

HOUSE BILL 850

N1, C1

9lr1748

By: **Delegate Holmes**

Introduced and read first time: February 12, 2009

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property - Common Interest Community Association Annual**
3 **Registration**

4 FOR the purpose of requiring homeowners associations, condominiums, and
5 cooperative housing corporations to register annually with the Division of
6 Consumer Protection of the Office of the Attorney General; authorizing the
7 Attorney General to collect a fee not exceeding a certain amount for an annual
8 registration; requiring an annual registration to be filed within a certain period
9 after a certain annual meeting; establishing the form of the registration; and
10 generally relating to homeowners associations, condominiums, and cooperative
11 housing associations.

12 BY repealing and reenacting, with amendments,
13 Article - Real Property
14 Section 11-130 and 11B-115
15 Annotated Code of Maryland
16 (2003 Replacement Volume and 2008 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article - Corporations and Associations
19 Section 5-6B-12
20 Annotated Code of Maryland
21 (2007 Replacement Volume and 2008 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article - Real Property**

25 11-130.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) This section is intended to provide minimum standards for the protection
2 of consumers in the State.

3 (b) (1) For purposes of this section, “consumer” means an actual or
4 prospective purchaser, lessee, assignee or recipient of a condominium unit.

5 (2) “Consumer” includes a co-obligor or surety for a consumer.

6 (c) (1) To the extent that a violation of any provision of this title affects a
7 consumer, that violation shall be within the scope of the enforcement duties and
8 powers of the Division of Consumer Protection of the Office of the Attorney General, as
9 described in Title 13 of the Commercial Law Article.

10 (2) The provisions of this title shall otherwise be enforced by each
11 agency of the State within the scope of its authority.

12 (d) A county or incorporated municipality, or an agency of any of those
13 jurisdictions, may adopt laws or ordinances for the protection of a consumer to the
14 extent and in the manner provided for under § 13–103 of the Commercial Law Article.

15 (e) Within 30 days of the effective date of a law, ordinance, or regulation
16 enacted under this section which is expressly applicable to condominiums, the local
17 jurisdiction shall forward a copy of the law, ordinance or regulation to the Secretary of
18 State.

19 (F) (1) **A CONDOMINIUM SHALL REGISTER ANNUALLY WITH THE**
20 **DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF THE ATTORNEY**
21 **GENERAL.**

22 (2) **THE REGISTRATION SHALL BE FILED WITHIN 30 DAYS AFTER**
23 **THE ANNUAL MEETING OF THE COUNCIL OF UNIT OWNERS.**

24 (3) **THE ATTORNEY GENERAL MAY COLLECT A FEE NOT**
25 **EXCEEDING \$25 FOR EACH REGISTRATION.**

26 (4) **THE REGISTRATION REQUIRED UNDER THIS SUBSECTION**
27 **SHALL BE MADE ON THE FOLLOWING FORM:**

28 **“COMMON INTEREST COMMUNITY ASSOCIATION (CICA)**
29 **ANNUAL REGISTRATION**

30 **THIS REGISTRATION MUST BE FILED ANNUALLY WITH THE DIVISION OF**
31 **CONSUMER PROTECTION OF THE OFFICE OF THE ATTORNEY GENERAL (“THE**
32 **DIVISION”) WITHIN 30 DAYS AFTER THE ANNUAL MEETING OF THE CICA.**

33 **DATE:** _____

1 **1. NAME & ADDRESS OF CICA:**
 2 **A. FULL NAME:** _____
 3 **B. ADDRESS:** _____
 4 **C. CITY:** _____ **COUNTY:** _____ **ZIP CODE:** _____

