

# HOUSE BILL 1039

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HB 1195/13 – ECM & ENV

4lr2751

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By: **Delegate M. Washington**  
Introduced and read first time: February 6, 2014  
Assigned to: Environmental Matters

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## A BILL ENTITLED

AN ACT concerning

### **Condominiums – Individual Exceptions to Limitations on Rentals (Maryland Condominium Owners Emergency Relief Act)**

FOR the purpose of requiring the governing body of a condominium to grant a certain individual exception to any provision in the declaration, bylaws, or rules of the condominium that limits rentals under certain circumstances; requiring a condominium unit owner to be granted a certain exception if the unit owner submits a certain written request and certain evidence; establishing the term of an exception granted under this Act; requiring a governing body to provide a certain denial in writing; requiring the process for granting or denying a certain individual exception to be included in the declaration, bylaws, or rules of a condominium; requiring the declaration, bylaws, or rules of a condominium in existence before the effective date of this Act to be amended in a certain manner on or before a certain date; defining a certain term; and generally relating to individual exceptions to limitations on condominium rentals.

BY adding to  
Article – Real Property  
Section 11–111.4  
Annotated Code of Maryland  
(2010 Replacement Volume and 2013 Supplement)

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

### **Article – Real Property**

**11–111.4.**

**(A) IN THIS SECTION, “FINANCIAL HARDSHIP” MEANS:**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



- (1) A REDUCTION IN HOUSEHOLD INCOME THAT EXCEEDS 50%;
- (2) AN INCREASE IN HOUSEHOLD EXPENSES THAT IS 33% OR GREATER;
- (3) THE DEATH OF THE UNIT OWNER OR THE UNIT OWNER'S SPOUSE;
- (4) A CHANGE IN THE LOCATION OF THE UNIT OWNER'S PERMANENT EMPLOYMENT OR THE PERMANENT EMPLOYMENT OF THE UNIT OWNER'S SPOUSE THAT IS 100 MILES OR FARTHER FROM THE UNIT;
- (5) MILITARY DEPLOYMENT OF 12 MONTHS OR MORE OF THE UNIT OWNER OR THE UNIT OWNER'S SPOUSE; OR
- (6) DIVORCE OF THE UNIT OWNER FROM ANOTHER PERSON.

(B) ON REQUEST OF A UNIT OWNER WHO MEETS THE REQUIREMENTS OF THIS SECTION, A GOVERNING BODY SHALL GRANT AN INDIVIDUAL EXCEPTION TO ANY PROVISION IN THE DECLARATION, BYLAWS, OR RULES OF THE CONDOMINIUM THAT LIMITS THE NUMBER OR PERCENT OF UNITS THAT MAY BE RENTED.

(C) A UNIT OWNER SHALL BE GRANTED AN INDIVIDUAL EXCEPTION UNDER SUBSECTION (B) OF THIS SECTION IF THE UNIT OWNER SUBMITS TO THE GOVERNING BODY:

- (1) A WRITTEN REQUEST FOR AN INDIVIDUAL EXCEPTION; AND
- (2) EVIDENCE THAT:
  - (I) THE UNIT OWNER HAS HAD A FINANCIAL HARDSHIP;
  - (II) THE UNIT IS THE UNIT OWNER'S PRIMARY RESIDENCE;
  - (III) THE UNIT OWNER WAS A RESIDENT OF THE STATE AT THE TIME OF THE FINANCIAL HARDSHIP; AND
  - (IV) THE APPRAISED VALUE OF THE UNIT IS LESS THAN 90% OF THE AMOUNT THAT IS OWED ON THE CONDOMINIUM.

**(D) THE TERM OF AN INDIVIDUAL EXCEPTION GRANTED UNDER SUBSECTION (B) OF THIS SECTION IS 3 YEARS.**

**(E) IF A GOVERNING BODY DENIES AN INDIVIDUAL EXCEPTION UNDER THIS SECTION, THE GOVERNING BODY SHALL PROVIDE NOTICE OF THE DENIAL TO THE UNIT OWNER IN WRITING, INCLUDING THE SPECIFIC REASONS FOR WHICH THE INDIVIDUAL EXCEPTION WAS DENIED.**

**(F) THE PROCESS FOR GRANTING OR DENYING AN INDIVIDUAL EXCEPTION TO RENTAL LIMITATIONS ESTABLISHED UNDER THIS SECTION SHALL BE DESCRIBED IN THE DECLARATION, BYLAWS, OR RULES OF A CONDOMINIUM.**

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before April 1, 2015, the declaration, bylaws, or rules of a condominium in existence before October 1, 2014, shall be amended to describe the process for granting or denying an individual exception to rental limitations established under this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2014.