

# SENATE BILL 172

N1

9lr1252

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By: **Senators Lenett and Kittleman**

Introduced and read first time: January 21, 2009

Assigned to: Judicial Proceedings

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Homeowners Association Act – Closed Meetings of Homeowners**  
3 **Association**

4 FOR the purpose of repealing a certain condition on which a meeting of the board of  
5 directors or other governing body of a homeowners association or a committee of  
6 a homeowners association may be held in closed session; and generally relating  
7 to closed meetings of a homeowners association.

8 BY repealing and reenacting, without amendments,  
9 Article – Real Property  
10 Section 11B–111(1) and (5)  
11 Annotated Code of Maryland  
12 (2003 Replacement Volume and 2008 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article – Real Property  
15 Section 11B–111(4)  
16 Annotated Code of Maryland  
17 (2003 Replacement Volume and 2008 Supplement)

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

20 **Article – Real Property**

21 11B–111.

22 Except as provided in this title, and notwithstanding anything contained in any  
23 of the documents of the homeowners association:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (1) Subject to the provisions of paragraph (4) of this section, all  
2 meetings of the homeowners association, including meetings of the board of directors  
3 or other governing body of the homeowners association or a committee of the  
4 homeowners association, shall be open to all members of the homeowners association  
5 or their agents;

6           (4) A meeting of the board of directors or other governing body of the  
7 homeowners association or a committee of the homeowners association may be held in  
8 closed session only for the following purposes:

9                   (i) Discussion of matters pertaining to employees and  
10 personnel;

11                   (ii) Protection of the privacy or reputation of individuals in  
12 matters not related to the homeowners association's business;

13                   (iii) Consultation with legal counsel;

14                   (iv) Consultation with staff personnel, consultants, attorneys, or  
15 other persons in connection with pending or potential litigation;

16                   (v) Investigative proceedings concerning possible or actual  
17 criminal misconduct;

18                   (vi) Consideration of the terms or conditions of a business  
19 transaction in the negotiation stage if the disclosure could adversely affect the  
20 economic interests of the homeowners association; **OR**

21                   (vii) Compliance with a specific constitutional, statutory, or  
22 judicially imposed requirement protecting particular proceedings or matters from  
23 public disclosure; [or

24                   (viii) On an individually recorded affirmative vote of two-thirds of  
25 the board or committee members present, some other exceptional reason so compelling  
26 as to override the general public policy in favor of open meetings;] and

27           (5) If a meeting is held in closed session under paragraph (4) of this  
28 section:

29                   (i) An action may not be taken and a matter may not be  
30 discussed if it is not permitted by paragraph (4) of this section; and

31                   (ii) A statement of the time, place, and purpose of a closed  
32 meeting, the record of the vote of each board or committee member by which the  
33 meeting was closed, and the authority under this section for closing a meeting shall be  
34 included in the minutes of the next meeting of the board of directors or the committee  
35 of the homeowners association.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2009.