5 **2. CICA INFORMATION:**
 6 **A. TYPE:** CONDOMINIUM HOMEOWNERS ASSOCIATION
 7 **COOPERATIVE HOUSING CORPORATION**
 8 **B. NUMBER OF UNITS/LOTS:** _____
 9 **C. DATE BUILT:** _____ **DATE COMPLETED:** _____
 10 **D. DATE OF TRANSITION FROM DEVELOPER:** _____
 11 **E. TYPE OF UNITS:** SINGLE FAMILY TOWNHOME GARDEN
 12 **APARTMENT MID-RISE (5-9 FLOORS) HIGH-RISE (MORE**
 13 **THAN 9 FLOORS)**
 14 **F. NUMBER OF BOARD MEMBERS:** _____
 15 **G. NUMBER OF GENERAL MEMBERSHIP MEETINGS HELD IN THE PAST**
 16 **12 MONTHS:** _____
 17 **H. NUMBER OF BOARD MEETINGS HELD IN THE PAST 12 MONTHS:** ____
 18 **I. DATE RESERVE STUDY COMPLETED:** _____
 19 **J. NEWSLETTER:** YES NO;
 20 **IF "YES", FREQUENCY PUBLISHED:** _____
 21 **K. COMMUNITY WEBSITE:** YES NO
 22 **L. PROPERTY/LIABILITY INSURANCE DEDUCTIBLE AMOUNT:** _____
 23 **M. D&O INSURANCE:** YES NO
 24 **N. FIDELITY INSURANCE AMOUNT:** _____
 25 **O. IF THE CICA IS MANAGED BY AN EMPLOYEE OF THE CICA OR A**
 26 **MANAGEMENT COMPANY, DOES THE MANAGER HOLD A**
 27 **PROFESSIONAL DESIGNATION? YES NO;**
 28 **IF "YES", IDENTIFY DESIGNATION:** _____

29 **3. NAMES AND POSITIONS OF THE OFFICERS OF THE CICA (PRESIDENT,**
 30 **SECRETARY, AND TREASURER REQUIRED):**

31 **NAME:** _____ **TITLE:** _____
 32 **ADDRESS:** _____

33 **NAME:** _____ **TITLE:** _____
 34 **ADDRESS:** _____

35 **NAME:** _____ **TITLE:** _____
 36 **ADDRESS:** _____

37 **4. DESIGNATED OFFICER:** _____
 38 **TITLE:** _____ **TELEPHONE No.:** _____

1 **E-MAIL ADDRESS:** _____

2 **5. MANAGEMENT STATUS (CHECK ONLY ONE AND FILL IN CORRESPONDING**
3 **INFORMATION):**

4 **DESIGNATED OFFICER OF THE CICA CAN BE CONTACTED DIRECTLY.**

5 **SELF-MANAGED BY THE CICA.**

6 **NAME OF MANAGER (EMPLOYEE):** _____

7 **TITLE:** _____ **TELEPHONE No.:** _____

8 **E-MAIL ADDRESS:** _____

9 **MANAGED BY A MANAGING AGENT.**

10 **NAME:** _____

11 **CONTACT PERSON:** _____ **TITLE:** _____

12 **ADDRESS:** _____

13 **TELEPHONE No.:** _____ **E-MAIL ADDRESS:** _____

14 **6. CONTACT DESIGNATION (INDIVIDUAL) TO RECEIVE ALL**
15 **CORRESPONDENCE (EXCEPT BULLETINS) AND TELEPHONE CALLS FROM THE**
16 **DIVISION (IF DIFFERENT FROM ABOVE):**

17 **NAME:** _____

18 **ADDRESS:** _____

19 **TITLE:** _____ **TELEPHONE No.:** _____

20 **E-MAIL ADDRESS:** _____

21 **I CERTIFY THAT I AM AUTHORIZED TO SIGN THIS FORM ON BEHALF OF THIS**
22 **COMMON INTEREST COMMUNITY ASSOCIATION, AND THAT THE INFORMATION**
23 **PROVIDED IS TRUE AND CORRECT.**

24 **SIGNATURE OF CICA OFFICER:**

25 **NAME (PRINT)** _____ **DATE** _____

26 **TITLE:** _____ **”.**

27 11B-115.

28 (a) (1) In this section, “consumer” means an actual or prospective
29 purchaser, lessee, assignee, or recipient of a lot in a development.

30 (2) “Consumer” includes a co-obligor or surety for a consumer.

1 (b) This section is intended to provide minimum standards for protection of
2 consumers in the State.

3 (c) (1) To the extent that a violation of any provision of this title affects a
4 consumer, that violation shall be within the scope of the enforcement duties and
5 powers of the Division of Consumer Protection of the Office of the Attorney General, as
6 described in Title 13 of the Commercial Law Article.

7 (2) The provisions of this title shall otherwise be enforced by each unit
8 of State government within the scope of the authority of the unit.

