

ANTHONY G. BROWN
Attorney General

CANDACE MCLAREN LANHAM
Chief of Staff

CAROLYN QUATTROCKI
Deputy Attorney General



WILLIAM D. GRUHN
Chief
Consumer Protection Division

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Writer's Fax No.

Writer's Direct Dial No.

410-576-7942
kstraughn@oag.state.md.us
Fax: 410-576-7040

March 28, 2023

To: The Honorable William C. Smith, Jr.
Chair, Judicial Proceedings Committee

From: Karen S. Straughn
Consumer Protection Division

Re: House Bill 331 – Real Property – Cooperative Housing Corporations, Condominiums, and Homeowner Associations–Virtual Meetings (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 331 submitted by Delegates Terrasa, Fair and Hill. This bill is intended to clarify that, when virtual meetings are held by a common ownership community association, participants should be given reasonable access to participate verbally in the meeting and equal access to participate via the chat function. The bill further gives the person conducting the meeting the ability to mute a participant after a warning if that individual becomes disruptive. In addition, the bill provides that any meeting of the board of directors or governing body must be held in accordance with the open meeting requirements of the Condominium, Homeowners Association, or Cooperative Housing Acts.

Throughout the pandemic, the Consumer Protection Division received many calls and concerns from boards of directors, property managers and attorneys concerning the process for conducting a virtual meeting and seeking guidance. Generally, associations have advised the Division that virtual meetings have been helpful, and many associations have reportedly been able to increase attendance at meetings by conducting them virtually.

However, the Division has also received calls and concerns from residents that some associations have muted all participants throughout the meeting or disabled the chat function for participants other than the members of the board. The Division has even been made aware of meetings in which the organizer has randomly removed members from the meeting after the meeting began. This bill would seek to protect the rights of members to attend a virtual meeting conducted in a manner comparable to that of an in-person meeting. This bill further promotes reasonable

participation by members while providing safeguards in the event the meeting becomes monopolized by a disruptive member. For these reasons we support these provisions of the bill.

The bill further provides that a board of directors' meeting held electronically must be held as an open meeting unless a statutory exception permits the closure of the meeting. This Division has received calls and concerns from members of associations that continue to have concerns about the ability to attend meetings in person. For this reason, we believe that a board of directors should be permitted to hold board meetings electronically as long as this is done in accordance with the open meeting requirements of the respective Acts unless a statutory exception permits closure.

For these reasons, we ask that the Judicial Proceedings Committee return a favorable report on this bill.

cc: The Honorable Jen Terrasa
The Honorable Kris Fair
The Honorable Terri L. Hill
Members, Judicial Proceedings Committee