

Chapter 110

(House Bill 388)

AN ACT concerning

Maryland Condominium Act – Closed Meetings of Board of Directors

FOR the purpose of altering the purposes for which a meeting of the board of directors of a condominium council of unit owners may be held in closed session; and generally relating to meetings of the board of directors of a condominium council of unit owners.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 11–109.1

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

Article – Real Property

11–109.1.

(a) A meeting of the board of directors may be held in closed session only for the following purposes:

- (1) Discussion of matters pertaining to employees and personnel;
- (2) Protection of the privacy or reputation of individuals in matters not related to the council of unit owners' business;
- (3) Consultation with legal counsel on legal matters;
- (4) Consultation with staff personnel, consultants, attorneys, board members, or other persons in connection with pending or potential litigation or other legal matters;
- (5) Investigative proceedings concerning possible or actual criminal misconduct;
- (6) **CONSIDERATION OF THE TERMS OR CONDITIONS OF A BUSINESS TRANSACTION IN THE NEGOTIATION STAGE IF THE DISCLOSURE**

COULD ADVERSELY AFFECT THE ECONOMIC INTERESTS OF THE COUNCIL OF UNIT OWNERS;

(7) Complying with a specific constitutional, statutory, or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or

[(7)] (8) Discussion of individual owner assessment accounts.

(b) If a meeting is held in closed session under subsection (a) of this section:

(1) An action may not be taken and a matter may not be discussed if it is not permitted by subsection (a) of this section; and

(2) A statement of the time, place, and purpose of any closed meeting, the record of the vote of each board member by which any meeting was closed, and the authority under this section for closing any meeting shall be included in the minutes of the next meeting of the board of directors.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, April 9, 2013.