

# HOUSE BILL 331

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HB 1147/22 – ENT

3lr1525

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By: **Delegates Terrasa, Fair, and Hill**  
Introduced and read first time: January 25, 2023  
Assigned to: Environment and Transportation

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## A BILL ENTITLED

1 AN ACT concerning

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

4 FOR the purpose of requiring a person conducting a meeting of a cooperative housing  
5 corporation, condominium, or homeowners association by telephone conference,  
6 video conference, or similar electronic means to provide a participant a reasonable  
7 opportunity to participate in the meeting; requiring certain participants in a meeting  
8 of a cooperative housing corporation, condominium, or homeowners association to  
9 have equal access to any available chat function; specifying that a meeting of a  
10 cooperative housing corporation, condominium, or homeowners association by  
11 electronic transmission is a closed meeting and may be held only under certain  
12 circumstances; and generally relating to cooperative housing corporations,  
13 condominiums, and homeowners associations.

14 BY repealing and reenacting, without amendments,  
15 Article – Corporations and Associations  
16 Section 5–6B–19  
17 Annotated Code of Maryland  
18 (2014 Replacement Volume and 2022 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article – Corporations and Associations  
21 Section 5–6B–25.1  
22 Annotated Code of Maryland  
23 (2014 Replacement Volume and 2022 Supplement)

24 BY repealing and reenacting, without amendments,  
25 Article – Real Property  
26 Section 11–109.1 and 11B–111  
27 Annotated Code of Maryland  
28 (2015 Replacement Volume and 2022 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,  
2 Article – Real Property  
3 Section 11–139.3 and 11B–113.6  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2022 Supplement)

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

8 **Article – Corporations and Associations**

9 5–6B–19.

10 (a) This section applies to any meeting of a cooperative housing corporation, the  
11 governing body of a cooperative housing corporation, or a committee of a cooperative  
12 housing corporation, notwithstanding anything contained in the documents of the  
13 cooperative housing corporation.

14 (b) Subject to the provisions of subsection (e) of this section, all meetings of the  
15 cooperative housing corporation shall be open to the members of the cooperative housing  
16 corporation or their agents.

17 (c) All members shall be given reasonable notice of all regularly scheduled open  
18 meetings of the cooperative housing corporation.

19 (d) (1) This subsection does not apply to a meeting of a governing body that  
20 occurs at any time before the members, other than the developer, have a majority of votes  
21 in the cooperative housing corporation.

22 (2) Subject to paragraph (3) of this subsection and to reasonable rules  
23 adopted by a governing body, a governing body shall provide a designated period of time  
24 during a meeting to allow members an opportunity to comment on any matter relating to  
25 the cooperative housing corporation.

26 (3) During a meeting at which the agenda is limited to specific topics or at  
27 a special meeting, the comments of members may be limited to the topics listed on the  
28 meeting agenda.

29 (e) (1) A meeting of a cooperative housing corporation may be held in closed  
30 session only for the purpose of:

31 (i) Discussing matters pertaining to employees and personnel;

32 (ii) Protecting the privacy or reputation of individuals in matters not  
33 related to the business of the cooperative housing corporation;

1 (iii) Consulting with legal counsel on legal matters;

2 (iv) Consulting with staff personnel, consultants, attorneys, board  
3 members, or other persons in connection with pending or potential litigation or other legal  
4 matters;

5 (v) Conducting investigative proceedings concerning possible or  
6 actual criminal misconduct;

7 (vi) Considering the terms or conditions of a business transaction in  
8 the negotiation stage if the disclosure could adversely affect the economic interests of the  
9 cooperative housing corporation;

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

13 (viii) Discussing individual owner assessment accounts.

14 (2) If a meeting is held in closed session under paragraph (1) of this  
15 subsection:

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

18 (ii) The minutes of the next meeting of the cooperative housing  
19 corporation shall include:

20 1. A statement of the time, place, and purpose of a closed  
21 meeting;

22 2. A record of the vote of each board or committee member by  
23 which the meeting was closed; and

24 3. A statement of the authority under this subsection for  
25 closing the meeting.

26 5-6B-25.1.

