

SENATE BILL 686

N1

11r2023
CF 11r0820

By: **Senator Smith**

Introduced and read first time: February 3, 2021

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Condominiums, Homeowners Associations, and Cooperative**
3 **Housing Corporations – Virtual Meetings**

4 FOR the purpose of authorizing the governing body of a condominium, homeowners
5 association, or cooperative housing corporation to authorize certain meetings to be
6 conducted or attended by certain electronic means under certain circumstances;
7 authorizing certain individuals who attend a meeting by certain electronic means to
8 be deemed present for certain purposes; authorizing certain matters to be set for a
9 vote at a certain virtual meeting under certain circumstances; authorizing certain
10 members, unit owners, and lot owners who attend a meeting virtually to vote in a
11 certain manner under certain circumstances; authorizing certain members, unit
12 owners, and lot owners to vote by proxy in a certain manner under certain
13 circumstances; requiring the governing body of a condominium, homeowners
14 association, or cooperative housing corporation to comply with certain notice
15 requirements in order to conduct a virtual meeting; providing that nominations from
16 the floor are not required at a certain virtual meeting under certain circumstances;
17 providing that the inability of a certain individual to join a certain virtual meeting
18 does not invalidate the meeting or actions taken at the meeting; and generally
19 relating to condominiums, homeowners associations, and cooperative housing
20 corporations.

21 BY adding to
22 Article – Corporations and Associations
23 Section 5–6B–25.1
24 Annotated Code of Maryland
25 (2014 Replacement Volume and 2020 Supplement)

26 BY adding to
27 Article – Real Property
28 Section 11–139.3 and 11B–113.6
29 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2015 Replacement Volume and 2020 Supplement)

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

Article – Corporations and Associations

5-6B-25.1.

(A) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR IN THE GOVERNING DOCUMENTS OF THE COOPERATIVE HOUSING CORPORATION, THE BOARD OF DIRECTORS MAY AUTHORIZE ANY MEETINGS OF THE COOPERATIVE HOUSING CORPORATION, THE BOARD OF DIRECTORS, OR A COMMITTEE OF THE COOPERATIVE HOUSING CORPORATION TO BE CONDUCTED OR ATTENDED BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS.

(2) IF A MEETING IS CONDUCTED BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS, THE EQUIPMENT OR SYSTEM USED MUST PERMIT ANY MEMBER, BOARD MEMBER, OR COMMITTEE MEMBER IN ATTENDANCE TO HEAR AND BE HEARD BY ALL OTHER MEMBERS PARTICIPATING IN THE MEETING.

(3) A LINK OR INSTRUCTIONS ON HOW TO ACCESS THE MEETING BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS SHALL BE INCLUDED IN THE NOTICE OF THE MEETING.

(4) NO SPECIFIC AUTHORIZATION FROM MEMBERS SHALL BE REQUIRED TO HOLD A MEETING ELECTRONICALLY.

(B) ANY MEMBER, BOARD MEMBER, OR COMMITTEE MEMBER ATTENDING A MEETING BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS SHALL BE DEEMED PRESENT FOR QUORUM AND VOTING PURPOSES.

(C) (1) (I) ANY MATTER REQUIRING A VOTE OF THE COOPERATIVE HOUSING CORPORATION MAY BE SET BY THE BOARD OF DIRECTORS FOR A VOTE AT THE MEETING, AND A BALLOT MAY BE DELIVERED TO MEMBERS WITH NOTICE OF THE MEETING.

(II) ONLY THOSE MEMBERS PRESENT DURING THE TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEETING SHALL BE AUTHORIZED TO VOTE A BALLOT IN ACCORDANCE WITH THIS SUBSECTION.

(III) MEMBERS WHO ARE NOT PRESENT AT THE MEETING MAY:

1 1. **VOTE BY PROXY IN ACCORDANCE WITH THE**
2 **REQUIREMENTS OF THE GOVERNING DOCUMENTS AND THIS TITLE; AND**

3 2. **BE CONSIDERED PRESENT FOR QUORUM PURPOSES**
4 **THROUGH THEIR PROXY.**

5 (2) (I) **THE BOARD OF DIRECTORS MAY SET A REASONABLE**
6 **DEADLINE FOR RETURN OF A BALLOT TO THE COOPERATIVE HOUSING**
7 **CORPORATION, INCLUDING RETURN BY ELECTRONIC TRANSMISSION.**

8 (II) **THE DEADLINE FOR RETURN OF THE BALLOT SHALL BE NOT**
9 **LATER THAN 24 HOURS AFTER THE CONCLUSION OF THE MEETING.**

