BY: Judicial Proceedings Committee

AMENDMENTS TO SENATE BILL NO. 94

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Craig" and substitute ", Craig, Green, and Forehand"; in line 4, after "prohibiting" insert "a certain provision in"; in line 5, strike the first comma and substitute "or"; in the same line, after the second "or" insert "in the articles of incorporation, bylaws, or proprietary leases of a"; in line 6, strike "prohibiting" and substitute "being construed to prohibit"; in line 10, strike "and" and substitute a comma; in line 11, after "associations" insert ", and cooperative housing corporations"; and strike beginning with "authorizing" in line 12 down through "rules;" in line 14.

AMENDMENT NO. 2

On page 2 in line 26, on page 5 in line 17, and on page 8 in line 3, in each instance, strike "AND".

On page 2 in line 30, and on page 5 in line 21, in each instance, after "MATERIAL" insert ";

(V) IS OWNED OR OPERATED BY A RESIDENT OF THE DWELLING UNIT AND HAS NO EMPLOYEES, AGENTS, OR CONTRACTORS ON THE PREMISES OTHER THAN A RESIDENT OF THE DWELLING UNIT; AND

(VI) DOES NOT HAVE ANY CUSTOMERS OR INVITEES VISITING THE PREMISES".

On page 8, in line 7, after "MATERIAL" insert ";

(5) IS OWNED OR OPERATED BY A RESIDENT OF THE DWELLING UNIT AND HAS NO EMPLOYEES, AGENTS, OR CONTRACTORS ON THE PREMISES OTHER THAN A RESIDENT OF THE DWELLING UNIT; AND

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(6) DOES NOT HAVE ANY CUSTOMERS OR INVITEES VISITING THE PREMISES".

AMENDMENT NO. 3

On page 2 in line 31, and on page 5 in line 22, in each instance, strike "This section does" and substitute "<u>THE PROVISIONS OF THIS SECTION RELATING TO FAMILY DAY CARE HOMES DO</u>".

AMENDMENT NO. 4

On page 5, in line 22, after "(b)" insert "(1)"; and after line 23, insert:

"(2) THE PROVISIONS OF THIS SECTION RELATING TO HOME-BASED BUSINESSES DO NOT APPLY TO PROPERTIES SUBJECT TO COVENANTS ENFORCEABLE BY THE COLUMBIA ASSOCIATION OR COMMUNITY ASSOCIATIONS FOR THE VILLAGES OF COLUMBIA IN HOWARD COUNTY.".

AMENDMENT NO. 5

On page 4, strike beginning with "(1)" in line 28 down through "(2)" in line 32.

On page 7, strike beginning with "(1)" in line 20 down through "(2)" in line 25.

AMENDMENT NO. 6

On page 8, strike in their entirety lines 9 through 13, inclusive, and substitute:

"(A) (1) SUBJECT TO THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION, A PROVISION IN THE ARTICLES OF INCORPORATION OR A PROPRIETARY LEASE OR A PROVISION OF THE BYLAWS OF A COOPERATIVE HOUSING CORPORATION THAT PROHIBITS OR RESTRICTS COMMERCIAL OR BUSINESS ACTIVITY IN GENERAL, BUT DOES NOT EXPRESSLY APPLY TO NO-IMPACT HOME-BASED BUSINESSES, MAY NOT BE CONSTRUED TO PROHIBIT OR RESTRICT THE ESTABLISHMENT AND OPERATION OF NO-IMPACT HOME-BASED BUSINESSES.

(2) SUBJECT TO THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION, THE OPERATION OF A NO-IMPACT HOME-BASED BUSINESS SHALL BE:

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(I) CONSIDERED A RESIDENTIAL ACTIVITY; AND

(II) A PERMITTED ACTIVITY.

(B) (1) (I) SUBJECT TO THE PROVISIONS OF PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A COOPERATIVE HOUSING CORPORATION MAY INCLUDE IN ITS ARTICLES OF INCORPORATION, BYLAWS, OR PROPRIETARY LEASES A PROVISION EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS.

(II) A PROVISION DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS SHALL APPLY TO AN EXISTING NO-IMPACT HOME-BASED BUSINESS IN THE COOPERATIVE PROJECT.

- (2) A PROVISION DESCRIBED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS MAY NOT BE ENFORCED UNLESS IT IS APPROVED BY A SIMPLE MAJORITY OF THE TOTAL ELIGIBLE VOTERS OF THE COOPERATIVE HOUSING CORPORATION UNDER THE VOTING PROCEDURES CONTAINED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION.
- (3) IF A COOPERATIVE HOUSING CORPORATION INCLUDES IN ITS ARTICLES OF INCORPORATION, BYLAWS, OR PROPRIETARY LEASES A PROVISION PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS, IT SHALL ALSO INCLUDE A PROVISION STATING THAT THE PROHIBITION MAY BE ELIMINATED AND NO-IMPACT HOME-BASED BUSINESSES MAY BE APPROVED BY A SIMPLE MAJORITY OF THE TOTAL ELIGIBLE VOTERS OF THE COOPERATIVE HOUSING CORPORATION UNDER THE VOTING PROCEDURES CONTAINED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION.

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(4) IF A COOPERATIVE HOUSING CORPORATION INCLUDES IN ITS ARTICLES OF INCORPORATION, BYLAWS, OR PROPRIETARY LEASES A PROVISION EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS, THE PROHIBITION MAY BE ELIMINATED AND NO-IMPACT HOME-BASED BUSINESS ACTIVITIES MAY BE PERMITTED BY THE APPROVAL OF A SIMPLE MAJORITY OF THE TOTAL ELIGIBLE VOTERS OF THE COOPERATIVE HOUSING CORPORATION UNDER THE VOTING PROCEDURES CONTAINED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION.

(C) A COOPERATIVE HOUSING CORPORATION MAY:

- (1) RESTRICT OR PROHIBIT A NO-IMPACT HOME-BASED BUSINESS IN ANY AREAS CONSTITUTING THOSE PORTIONS OF A COOPERATIVE PROJECT POSSESSED IN COMMON BY THE MEMBERS; AND
- (2) IMPOSE A FEE FOR USE OF ANY AREAS CONSTITUTING THOSE PORTIONS OF A COOPERATIVE PROJECT POSSESSED IN COMMON BY THE MEMBERS IN A REASONABLE AMOUNT NOT TO EXCEED \$50 PER YEAR ON EACH NO-IMPACT HOME-BASED BUSINESS OPERATING IN THE COOPERATIVE PROJECT.".