9 (d) (1) A county or municipal corporation may adopt a law, ordinance, or
10 regulation for the protection of a consumer to the extent and in the manner provided
11 for under § 13–103 of the Commercial Law Article.

12 (2) Within 30 days of the effective date of a law, ordinance, or
13 regulation adopted under this subsection that is expressly applicable to a
14 development, the county or municipal corporation shall forward a copy of the law,
15 ordinance, or regulation to the homeowners association depository in the office of the
16 clerk of the court in the county where the development is located.

17 (E) (1) **A HOMEOWNERS ASSOCIATION SHALL REGISTER ANNUALLY**
18 **WITH THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF THE**
19 **ATTORNEY GENERAL.**

20 (2) **THE REGISTRATION SHALL BE FILED WITHIN 30 DAYS AFTER**
21 **THE ANNUAL MEETING OF THE HOMEOWNERS ASSOCIATION.**

22 (3) **THE ATTORNEY GENERAL MAY COLLECT A FEE NOT**
23 **EXCEEDING \$25 FOR EACH REGISTRATION.**

24 (4) **THE REGISTRATION REQUIRED UNDER THIS SUBSECTION**
25 **SHALL BE MADE ON THE FOLLOWING FORM:**

26 **“COMMON INTEREST COMMUNITY ASSOCIATION (CICA) ANNUAL**
27 **REGISTRATION**

28 **THIS REGISTRATION MUST BE FILED ANNUALLY WITH THE DIVISION OF**
29 **CONSUMER PROTECTION OF THE OFFICE OF THE ATTORNEY GENERAL (“THE**
30 **DIVISION”) WITHIN 30 DAYS AFTER THE ANNUAL MEETING OF THE CICA.**

31 **DATE:** _____

32 **1. NAME & ADDRESS OF CICA:**

33 **A. FULL NAME:** _____

34 **B. ADDRESS:** _____

1 c. CITY: _____ COUNTY: _____ ZIP CODE: _____

2 **2. CICA INFORMATION:**

3 A. TYPE: CONDOMINIUM HOMEOWNERS ASSOCIATION
4 COOPERATIVE HOUSING CORPORATION

5 B. NUMBER OF UNITS/LOTS: _____

6 C. DATE BUILT: _____ DATE COMPLETED: _____

7 D. DATE OF TRANSITION FROM DEVELOPER: _____

8 E. TYPE OF UNITS: SINGLE FAMILY TOWNHOME GARDEN
9 APARTMENT MID-RISE (5-9 FLOORS) HIGH-RISE (MORE
10 THAN 9 FLOORS)

11 F. NUMBER OF BOARD MEMBERS: _____

12 G. NUMBER OF GENERAL MEMBERSHIP MEETINGS HELD IN THE PAST
13 12 MONTHS: _____

14 H. NUMBER OF BOARD MEETINGS HELD IN THE PAST 12 MONTHS: _____

15 I. DATE RESERVE STUDY COMPLETED: _____

16 J. NEWSLETTER: YES NO;
17 IF "YES", FREQUENCY PUBLISHED: _____

18 K. COMMUNITY WEBSITE: YES NO

19 L. PROPERTY/LIABILITY INSURANCE DEDUCTIBLE AMOUNT: _____

20 M. D&O INSURANCE: YES NO

21 N. FIDELITY INSURANCE AMOUNT: _____

22 O. IF THE CICA IS MANAGED BY AN EMPLOYEE OF THE CICA OR A
23 MANAGEMENT COMPANY, DOES THE MANAGER HOLD A
24 PROFESSIONAL DESIGNATION? YES NO;
25 IF "YES", IDENTIFY DESIGNATION: _____