10 (D) **EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR THE GOVERNING**
11 **DOCUMENTS OF THE COOPERATIVE HOUSING CORPORATION, NOMINATIONS FROM**
12 **THE FLOOR AT THE MEETING ARE NOT REQUIRED IF AT LEAST ONE CANDIDATE HAS**
13 **BEEN NOMINATED TO FILL EACH OPEN BOARD POSITION.**

14 (E) **THE INABILITY OF A MEMBER TO JOIN A MEETING DUE TO TECHNICAL**
15 **DIFFICULTIES WITH THE MEMBER'S TELEPHONE, COMPUTER, OR OTHER**
16 **ELECTRONIC DEVICE DOES NOT INVALIDATE THE MEETING OR ANY ACTION TAKEN**
17 **AT THE MEETING.**

18 Article – Real Property

19 11-139.3.

20 (A) (1) **EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR IN THE**
21 **GOVERNING DOCUMENTS OF THE COUNCIL OF UNIT OWNERS, THE BOARD OF**
22 **DIRECTORS MAY AUTHORIZE ANY MEETINGS OF THE COUNCIL OF UNIT OWNERS, THE**
23 **BOARD OF DIRECTORS, OR A COMMITTEE OF THE COUNCIL OF UNIT OWNERS OR THE**
24 **BOARD OF DIRECTORS TO BE CONDUCTED OR ATTENDED BY TELEPHONE**
25 **CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS.**

26 (2) **IF A MEETING IS CONDUCTED BY TELEPHONE CONFERENCE,**
27 **VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS, THE EQUIPMENT OR SYSTEM**
28 **USED MUST PERMIT ANY UNIT OWNER, BOARD MEMBER, OR COMMITTEE MEMBER IN**
29 **ATTENDANCE TO HEAR AND BE HEARD BY ALL OTHERS PARTICIPATING IN THE**
30 **MEETING.**

31 (3) **A LINK OR INSTRUCTIONS ON HOW TO ACCESS THE MEETING BY**
32 **TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS**
33 **SHALL BE INCLUDED IN THE NOTICE OF THE MEETING.**

1 **(4) NO SPECIFIC AUTHORIZATION FROM UNIT OWNERS SHALL BE**
2 **REQUIRED TO HOLD A MEETING ELECTRONICALLY.**

3 **(B) ANY UNIT OWNER, BOARD MEMBER, OR COMMITTEE MEMBER**
4 **ATTENDING A MEETING BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR**
5 **SIMILAR ELECTRONIC MEANS SHALL BE DEEMED PRESENT FOR QUORUM AND**
6 **VOTING PURPOSES.**

7 **(C) (1) (I) ANY MATTER REQUIRING A VOTE OF THE COUNCIL OF UNIT**
8 **OWNERS MAY BE SET BY THE BOARD OF DIRECTORS FOR A VOTE AT THE MEETING,**
9 **AND A BALLOT MAY BE DELIVERED TO UNIT OWNERS WITH NOTICE OF THE MEETING.**

10 **(II) ONLY THOSE UNIT OWNERS PRESENT DURING THE**
11 **TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC**
12 **MEETING SHALL BE AUTHORIZED TO VOTE BY BALLOT IN ACCORDANCE WITH THIS**
13 **SUBSECTION.**

14 **(III) UNIT OWNERS WHO ARE NOT PRESENT AT THE MEETING**
15 **MAY:**

16 **1. VOTE BY PROXY IN ACCORDANCE WITH THE**
17 **REQUIREMENTS OF THE GOVERNING DOCUMENTS AND THIS TITLE; AND**

18 **2. BE CONSIDERED PRESENT FOR QUORUM PURPOSES**
19 **THROUGH THEIR PROXY.**

20 **(2) (I) THE BOARD OF DIRECTORS MAY SET A REASONABLE**
21 **DEADLINE FOR RETURN OF A BALLOT TO THE COUNCIL OF UNIT OWNERS,**
22 **INCLUDING RETURN BY ELECTRONIC TRANSMISSION.**

23 **(II) THE DEADLINE FOR RETURN OF THE BALLOT SHALL BE NOT**
24 **LATER THAN 24 HOURS AFTER THE CONCLUSION OF THE MEETING.**

25 **(D) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR THE GOVERNING**
26 **DOCUMENTS OF THE COUNCIL OF UNIT OWNERS, NOMINATIONS FROM THE FLOOR**
27 **AT THE MEETING ARE NOT REQUIRED IF LEAST ONE CANDIDATE HAS BEEN**
28 **NOMINATED TO FILL EACH OPEN BOARD POSITION.**

29 **(E) THE INABILITY OF A UNIT OWNER TO JOIN A MEETING DUE TO**
30 **TECHNICAL DIFFICULTIES WITH THE UNIT OWNER'S TELEPHONE, COMPUTER, OR**
31 **OTHER ELECTRONIC DEVICE DOES NOT INVALIDATE THE MEETING OR ANY ACTION**
32 **TAKEN AT THE MEETING.**

1 11B-113.6.

