
By: Delegates Goldwater, Kopp, Genn, and Kagan

Introduced and read first time: February 2, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Condominiums - Meetings and Amendments to Bylaws**

3 FOR the purpose of requiring a certain type of vote to amend the bylaws of a
4 condominium; providing that the council of unit owners or a certain number of unit
5 owners may propose amendments to the bylaws of a condominium by taking certain
6 actions; requiring the council of unit owners to hold a certain meeting to consider
7 and vote on the proposed amendments, to allow the unit owners and tenants to
8 comment on the proposed amendments at the meeting, and to provide a copy of the
9 proposed amendment and a certain notice to the unit owners by a certain time
10 before the meeting; allowing the unit owners to submit written comments on the
11 proposed amendments to the council of unit owners; requiring the council of unit
12 owners to distribute the written comments to the unit owners and tenants present at
13 the meeting; requiring the board of directors or a committee of the board of
14 directors to provide a certain notice for certain meetings except under certain
15 circumstances; clarifying that meetings of the council of unit owners, board of
16 directors, and committees to be open to unit owners, tenants, and holders of
17 mortgages or deeds of trust; allowing unit owners, tenants, and holders of mortgages
18 of deeds of trust to ask questions about and otherwise speak on condominium
19 business at meetings; and generally relating to meetings of condominiums and
20 amendments to the bylaws of condominiums.

21 BY renumbering

22 Article - Real Property
23 Section 11-109(c)(7) through (15), respectively
24 to be Section 11-109(c)(9) through (17), respectively
25 Annotated Code of Maryland
26 (1996 Replacement Volume)

27 BY repealing and reenacting, with amendments,

28 Article - Real Property
29 Section 11-104 and 11-109(c)(1) through (6)
30 Annotated Code of Maryland
31 (1996 Replacement Volume)

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1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That Section(s) 11-109(c)(7) through (15), respectively, of Article - Real
3 Property of the Annotated Code of Maryland be renumbered to be Section(s)
4 11-109(c)(9) through (17), respectively.

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

7 **Article - Real Property**

8 11-104.

9 (a) IN THIS SECTION, "EXPRESS AFFIRMATIVE VOTE" MEANS A WRITTEN
10 VOTE BY A UNIT OWNER.

11 (B) The administration of every condominium shall be governed by bylaws which
12 shall be recorded with the declaration. If the council of unit owners is incorporated, these
13 bylaws shall be the bylaws of that corporation.

14 [(b)] (C) The bylaws shall express at least the following particulars:

15 (1) The form of administration, indicating whether the council of unit
16 owners shall be incorporated or unincorporated, and whether, and to what extent, the
17 duties of the council of unit owners may be delegated to a board of directors, manager, or
18 otherwise, and specifying the powers, manner of selection and removal of them;

19 (2) The mailing address of the council of unit owners;

20 (3) The method of calling the unit owners to assemble; the attendance
21 necessary to constitute a quorum at any meeting of the council of unit owners; the manner
22 of notifying the unit owners of any proposed meeting; who presides at the meetings of the
23 council of unit owners, who keeps the minute book for recording the resolutions of the
24 council of unit owners, and who counts votes at meetings of the council of unit owners;

25 (4) The manner of assessing against and collecting from unit owners their
26 respective shares of the common expenses; and

27 (5) A statement of the statutory duty that the council of unit owners has
28 under § 11-119(d) of this title.

29 [(c)] (D) The bylaws also may contain any other provision regarding the
30 management and operation of the condominium including any restriction on or
31 requirement respecting the use and maintenance of the units and the common elements.

32 [(d)] (E) The bylaws may contain a provision prohibiting any unit owner from
33 voting at a meeting of the council of unit owners if the council of unit owners has
34 recorded a statement of condominium lien on his unit and the amount necessary to
35 release the lien has not been paid at the time of the meeting.

36 [(e) (1)] (F) A corrective amendment to the bylaws may be made in accordance
37 with § 11-103.1 of this title, or as provided in [paragraph (2) of this subsection]
38 SUBSECTION (G)(1) OF THIS SECTION.

1 [(2)] (G) (1) Unless a higher percentage is required in the bylaws, the
2 bylaws may be amended by the EXPRESS affirmative vote of unit owners having at least 66
3 2/3 percent of the votes in the council of unit owners.

4 (2) THE COUNCIL OF UNIT OWNERS OR A GROUP OF FIVE OR MORE
5 INDIVIDUAL UNIT OWNERS MAY PROPOSE AMENDMENTS TO THE BYLAWS BY
6 SUBMITTING THE PROPOSED AMENDMENTS IN WRITING TO THE COUNCIL OF UNIT
7 OWNERS.

8 (3) IF THE COUNCIL OF UNIT OWNERS OR A GROUP OF FIVE OR MORE
9 INDIVIDUAL UNIT OWNERS PROPOSES AMENDMENTS TO THE BYLAWS, THE
10 COUNCIL OF UNIT OWNERS SHALL:

11 (I) HOLD A MEETING TO CONSIDER THE PROPOSED AMENDMENTS
12 AT WHICH A QUORUM OF THE COUNCIL OF UNIT OWNERS IS PRESENT;

13 (II) MAIL OR DELIVER TO EACH UNIT OWNER AT LEAST 30 DAYS
14 BEFORE THE DATE OF THE MEETING:

15 1. A COPY OF THE PROPOSED AMENDMENTS;

16 2. NOTICE THAT UNIT OWNERS MAY SUBMIT WRITTEN
17 COMMENTS ON THE PROPOSED AMENDMENTS; AND

18 3. NOTICE OF THE DATE, TIME, AND PLACE OF THE
19 MEETING; AND

20 (III) AT THE MEETING, DISTRIBUTE ANY WRITTEN COMMENTS,
21 SUBMITTED BY A UNIT OWNER UNDER ITEM (II) OF THIS PARAGRAPH, ABOUT THE
22 PROPOSED AMENDMENTS TO THE UNIT OWNERS AND TENANTS PRESENT AT THE
23 MEETING.

