

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 779 (Senator Gladden)
Judicial Proceedings

Real Property - Homeowners Association - Amendment of Declaration

This bill authorizes a homeowners association, under the Maryland Homeowners Association Act, to amend its declaration, bylaws, or deed of agreement with less than a unanimous vote if: (1) its governing body and its lot owners determine it is necessary; and (2) 80% of the lot owners agree to the amendment.

Fiscal Summary

State Effect: The bill would not materially affect State finances or operations.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The Maryland Homeowners Association Act provides a framework for properties subject to homeowner association agreements. Except as expressly provided under the Act, its provisions may not be varied by agreement, and rights conferred by the Act may not be waived. A declarant or vendor may not act under a power of attorney or use any other device to evade the requirements, limitations, or prohibitions of the Act. The Act does not establish rules that provide for the amendment of a homeowners association's declaration, bylaws, or deed of agreement.

Background: Under the Maryland Condominium Act, a condominium's declaration may be amended only with the written consent of 80% of the unit owners listed on the

current roster, subject to specified limitations. Every condominium must be governed by bylaws, which must be recorded with the declaration. Unless a higher percentage is required by the bylaws, the bylaws may be amended by the affirmative vote of unit owners having 66 2/3% of the votes in the council of unit owners, subject to specified limitations. Unless the declaration or bylaws specify otherwise, the council of unit owners or the board of directors may execute and record an amendment to the declaration, bylaws, or plat of a condominium to correct typographical errors or to make other specified technical corrections.

Additional Information

Prior Introductions: None.

Cross File: HB 808 (Delegate Rosenberg, *et al.*) – Environmental Matters.

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

Fiscal Note History: First Reader - February 13, 2006
ncs/jr

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