

SENATE BILL 189

N1

9lr1021

By: **Senator Cassilly**

Introduced and read first time: January 23, 2019

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Condominiums and Homeowners Associations – Election of Governing Body**

3 FOR the purpose of authorizing the unit owners of a condominium to call a certain meeting
4 to elect a board of directors under certain circumstances; authorizing the lot owners
5 of a homeowners association to call a certain meeting to elect a governing body under
6 certain circumstances; making a stylistic change; providing for the application of this
7 Act; and generally relating to the election of governing bodies of condominiums and
8 homeowners associations.

9 BY repealing and reenacting, with amendments,
10 Article – Real Property
11 Section 11–109(c)(16)(i) and 11B–106.1(a)
12 Annotated Code of Maryland
13 (2015 Replacement Volume and 2018 Supplement)

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

16 **Article – Real Property**

17 11–109.

18 (c) (16) (i) A meeting of the council of unit owners to elect a board of
19 directors for the council of unit owners, as provided in the condominium declaration or
20 [bylaws, shall] **BYLAWS:**

21 1. **SHALL** be held within:

22 [1.] **A.** 60 days from the date that units representing 50
23 [percent] % of the votes in the condominium have been conveyed by the developer to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 members of the public for residential purposes; or

2 **[2.] B.** If a lesser percentage is specified in the declaration
3 or bylaws of the condominium, 60 days from the date the specified lesser percentage of units
4 in the condominium are sold to members of the public for residential purposes; AND

5 **2. MAY BE CALLED BY THE UNIT OWNERS 365 DAYS**
6 **FROM THE DATE ON WHICH 51% OF THE UNITS ARE SOLD TO MEMBERS OF THE**
7 **PUBLIC FOR RESIDENTIAL PURPOSES IF:**

8 **A. THE CONDOMINIUM REGIME WAS ESTABLISHED AT**
9 **LEAST 10 YEARS BEFORE THE DATE OF THE MEETING; AND**

10 **B. THE UNIT OWNERS HAVE CONTRIBUTED AT LEAST**
11 **80% OF THE OPERATING BUDGET AND CAPITAL RESERVES OF THE CONDOMINIUM**
12 **FOR AT LEAST 2 YEARS.**

13 11B-106.1.

14 (a) A meeting of the members of the homeowners association to elect a governing
15 body of the homeowners association [shall]:

16 **(1) SHALL** be held within:

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

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

24 **(2) MAY BE CALLED BY THE LOT OWNERS 365 DAYS FROM THE DATE**
25 **ON WHICH 51% OF THE ORIGINALLY APPROVED LOTS ARE SOLD TO MEMBERS OF**
26 **THE PUBLIC FOR RESIDENTIAL PURPOSES IF:**

27 **(I) THE HOMEOWNERS ASSOCIATION DECLARATION WAS**
28 **INITIALLY RECORDED AT LEAST 10 YEARS BEFORE THE DATE OF THE MEETING; AND**

29 **(II) THE LOT OWNERS HAVE CONTRIBUTED AT LEAST 80% OF**
30 **THE OPERATING BUDGET AND CAPITAL RESERVES OF THE HOMEOWNERS**
31 **ASSOCIATION FOR AT LEAST 2 YEARS.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to any
2 condominium or homeowners association that meets the requirements to call a meeting
3 under this Act on or after the effective date of this Act.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2019.