

# SENATE BILL 320

C1  
HB 891/20 – ECM

(PRE-FILED)

1lr0068

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By: **Chair, Judicial Proceedings Committee (By Request – Departmental – Assessments and Taxation)**

Requested: September 23, 2020

Introduced and read first time: January 13, 2021

Assigned to: Judicial Proceedings

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Committee Report: Favorable

Senate action: Adopted

Read second time: January 26, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Foreign Corporations – Resident Agents – State Department of Assessments and**  
3 **Taxation**

4 FOR the purpose of authorizing a foreign corporation to certify that the State Department  
5 of Assessments and Taxation is the corporation's resident agent when registering  
6 with the Department; authorizing a foreign corporation to certify that the  
7 Department is the corporation's resident agent when qualifying with the  
8 Department; authorizing the Department to act as a resident agent for a foreign  
9 corporation that does business in the State without a resident agent or with a  
10 resident agent who cannot be found or served with the exercise of reasonable  
11 diligence; making a stylistic change; and generally relating to resident agents of  
12 foreign corporations.

13 BY repealing and reenacting, with amendments,  
14 Article – Corporations and Associations  
15 Section 7–202, 7–203, and 7–205  
16 Annotated Code of Maryland  
17 (2014 Replacement Volume and 2020 Supplement)

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

20 **Article – Corporations and Associations**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 7–202.

2 (a) Unless it is qualified to do business under § 7–203 of this subtitle, before doing  
3 any interstate or foreign business in this State, a foreign corporation shall register with the  
4 Department.

5 (b) To register, the corporation shall:

6 (1) Certify to the Department:

7 (i) The address of the corporation; and

8 (ii) **1.** The name and address of [its] **THE CORPORATION’S**  
9 resident agent in this State; **OR**

10 **2. THAT THE CORPORATION IS APPOINTING THE**  
11 **DEPARTMENT AS ITS RESIDENT AGENT;** and

12 (2) Provide proof acceptable to the Department of good standing in the  
13 jurisdiction where it currently is organized.

14 (c) Unless terminated by the corporation, the registration is effective as long as  
15 the corporation has a resident agent in this State.

16 7–203.

17 (a) Before doing any intrastate business in this State, a foreign corporation shall  
18 qualify with the Department.

19 (b) To qualify, the corporation shall:

20 (1) Certify to the Department:

21 (i) The address of the corporation; and

22 (ii) **1.** The name and address of [its] **THE CORPORATION’S**  
23 resident agent in this State; **OR**

24 **2. THAT THE CORPORATION IS APPOINTING THE**  
25 **DEPARTMENT AS ITS RESIDENT AGENT;** and

26 (2) Provide proof acceptable to the Department of good standing in the  
27 jurisdiction where it currently is organized.

28 (c) Unless terminated by the corporation, the qualification is effective as long as:

1 (1) The corporation has a resident agent in this State;

2 (2) The corporation does not forfeit its right to do intrastate business under  
3 the laws of this State; and

4 (3) If the corporation qualifies or changes its name after June 1, 1951, the  
5 name of the corporation complies with the requirements of Title 1, Subtitle 5 of this article.

6 7–205.

7 (a) As long as it is subject to suit in this State, a foreign corporation which has  
8 registered or qualified to do business in this State shall maintain:

9 (1) A resident agent in this State whose name and address is certified to  
10 the Department; and

11 (2) An address which is certified to the Department.

12 **(B) THE DEPARTMENT MAY ACT AS A RESIDENT AGENT FOR A FOREIGN**  
13 **CORPORATION THAT DOES BUSINESS IN THIS STATE:**

14 **(1) WITHOUT A RESIDENT AGENT; OR**

15 **(2) WITH A RESIDENT AGENT WHO CANNOT BE FOUND OR SERVED**  
16 **WITH THE EXERCISE OF REASONABLE DILIGENCE.**

17 **[(b)] (C)** A foreign corporation registered or qualified to do business in this State:

18 (1) At any time may certify to the Department the address of a principal  
19 office in this State, which may be a business office of the corporation; and

20 (2) With respect to an address so certified, shall certify to the Department:

21 (i) Any subsequent change in the address of the principal office; and

22 (ii) The fact that it no longer has the principal office in this State.

23 **[(c)] (D)** Except as provided in subsection **[(d)] (E)** of this section, each  
24 certification by a foreign corporation which relates to its resident agent, address, or  
25 principal office shall be executed for the corporation by its president or one of its  
26 vice-presidents.

27 **[(d)] (E)** A foreign corporation and its resident agent may change the resident  
28 agent, his address, or the address of a principal office of the corporation in the same manner  
29 as provided for a Maryland corporation under § 2–108 of this article.

1            ~~[(e)]~~ (F)        (1)    A resident agent of a foreign corporation may resign by filing  
2 with the Department a counterpart or photocopy of his signed resignation.

3                            (2)    Unless a later time is specified in the resignation, it is effective:

4    (i)    At the time it is filed with the Department, if the corporation has  
5 appointed a successor resident agent; or

6    (ii)   Ten days after it is filed with the Department, if the corporation  
7 has not appointed a successor resident agent.

8            SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2021.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.