
By: **Delegates Bozman and Conway**
Introduced and read first time: January 26, 2005
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property - Homeowners Associations - Electronic Payment Fees**

3 FOR the purpose of authorizing a homeowners association that governs a certain
4 development to charge a certain person an electronic payment fee if the person
5 elects to pay the homeowners association with a credit card or debit card;
6 limiting a certain electronic payment fee to a certain amount; requiring a
7 homeowners association to provide notice that an electronic payment fee will be
8 charged under certain circumstances; defining a certain term; and generally
9 relating to the authority of a homeowners association to charge an electronic
10 payment fee.

11 BY renumbering
12 Article - Real Property
13 Section 11B-114
14 to be Section 11B-115
15 Annotated Code of Maryland
16 (2003 Replacement Volume and 2004 Supplement)

17 BY adding to
18 Article - Real Property
19 Section 11B-114
20 Annotated Code of Maryland
21 (2003 Replacement Volume and 2004 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That Section(s) 11B-114 of Article - Real Property of the Annotated
24 Code of Maryland be renumbered to be Section(s) 11B-115.

25 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
26 read as follows:

1

Article - Real Property

2 11B-114.

3 (A) IN THIS SECTION, "ELECTRONIC PAYMENT" MEANS PAYMENT BY CREDIT
4 CARD OR DEBIT CARD.

5 (B) THIS SECTION ONLY APPLIES TO A HOMEOWNERS ASSOCIATION THAT
6 GOVERNS A DEVELOPMENT WITH A POPULATION OF AT LEAST 10,000 INDIVIDUALS.

7 (C) NOTWITHSTANDING LANGUAGE CONTAINED IN THE GOVERNING
8 DOCUMENTS OF A HOMEOWNERS ASSOCIATION, A HOMEOWNERS ASSOCIATION MAY
9 REQUIRE A PERSON FROM WHOM PAYMENT IS DUE TO PAY A REASONABLE
10 ELECTRONIC PAYMENT FEE IF THE PERSON ELECTS TO PAY THE HOMEOWNERS
11 ASSOCIATION BY MEANS OF ELECTRONIC PAYMENT.

12 (D) AN ELECTRONIC PAYMENT FEE MAY NOT EXCEED THE AMOUNT OF ANY
13 FEE THAT MAY BE CHARGED TO THE HOMEOWNERS ASSOCIATION IN CONNECTION
14 WITH USE OF THE CREDIT CARD OR DEBIT CARD.

15 (E) IF A HOMEOWNERS ASSOCIATION ELECTS TO CHARGE AN ELECTRONIC
16 PAYMENT FEE UNDER THIS SECTION, THE HOMEOWNERS ASSOCIATION SHALL
17 SPECIFY ON OR INCLUDE NOTICE WITH EACH BILL AND OTHER INVOICES FOR
18 WHICH ELECTRONIC PAYMENT IS AUTHORIZED THAT AN ELECTRONIC PAYMENT FEE
19 WILL BE CHARGED.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2005.