# **Department of Legislative Services**

Maryland General Assembly 2006 Session

### FISCAL AND POLICY NOTE

House Bill 1697

(Delegate McComas, et al.)

**Environmental Matters** 

### **Real Property - Condominium Regimes - Voting Rights**

This bill alters the manner in which voting of unit owners is calculated and the requirement for executing a proxy under a condominium regime. The bill also requires the bylaws of a condominium to reflect the bill's provisions.

## **Fiscal Summary**

**State Effect:** The bill would not directly affect governmental finances or operations.

Local Effect: None.

**Small Business Effect:** Minimal.

# **Analysis**

**Bill Summary:** Notwithstanding any other provision of the Maryland Condominium Act or a provision of the declaration, bylaws, or other governing documents of a council of unit owners, a unit owner may cast a vote in any matter before the council of unit owners or board of directors equal to the percentage interest of the total cost of common expenses assessed against the unit owner.

Notwithstanding any other provision of the Maryland Condominium Act or a provision of the declaration, bylaws, or other governing documents of a council of unit owners, a unit owner whose current mailing address is 50 miles or less from the condominium may not execute a proxy for any purpose at any meeting of the council of unit owners or board of directors.

**Current Law:** Generally, the affairs of a condominium are governed by the council of unit owners, which is comprised of all unit owners. The bylaws may authorize the council to delegate authority to a board of directors, officers, managing agent, or other person to carry out the council's responsibilities. A unit owner must furnish the council of unit owners with his/her name and mailing address.

Generally, a council of unit owners must meet at least once per year. Unless the bylaws provide otherwise, a quorum is deemed present at a meeting if persons entitled to cast 25% of the total number of votes are present in person or by proxy. If an insufficient number of owners attend to constitute a quorum, an additional meeting may be held for the same purpose under specified circumstances. At the additional meeting, the unit owners present constitute a quorum. At meetings of the council of unit owners, each owner is entitled to cast the number of votes appurtenant to his/her unit. Unit owners may vote by proxy, but the proxy is effective only for a maximum of 180 days after it was issued, unless granted to a lessee or mortgagee.

#### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

Information Source(s): Secretary of State, Office of the Attorney General (Consumer

Protection Division), Department of Legislative Services

**Fiscal Note History:** First Reader - March 17, 2006

nas/jr

Analysis by: T. Ryan Wilson Direct Inquiries to: (410) 946-5510

(301) 970-5510