24 [(3) (i)] (H) (1) Except as provided in [paragraph (4) of this subsection]
25 SUBSECTION (I) OF THIS SECTION, if the declaration or bylaws contain a provision
26 requiring any action on the part of the holder of a mortgage or deed of trust on a unit in
27 order to amend the bylaws, that provision shall be deemed satisfied if the procedures
28 under this paragraph are satisfied.

29 [(ii)] (2) If the declaration or bylaws contain a provision described in
30 subparagraph (i) of this paragraph, the council of unit owners shall cause to be delivered
31 to each holder of a mortgage or deed of trust entitled to notice, a copy of the proposed
32 amendment to the bylaws.

33 [(iii)] (3) If a holder of the mortgage or deed of trust that receives the
34 proposed amendment fails to object, in writing, to the proposed amendment within 60
35 days from the date of actual receipt of the proposed amendment, the holder shall be
36 deemed to have consented to the adoption of the amendment.

37 [(4)] (I) [Paragraph (3) of this subsection] SUBSECTION (H) OF THIS
38 SECTION does not apply to amendments that:

39 [(i)] (1) Alter the priority of the lien of the mortgage or deed of trust;

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1 [(ii)] (2) Materially impair or affect the unit as collateral; or

2 [(iii)] (3) Materially impair or affect the right of the holder of the
3 mortgage or deed of trust to exercise any rights under the mortgage, deed of trust, or
4 applicable law.

5 [(5)] (J) Each particular set forth in subsection (b) of this section shall be
6 expressed in the bylaws as amended. An amendment under [paragraph (2) of this
7 subsection] SUBSECTION (G)(1) OF THIS SECTION shall be entitled to be recorded if
8 accompanied by a certificate of the person specified in the bylaws to count votes at the
9 meeting of the council of unit owners that the amendment was approved by unit owners
10 having the required percentage of the votes and shall be effective on recordation. This
11 certificate shall be conclusive evidence of approval.

12 11-109.

13 (c) (1) IN THIS SUBSECTION, "MEETING" INCLUDES A GATHERING OF A
14 MAJORITY OF THE MEMBERS OF THE BOARD OF DIRECTORS OR A COMMITTEE OF
15 THE BOARD OF DIRECTORS AT WHICH THE AFFAIRS OF THE CONDOMINIUM ARE
16 DISCUSSED, EVEN IF THE BOARD OF DIRECTORS OR THE COMMITTEE OF THE
17 BOARD OF DIRECTORS CALLS THE GATHERING BY A DIFFERENT NAME.

18 (2) A meeting of the council of unit [owners or board of directors]
19 OWNERS, BOARD OF DIRECTORS, OR A COMMITTEE OF THE BOARD OF DIRECTORS
20 may not be held on less notice than required by this section.

21 [(2)] (3) The council of unit owners shall maintain a current roster of names
22 and addresses of each unit owner to which notice of meetings of the board of directors
23 shall be sent at least annually.

24 [(3)] (4) Each unit owner shall furnish the council of unit owners with his
25 name and current mailing address. A unit owner may not vote at meetings of the council
26 of unit owners until this information is furnished.

27 [(4)] (5) A regular or special meeting of the council of unit owners may not
28 be held on less than 10 nor more than 90 days written notice delivered or mailed to each
29 unit owner at the address shown on the roster on the date of the notice.

30 [(5) Notice of special meetings of the board of directors shall be given as
31 provided in the bylaws.]

32 (6) EXCEPT AS PROVIDED IN § 11-104(G) OF THIS TITLE OR EXCEPT IN
33 THE CASE OF AN IMMINENT THREAT TO THE HEALTH OR SAFETY OF THE
34 RESIDENTS OF THE CONDOMINIUM OR OF SERIOUS DAMAGE TO THE
35 CONDOMINIUM PROPERTY, NOTICE OF A REGULAR OR SPECIAL MEETING OF THE
36 BOARD OF DIRECTORS OR A COMMITTEE OF THE BOARD OF DIRECTORS SHALL BE
37 DELIVERED TO EACH UNIT OWNER AT LEAST 3 DAYS BEFORE THE DAY ON WHICH
38 THE BOARD OF DIRECTORS OR COMMITTEE OF THE BOARD OF DIRECTORS MEETS.

39 [(6)] (7) Except as provided in § 11-109.1 of this title, [a meeting of the
40 council of unit owners or board of directors shall be open and held at a time and location

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1 as provided in the notice or bylaws.] A MEETING OF THE COUNCIL OF UNIT OWNERS,
2 BOARD OF DIRECTORS, OR A COMMITTEE SHALL BE:

3 (I) OPEN TO UNIT OWNERS, TENANTS, AND THE HOLDERS OF
4 MORTGAGES OR DEEDS OF TRUSTS; AND

5 (II) HELD AT A TIME AND LOCATION PROVIDED IN THE NOTICE OR
6 THE BYLAWS.

7 (8) AT A MEETING OF THE COUNCIL OF UNIT OWNERS, BOARD OF
8 DIRECTORS, OR A COMMITTEE OF THE BOARD OF DIRECTORS, THE UNIT OWNERS,
9 TENANTS, AND HOLDERS OF MORTGAGES OR DEEDS OF TRUST MAY ASK
10 QUESTIONS ABOUT OR OTHERWISE SPEAK ON PENDING BUSINESS OR OTHER
11 MATTERS CONCERNING THE CONDOMINIUM.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 1996.