27 (a) (1) Notwithstanding language contained in the governing documents of the  
28 cooperative housing corporation, the board of directors may authorize any meetings of the  
29 cooperative housing corporation, the board of directors, or a committee of the cooperative  
30 housing corporation to be conducted or attended by telephone conference, video conference,  
31 or similar electronic means.

32 (2) If a meeting is conducted by telephone conference, video conference, or  
33 similar electronic means[, the]:

1                   **(I) THE equipment or system used must permit any member, board**  
2 **member, or committee member in attendance to hear and be heard by all other members**  
3 **participating in the meeting IN ACCORDANCE WITH THE GOVERNING DOCUMENTS;**

4                   **(II) THE PERSON CONDUCTING THE MEETING SHALL ALLOW**  
5 **ALL PARTICIPANTS A REASONABLE OPPORTUNITY TO:**

6                   1.     **BE HEARD BY ALL OTHER MEMBERS PARTICIPATING**  
7 **IN THE MEETING; AND**

8                   2.     **PARTICIPATE IN THE MEETING TO THE SAME EXTENT**  
9 **AS IF THE MEETING WERE CONDUCTED IN PERSON;**

10                  **(III) PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE**  
11 **ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR**  
12 **THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:**

13                  1.     **WHILE THE GOVERNING BODY OR ITS DESIGNEE IS**  
14 **CONDUCTING BUSINESS;**

15                  2.     **DURING PRESENTATIONS; AND**

16                  3.     **TO AVOID INTERFERENCE FROM BACKGROUND**  
17 **NOISE; AND**

18                  **(IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO**  
19 **CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE**  
20 **PERSON'S DESIGNEE MAY:**

21                  1.     **REVOKE THE ABILITY FOR THE PARTICIPANT TO**  
22 **UNMUTE; AND**

23                  2.     **IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**  
24 **MEETING AFTER WARNING THE PARTICIPANT.**

25                  **(3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**  
26 **ELECTRONIC MEANS, ALL PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY**  
27 **CHAT FUNCTION.**

28                  **(4) A link or instructions on how to access the meeting by telephone**  
29 **conference, video conference, or similar electronic means shall be included in the notice of**  
30 **the meeting.**

1            **[(4)] (5)**        No specific authorization from members shall be required to hold  
2 a meeting electronically.

3            **(6)    A MEETING OF THE BOARD OF DIRECTORS HELD BY ELECTRONIC**  
4 **TRANSMISSION IS DEEMED TO BE A CLOSED MEETING AND MAY BE HELD ONLY IN**  
5 **ACCORDANCE WITH § 5-6B-19 OF THIS SUBTITLE.**

6            (b)    Any member, board member, or committee member attending a meeting by  
7 telephone conference, video conference, or similar electronic means shall be deemed present  
8 for quorum and voting purposes.

9            (c)    (1)    (i)    Any matter requiring a vote of the cooperative housing  
10 corporation may be set by the board of directors for a vote at the meeting, and a ballot may  
11 be delivered to members with notice of the meeting.

12                            (ii)    Only those members present during the telephone conference,  
13 video conference, or similar electronic meeting shall be authorized to vote a ballot in  
14 accordance with this subsection.

15                            (iii)    Members who are not present at the meeting may:

16    1.    Vote by proxy in accordance with the requirements of the  
17 governing documents and this title; and

18    2.    Be considered present for quorum purposes through their  
19 proxy.

20            (2)    (i)    The board of directors may set a reasonable deadline for return  
21 of a ballot to the cooperative housing corporation, including return by electronic  
22 transmission.

23                            (ii)    The deadline for return of the ballot shall be not later than 24  
24 hours after the conclusion of the meeting.

25            (d)    Notwithstanding language contained in the governing documents of the  
26 cooperative housing corporation, nominations from the floor at the meeting are not required  
27 if at least one candidate has been nominated to fill each open board position.

28            (e)    The inability of a member to join a meeting due to technical difficulties with  
29 the member's telephone, computer, or other electronic device does not invalidate the  
30 meeting or any action taken at the meeting.

31    **Article – Real Property**

32 11-109.1.

