



February 8, 2017

The Honorable Bobby A. Zirkin
Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, MD 21401

Re: SB 398 – Corporations – Formation of a Holding Company by Merger - Oppose

Dear Senator Zirkin:

Senate Bill 398 establishes a process for the formation of a specified holding company through the merger of a Maryland parent corporation with or into a specified wholly owned subsidiary of the Maryland parent corporation. It provides that a vote of the stockholders of the parent corporation is not necessary to authorize the merger except under specified circumstances and requiring that the merger be approved by a majority of the entire board of directors of the parent corporation.

The Carroll County Chamber of Commerce, a business advocacy organization of over 560 members, does not support this bill as it provides the redundant definitions spelled out in a typical and responsible operating agreement and/or by-laws of a corporation. Such legal documents benefit from being customized by each individual entity and would not be well served by a State law that supersedes such documentation.

The Carroll County Chamber of Commerce requests that you give this bill an unfavorable report.

Sincerely,

A handwritten signature in black ink that reads 'Mike McMullin'.

Mike McMullin
President
Carroll County Chamber of Commerce

CC: Senator Justin Ready
Delegate Susan Krebs