

SENATE BILL 1056

N1, D5

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CF HB 1077

By: **Senator Sydnor**

Introduced and read first time: February 24, 2020

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Deletion of Unlawful Ownership Restrictions – Exemption From**
3 **Fees and Surcharges**

4 FOR the purpose of providing that certain fees and surcharges on the recordation of
5 instruments among the land records do not apply to the recordation of a certain
6 restrictive covenant modification or an amendment to the common area deeds or
7 other declarations of a homeowners association that deletes a covenant or restriction
8 that restricts ownership based on race, religious belief, or national origin in
9 accordance with certain provisions of law; repealing a certain deadline for the
10 governing body of a homeowners association to delete certain recorded covenants or
11 restrictions from the common area deeds or other declarations of property in the
12 development; and generally relating to the deletion of recorded covenants or
13 restrictions that restrict ownership based on race, religious belief, or national origin
14 from deeds, declarations, and other instruments.

15 BY repealing and reenacting, with amendments,
16 Article – Courts and Judicial Proceedings
17 Section 13–604(c)
18 Annotated Code of Maryland
19 (2013 Replacement Volume and 2019 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Real Property
22 Section 3–601(a) and 11B–113.3
23 Annotated Code of Maryland
24 (2015 Replacement Volume and 2019 Supplement)

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

27 **Article – Courts and Judicial Proceedings**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 13-604.

2 (c) The surcharge may not be charged [to]:

3 (1) TO an entity that is exempt from the payment of fees under §
4 3-603 of the Real Property Article;

5 (2) FOR THE RECORDATION OF A RESTRICTIVE COVENANT
6 MODIFICATION EXECUTED UNDER § 3-112 OF THE REAL PROPERTY ARTICLE; OR

7 (3) FOR THE RECORDATION OF AN AMENDMENT TO THE COMMON
8 AREA DEEDS OR OTHER DECLARATIONS OF A HOMEOWNERS ASSOCIATION THAT
9 DELETES A RECORDED COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP
10 BASED ON RACE, RELIGIOUS BELIEF, OR NATIONAL ORIGIN IN ACCORDANCE WITH §
11 11B-113.3 OF THE REAL PROPERTY ARTICLE.

12 **Article - Real Property**

13 3-601.

14 (a) (1) In this subsection, "page" means one side of a leaf not larger than 8 1/2
15 inches wide by 14 inches long, or any portion of it.

16 (2) [Before] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS
17 SUBSECTION, BEFORE recording an instrument among the land or financing records, a
18 clerk shall collect:

19 (i) \$10 for a release 9 pages or less in length;

20 (ii) \$20 for any other instrument 9 pages or less in length;

21 (iii) Except as provided in item (i) of this paragraph, \$20 for an
22 instrument, regardless of length, involving solely a principal residence; and

23 (iv) \$75 for any other instrument 10 pages or more in length.

24 (3) The recording costs under this subsection shall also apply to
25 instruments required to be recorded in the financing statement records of the State
26 Department of Assessments and Taxation.

27 (4) A CLERK MAY NOT COLLECT A FEE FOR THE RECORDATION OF:

28 (1) A RESTRICTIVE COVENANT MODIFICATION EXECUTED
29 UNDER § 3-112 OF THIS TITLE; OR

1 **(II) AN AMENDMENT TO THE COMMON AREA DEEDS OR OTHER**
2 **DECLARATIONS OF A HOMEOWNERS ASSOCIATION THAT DELETES A RECORDED**
3 **COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP BASED ON RACE,**
4 **RELIGIOUS BELIEF, OR NATIONAL ORIGIN IN ACCORDANCE WITH § 11B-113.3 OF**
5 **THIS ARTICLE.**

6 11B-113.3.

7 (a) This section applies to any recorded covenant or restriction that restricts
8 ownership based on race, religious belief, or national origin, including a covenant or
9 restriction that is part of a uniform general scheme or plan of development.

10 (b) (1) [On or before September 30, 2019, the] **THE** governing body of a
11 homeowners association shall delete any recorded covenant or restriction that restricts
12 ownership based on race, religious belief, or national origin from the common area deeds or
13 other declarations of property in the development.

14 (2) Notwithstanding the provisions of a governing document, the governing
15 body of a homeowners association may delete a recorded covenant or restriction that
16 restricts ownership based on race, religious belief, or national origin from the common area
17 deeds or other declarations of property in the development without approval of the lot
18 owners.

19 (3) The governing body of the homeowners association shall record with the
20 clerk of the court in the jurisdiction where the development is located an amendment to the
21 common area deeds or other declarations that include the recorded covenant or restriction
22 that provides for the deletion of the recorded covenant or restriction from the common area
23 deeds or declarations of the property in the development.

24 (c) Beginning on October 1, 2019, within 180 days after receiving a written
25 request from a lot owner, the governing body of a homeowners association shall delete a
26 recorded covenant or restriction that restricts ownership based on race, religious belief, or
27 national origin from the common area deeds or other declarations of property in the
28 development, in accordance with this section.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2020.