2 (A) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR IN THE
3 GOVERNING DOCUMENTS OF THE HOMEOWNERS ASSOCIATION, THE GOVERNING
4 BODY MAY AUTHORIZE MEETINGS OF THE HOMEOWNERS ASSOCIATION, THE
5 GOVERNING BODY, OR A COMMITTEE OF THE HOMEOWNERS ASSOCIATION TO BE
6 CONDUCTED OR ATTENDED BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR
7 SIMILAR ELECTRONIC MEANS.

8 (2) IF A MEETING IS CONDUCTED BY TELEPHONE CONFERENCE,
9 VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS, THE EQUIPMENT OR SYSTEM
10 USED MUST PERMIT ANY LOT OWNER, BOARD MEMBER, OR COMMITTEE MEMBER IN
11 ATTENDANCE TO HEAR AND BE HEARD BY ALL OTHERS PARTICIPATING IN THE
12 MEETING.

13 (3) A LINK OR INSTRUCTIONS ON HOW TO ACCESS THE MEETING BY
14 TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC MEANS
15 SHALL BE INCLUDED IN THE NOTICE OF THE MEETING.

16 (4) NO SPECIFIC AUTHORIZATION FROM LOT OWNERS SHALL BE
17 REQUIRED TO HOLD A MEETING ELECTRONICALLY.

18 (B) ANY LOT OWNER, BOARD MEMBER, OR COMMITTEE MEMBER
19 ATTENDING A MEETING BY TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR
20 SIMILAR ELECTRONIC MEANS SHALL BE DEEMED PRESENT FOR QUORUM AND
21 VOTING PURPOSES.

22 (C) (1) (I) ANY MATTER REQUIRING A VOTE OF THE HOMEOWNERS
23 ASSOCIATION MAY BE SET BY THE GOVERNING BODY FOR A VOTE AT THE MEETING,
24 AND A BALLOT MAY BE DELIVERED TO MEMBERS WITH NOTICE OF THE MEETING.

25 (II) ONLY THOSE LOT OWNERS PRESENT DURING THE
26 TELEPHONE CONFERENCE, VIDEO CONFERENCE, OR SIMILAR ELECTRONIC
27 MEETING SHALL BE AUTHORIZED TO VOTE A BALLOT IN ACCORDANCE WITH THIS
28 SUBSECTION.

29 (III) LOT OWNERS WHO ARE NOT PRESENT AT THE MEETING
30 MAY:

31 1. VOTE BY PROXY IN ACCORDANCE WITH THE
32 REQUIREMENTS OF THE GOVERNING DOCUMENTS AND THIS TITLE; AND

1 **2. BE CONSIDERED PRESENT FOR QUORUM PURPOSES**
 2 **THROUGH THEIR PROXY.**

3 **(2) (I) THE GOVERNING BODY MAY SET A REASONABLE DEADLINE**
 4 **FOR RETURN OF A BALLOT TO THE HOMEOWNERS ASSOCIATION, INCLUDING**
 5 **RETURN BY ELECTRONIC TRANSMISSION.**

6 **(II) THE DEADLINE FOR RETURN OF THE BALLOT SHALL BE NOT**
 7 **LATER THAN 24 HOURS AFTER THE CONCLUSION OF THE MEETING.**

8 **(D) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR THE GOVERNING**
 9 **DOCUMENTS OF THE HOMEOWNERS ASSOCIATION, NOMINATIONS FROM THE FLOOR**
 10 **AT THE MEETING ARE NOT REQUIRED IF LEAST ONE CANDIDATE HAS BEEN**
 11 **NOMINATED TO FILL EACH OPEN POSITION IN THE GOVERNING BODY.**

12 **(E) THE INABILITY OF A LOT OWNER TO JOIN A MEETING DUE TO**
 13 **TECHNICAL DIFFICULTIES WITH THE LOT OWNER'S TELEPHONE, COMPUTER, OR**
 14 **OTHER ELECTRONIC DEVICE DOES NOT INVALIDATE THE MEETING OR ANY ACTION**
 15 **TAKEN AT THE MEETING.**

16 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
 17 **October 1, 2021.**