

# HOUSE BILL 388

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By: **Delegates Gilchrist, Lee, McMillan, Norman, and S. Robinson**

Introduced and read first time: January 25, 2013

Assigned to: Environmental Matters

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Committee Report: Favorable

House action: Adopted

Read second time: February 26, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Condominium Act – Closed Meetings of Board of Directors**

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

7 BY repealing and reenacting, with amendments,  
8 Article – Real Property  
9 Section 11–109.1  
10 Annotated Code of Maryland  
11 (2010 Replacement Volume and 2012 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 11–109.1.

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

18 (1) Discussion of matters pertaining to employees and personnel;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2) Protection of the privacy or reputation of individuals in matters not  
2 related to the council of unit owners' business;

3 (3) Consultation with legal counsel on legal matters;

4 (4) Consultation with staff personnel, consultants, attorneys, board  
5 members, or other persons in connection with pending or potential litigation or other  
6 legal matters;

7 (5) Investigative proceedings concerning possible or actual criminal  
8 misconduct;

9 (6) **CONSIDERATION OF THE TERMS OR CONDITIONS OF A**  
10 **BUSINESS TRANSACTION IN THE NEGOTIATION STAGE IF THE DISCLOSURE**  
11 **COULD ADVERSELY AFFECT THE ECONOMIC INTERESTS OF THE COUNCIL OF**  
12 **UNIT OWNERS;**

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

16 **[(7)] (8)** Discussion of individual owner assessment accounts.

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

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

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

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.