

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1228

(Delegates O'Donnell and Owings)

Environmental Matters

Education, Health, and Environmental Affairs

Condominiums - Conditions on the Right to Expand - Calvert County

This bill extends the amount of time, from 15 to 18 years, in Calvert County during which a right is deemed reserved in the developer in an existing or new declaration for a condominium to add to the condominium any successive section described in the declaration and in the condominium plat. The bill also extends the termination date for this provision from September 30, 2005 to September 30, 2008.

The bill takes effect July 1, 2004.

Fiscal Summary

State Effect: Any increase in general fund expenditures by the Secretary of State to update and mail the condominium booklet published by that office (estimated at \$1,500) could be handled with existing resources. Potential increase in State transfer tax revenues from condominium units sold because of this bill. Any increase cannot be accurately estimated, but is assumed to be minimal.

Local Effect: Potential increase in recordation, local transfer, and property tax revenues for Calvert County from condominium units sold because of this bill. Any increase cannot be accurately estimated, but is assumed to be minimal. Expenditures would not be affected.

Small Business Effect: Potential meaningful.

Analysis

Current Law: The declaration establishing the condominium must describe each parcel of property that may be included in each section to be added. The declaration must show: (1) the maximum number of units that may be added; (2) the percentage interests in the common elements, expenses, and profits; and (3) the number of votes appurtenant to each unit following the addition of each section of property to the condominium.

The condominium plat for the original condominium must include the outlines of the land, buildings, and common elements of each successive section that may be added to the condominium. Generally, in an existing or new declaration establishing a condominium, notwithstanding anything in the declaration to the contrary, a right is deemed reserved in the developer for up to 10 years to add to the condominium any successive section described in the declaration and in the condominium plat.

Under Chapter 697 of 2000, in Calvert County, in an existing or new declaration establishing a condominium, notwithstanding anything in the declaration to the contrary, a right is deemed reserved in the developer for up to 15 years to add to the condominium any successive section described in the declaration and in the condominium plat. Chapter 697 terminates September 30, 2005.

Small Business Effect: Future revenues for small condominium development businesses could increase in Calvert County because of the extension of the right to add to a condominium.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Secretary of State, Calvert County, Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2004
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