26 **3. NAMES AND POSITIONS OF THE OFFICERS OF THE CICA (PRESIDENT,**
27 **SECRETARY, AND TREASURER REQUIRED):**

28 NAME: _____ TITLE: _____

29 ADDRESS: _____

30 NAME: _____ TITLE: _____

31 ADDRESS: _____

32 NAME: _____ TITLE: _____

33 ADDRESS: _____

34 **4. DESIGNATED OFFICER:** _____

35 TITLE: _____ TELEPHONE NO.: _____

36 E-MAIL ADDRESS: _____

37 **5. MANAGEMENT STATUS (CHECK ONLY ONE AND FILL IN CORRESPONDING**
38 **INFORMATION):**

1 **DESIGNATED OFFICER OF THE CICA CAN BE CONTACTED DIRECTLY.**

2 **SELF-MANAGED BY THE CICA.**

3 **NAME OF MANAGER (EMPLOYEE):** _____

4 **TITLE:** _____ **TELEPHONE No.:** _____

5 **E-MAIL ADDRESS:** _____

6 **MANAGED BY A MANAGING AGENT.**

7 **NAME:** _____

8 **CONTACT PERSON:** _____ **TITLE:** _____

9 **ADDRESS:** _____

10 **TELEPHONE No.:** _____ **E-MAIL ADDRESS:** _____

11 **6. CONTACT DESIGNATION (INDIVIDUAL) TO RECEIVE ALL**
12 **CORRESPONDENCE (EXCEPT BULLETINS) AND TELEPHONE CALLS FROM THE**
13 **DIVISION (IF DIFFERENT FROM ABOVE):**

14 **NAME:** _____

15 **ADDRESS:** _____

16 **TITLE:** _____ **TELEPHONE No.:** _____

17 **E-MAIL ADDRESS:** _____

18 **I CERTIFY THAT I AM AUTHORIZED TO SIGN THIS FORM ON BEHALF OF THIS**
19 **COMMON INTEREST COMMUNITY ASSOCIATION, AND THAT THE INFORMATION**
20 **PROVIDED IS TRUE AND CORRECT.**

21 **SIGNATURE OF CICA OFFICER:**

22 **NAME (PRINT)** _____ **DATE** _____

23 **TITLE:** _____ **”.**

24 **Article - Corporations and Associations**

25 5-6B-12.

26 (a) This section is intended to provide minimum standards for the protection
27 of consumers in the State.

28 (b) (1) For purposes of this section, “consumer” means an actual or
29 prospective purchaser, lessee, assignee, or transferee of a cooperative interest with
30 respect to a residential unit.

1 (2) "Consumer" includes a co-obligor or surety for a consumer.

2 (c) (1) To the extent that a violation of a provision of this subtitle affects a
3 consumer, that violation shall be within the scope of the enforcement duties and
4 powers of the Division of Consumer Protection of the Office of the Attorney General, as
5 described in Title 13 of the Commercial Law Article.

6 (2) The provisions of this subtitle shall otherwise be enforced by each
7 agency of the State within the scope of its authority.

8 (d) A county or incorporated municipality, or an agency of one of those
9 jurisdictions, may adopt laws or ordinances for the protection of a consumer to the
10 extent and in the manner provided for under § 13-103 of the Commercial Law Article.

11 (e) Within 30 days after the effective date of a law, ordinance, or regulation
12 enacted under this section which is expressly applicable to cooperative housing
13 corporation, the local jurisdiction shall forward a copy of the law, ordinance, or
14 regulation to the Secretary of State.

15 (F) (1) A COOPERATIVE HOUSING CORPORATION SHALL REGISTER
16 ANNUALLY WITH THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF
17 THE ATTORNEY GENERAL.

18 (2) THE REGISTRATION SHALL BE FILED WITHIN 30 DAYS AFTER
19 THE ANNUAL MEETING OF THE COOPERATIVE HOUSING CORPORATION.

20 (3) THE ATTORNEY GENERAL MAY COLLECT A FEE NOT
21 EXCEEDING \$25 FOR EACH REGISTRATION.

22 (4) THE REGISTRATION REQUIRED UNDER THIS SUBSECTION
23 SHALL BE MADE ON THE FOLLOWING FORM:

24 "COMMON INTEREST COMMUNITY ASSOCIATION (CICA) ANNUAL
25 REGISTRATION

26 THIS REGISTRATION MUST BE FILED ANNUALLY WITH THE DIVISION OF
27 CONSUMER PROTECTION OF THE OFFICE OF THE ATTORNEY GENERAL ("THE
28 DIVISION") WITHIN 30 DAYS AFTER THE ANNUAL MEETING OF THE CICA.

