FEES CREDITED TO THE FUND UNDER § 1–203(F) OF  
28 THE CORPORATIONS AND ASSOCIATIONS ARTICLE;

29                    3. Reimbursements made in accordance with subparagraph  
30 (viii) of this paragraph; and

1 [3.] 4. Any other money from any other source accepted for the  
2 benefit of the Fund.

3 9.5–114.

4 (b) (1) There is a Growing Family Child Care Opportunities Pilot Program in  
5 the Department.

6 (2) The purpose of the Program is to provide grants to establish and  
7 support local pilot programs in the State.

8 (3) The Department shall partner with the Maryland Child Care Resource  
9 Network to administer the Program.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
11 1, 2024.