

CHAPTER 256

(House Bill 1506)

AN ACT concerning

Litigation Expenses - Nonprofit Organizations

FOR the purpose of authorizing nonprofit organizations to be awarded reimbursement for expenses incurred in connection with a certain case or action initiated against the organization by an agency under certain circumstances; defining a certain term; and generally relating to the award of litigation expenses to nonprofit organizations.

BY repealing and reenacting, with amendments,

Article - State Government
Section 10-217
Annotated Code of Maryland
(1984 Volume and 1985 Supplement)

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

Article - State Government

10-217.

(a) (1) In this section, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) ["business"] "BUSINESS" means a trade, professional activity, or other business that is conducted for profit.

(3) "NONPROFIT ORGANIZATION" MEANS AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1954 OR IS ELIGIBLE FOR EXEMPTION THEREUNDER.

(b) This section applies only to:

(1) an agency operating Statewide; [and]

(2) a business that, on the date when the contested case or civil action is initiated:

(i) is independently owned and operated; and

(ii) has less than 50 employees, including, if a corporation owns 50% or more of the stock of the business, each employee of the corporation; AND

(3) A NONPROFIT ORGANIZATION.