29 DATE: _____

30 1. NAME & ADDRESS OF CICA:

31 A. FULL NAME: _____

32 B. ADDRESS: _____

33 C. CITY: _____ COUNTY: _____ ZIP CODE: _____

- 1 **2. CICA INFORMATION:**
- 2 **A. TYPE:** CONDOMINIUM HOMEOWNERS ASSOCIATION
- 3 **COOPERATIVE HOUSING CORPORATION**
- 4 **B. NUMBER OF UNITS/LOTS:** _____
- 5 **C. DATE BUILT:** _____ **DATE COMPLETED:** _____
- 6 **D. DATE OF TRANSITION FROM DEVELOPER:** _____
- 7 **E. TYPE OF UNITS:** SINGLE FAMILY TOWNHOME GARDEN
- 8 **APARTMENT MID-RISE (5-9 FLOORS) HIGH-RISE (MORE**
- 9 **THAN 9 FLOORS)**
- 10 **F. NUMBER OF BOARD MEMBERS:** _____
- 11 **G. NUMBER OF GENERAL MEMBERSHIP MEETINGS HELD IN THE PAST**
- 12 **12 MONTHS:** _____
- 13 **H. NUMBER OF BOARD MEETINGS HELD IN THE PAST 12 MONTHS:** _____
- 14 **I. DATE RESERVE STUDY COMPLETED:** _____
- 15 **J. NEWSLETTER:** YES NO;
- 16 **IF "YES", FREQUENCY PUBLISHED:** _____
- 17 **K. COMMUNITY WEBSITE:** YES NO
- 18 **L. PROPERTY/LIABILITY INSURANCE DEDUCTIBLE AMOUNT:** _____
- 19 **M. D&O INSURANCE:** YES NO
- 20 **N. FIDELITY INSURANCE AMOUNT:** _____
- 21 **O. IF THE CICA IS MANAGED BY AN EMPLOYEE OF THE CICA OR A**
- 22 **MANAGEMENT COMPANY, DOES THE MANAGER HOLD A**
- 23 **PROFESSIONAL DESIGNATION? YES NO;**
- 24 **IF "YES", IDENTIFY DESIGNATION:** _____

25 **3. NAMES AND POSITIONS OF THE OFFICERS OF THE CICA (PRESIDENT,**

26 **SECRETARY, AND TREASURER REQUIRED):**

27 **NAME:** _____ **TITLE:** _____

28 **ADDRESS:** _____

29 **NAME:** _____ **TITLE:** _____

30 **ADDRESS:** _____

31 **NAME:** _____ **TITLE:** _____

32 **ADDRESS:** _____

33 **4. DESIGNATED OFFICER:** _____

34 **TITLE:** _____ **TELEPHONE No.:** _____

35 **E-MAIL ADDRESS:** _____

36 **5. MANAGEMENT STATUS (CHECK ONLY ONE AND FILL IN CORRESPONDING**

37 **INFORMATION):**

1 **DESIGNATED OFFICER OF THE CICA CAN BE CONTACTED DIRECTLY.**

2 **SELF-MANAGED BY THE CICA.**

3 **NAME OF MANAGER (EMPLOYEE):** _____

4 **TITLE:** _____ **TELEPHONE No.:** _____

5 **E-MAIL ADDRESS:** _____

6 **MANAGED BY A MANAGING AGENT.**

7 **NAME:** _____

8 **CONTACT PERSON:** _____ **TITLE:** _____

9 **ADDRESS:** _____

10 **TELEPHONE No.:** _____ **E-MAIL ADDRESS:** _____

11 **6. CONTACT DESIGNATION (INDIVIDUAL) TO RECEIVE ALL**
12 **CORRESPONDENCE (EXCEPT BULLETINS) AND TELEPHONE CALLS FROM THE**
13 **DIVISION (IF DIFFERENT FROM ABOVE):**

14 **NAME:** _____

15 **ADDRESS:** _____

16 **TITLE:** _____ **TELEPHONE No.:** _____

17 **E-MAIL ADDRESS:** _____

18 **I CERTIFY THAT I AM AUTHORIZED TO SIGN THIS FORM ON BEHALF OF THIS**
19 **COMMON INTEREST COMMUNITY ASSOCIATION, AND THAT THE INFORMATION**
20 **PROVIDED IS TRUE AND CORRECT.**

21 **SIGNATURE OF CICA OFFICER:**

22 **NAME (PRINT)** _____ **DATE** _____

23 **TITLE:** _____ **”.**

24 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
25 **October 1, 2009.**