

HOUSE BILL 1339

N1

11r3071

By: **Delegates Braveboy, Barnes, Frush, and Pena-Melnyk**

Introduced and read first time: March 7, 2011

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Homeowners Associations – Election of Governing Body**

3 FOR the purpose of prohibiting, with respect to a homeowners association, a declarant
4 and its affiliates from voting to elect the governing body of a homeowners
5 association at the meeting to elect the governing body; and generally relating to
6 the election of the governing body of a homeowners association.

7 BY repealing and reenacting, with amendments,
8 Article – Real Property
9 Section 11B–106.1(a) and (e)(3)
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2010 Supplement)

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

14 **Article – Real Property**

15 11B–106.1.

16 (a) **(1)** A meeting of the members of the homeowners association to elect a
17 governing body of the homeowners association shall be held within:

18 **[(1)] (I)** 60 days from the date that at least 75% of the total number
19 of lots that may be part of the development after all phases are complete are sold to
20 members of the public for residential purposes; or

21 **[(2)] (II)** If a lesser percentage is specified in the governing
22 documents of the homeowners association, 60 days from the date the specified lesser
23 percentage of the total number of lots in the development after all phases are complete
24 are sold to members of the public for residential purposes.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) AT THE MEETING TO ELECT A GOVERNING BODY OF THE**
2 **HOMEOWNERS ASSOCIATION, THE DECLARANT AND ITS AFFILIATES MAY NOT**
3 **VOTE IN THE ELECTION OF THE GOVERNING BODY.**

4 (e) (3) Until all members of the governing body are elected [by the lot
5 owners] at a transitional meeting under subsection (a) of this section, a contract
6 entered into by the governing body may be terminated, at the discretion of the
7 governing body and without liability for the termination, not later than 30 days after
8 notice.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2011.