

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 1515

(Delegates McComas and McConkey)

Environmental Matters

Condominiums - Ownership Classes - Vote Percentage

This bill requires the bylaws of a condominium to contain a clause stating that, notwithstanding any other law or governing document, a unit owner in a condominium that contains two or more ownership classes may cast a vote in any matter before the governing body that, as a percentage of the total votes of the condominium, is equal to the percentage interest of the total cost of common expenses assessed against the unit owner.

Fiscal Summary

State Effect: The bill would not directly affect State finances or operations. If the Attorney General's Office receives fewer than 50 complaints per year stemming from the bill, the additional workload could be handled with existing resources.

Local Effect: The bill would not directly affect local finances or operations.

Small Business Effect: Potential minimal.

Analysis

Current Law: Under State law, the administration of every condominium is required to be governed by bylaws. If the council of unit owners of the condominium is incorporated, these bylaws are required to be the bylaws of that corporation. The bylaws are required to state • the form of administration, indicating whether the council of unit owners will be incorporated or unincorporated, and whether, and to what extent, the duties of the council of unit owners may be delegated to a board of directors, manager, or

otherwise, and specifying the powers, manner of selection, and removal of such individuals; • the mailing address of the council of unit owners; • the method of calling the unit owners to assemble and the attendance necessary to constitute a quorum; • the procedural requirements for a meeting of unit owners; and • the manner of assessing against and collecting from unit owners their respective shares of the common expenses.

The bylaws also may contain any other provision regarding the management and operation of the condominium, including any restriction on or requirement respecting the use and maintenance of the units and the common elements. In addition, the bylaws may contain a provision prohibiting any unit owner from voting if the council of unit owners has recorded a statement of condominium lien on the owner's unit and the lien has not been paid at the time of the meeting.

Background: Chapter 469 of 2005 established the Task Force on Common Ownership Communities. The full task force met 10 times during 2006 and conducted 5 public hearings, at which public comments were solicited. In addition, subcommittees comprised of task force members met several times. The task force made several recommendations on various topics, including the rights and responsibilities of living in a common ownership community. The task force did not specifically address the subject matter of this bill.

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, 2008
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