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

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

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

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

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

10 (5) Investigative proceedings concerning possible or actual criminal  
11 misconduct;

12 (6) Consideration of the terms or conditions of a business transaction in the  
13 negotiation stage if the disclosure could adversely affect the economic interests of the  
14 council of unit owners;

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

18 (8) Discussion of individual owner assessment accounts.

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

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

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

26 (c) Nothing in this section may be interpreted to authorize the board of directors  
27 to withhold or agree to withhold from the unit owners the terms of any legal agreement to  
28 which the council of unit owners is a party.

29 11-139.3.

30 (a) (1) Notwithstanding language contained in the governing documents of the  
31 council of unit owners, the board of directors may authorize any meetings of the council of  
32 unit owners, the board of directors, or a committee of the council of unit owners or the board

1 of directors to be conducted or attended by telephone conference, video conference, or  
2 similar electronic means.

3 (2) If a meeting is conducted by telephone conference, video conference, or  
4 similar electronic means[, the]:

5 (I) THE equipment or system used must permit any unit owner,  
6 board member, or committee member in attendance to hear and be heard by all others  
7 participating in the meeting **IN ACCORDANCE WITH THE GOVERNING DOCUMENTS;**

8 (II) THE PERSON CONDUCTING THE MEETING SHALL ALLOW  
9 ALL PARTICIPANTS A REASONABLE OPPORTUNITY TO:

10 1. BE HEARD BY ALL OTHERS PARTICIPATING IN THE  
11 MEETING; AND

12 2. PARTICIPATE IN THE MEETING TO THE SAME EXTENT  
13 AS IF THE MEETING WERE CONDUCTED IN PERSON;

14 (III) PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE  
15 ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR  
16 THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:

17 1. WHILE THE GOVERNING BODY OR ITS DESIGNEE IS  
18 CONDUCTING BUSINESS;

19 2. DURING PRESENTATIONS; AND

20 3. TO AVOID INTERFERENCE FROM BACKGROUND  
21 NOISE; AND

22 (IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO  
23 CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE  
24 PERSON'S DESIGNEE MAY:

25 1. REVOKE THE ABILITY FOR THE PARTICIPANT TO  
26 UNMUTE; AND

27 2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE  
28 MEETING AFTER WARNING THE PARTICIPANT.

29 (3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR  
30 ELECTRONIC MEANS, ALL PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY  
31 CHAT FUNCTION.

1           **(4)** A link or instructions on how to access the meeting by telephone  
2 conference, video conference, or similar electronic means shall be included in the notice of  
3 the meeting.

4           ~~[(4)]~~ **(5)** No specific authorization from unit owners shall be required to  
5 hold a meeting electronically.

6           **(6) A MEETING OF THE BOARD OF DIRECTORS HELD BY ELECTRONIC**  
7 **TRANSMISSION IS DEEMED TO BE A CLOSED MEETING AND MAY BE HELD ONLY IN**  
8 **ACCORDANCE WITH § 11-109.1 OF THIS TITLE.**

9           (b) Any unit owner, board member, or committee member attending a meeting by  
10 telephone conference, video conference, or similar electronic means shall be deemed present  
11 for quorum and voting purposes.

12           (c) (1) (i) Any matter requiring a vote of the council of unit owners may be  
13 set by the board of directors for a vote at the meeting, and a ballot may be delivered to unit  
14 owners with notice of the meeting.

15                           (ii) Only those unit owners present during the telephone conference,  
16 video conference, or similar electronic meeting shall be authorized to vote by ballot in  
17 accordance with this subsection.

18                           (iii) Unit owners who are not present at the meeting may:

19   1. Vote by proxy in accordance with the requirements of the  
20 governing documents and this title; and

21   2. Be considered present for quorum purposes through their  
22 proxy.

23           (2) (i) The board of directors may set a reasonable deadline for return  
24 of a ballot to the council of unit owners, including return by electronic transmission.

25                           (ii) The deadline for return of the ballot shall be not later than 24  
26 hours after the conclusion of the meeting.

27           (d) Notwithstanding language contained in the governing documents of the  
28 council of unit owners, nominations from the floor at the meeting are not required if at least  
29 one candidate has been nominated to fill each open board position.

30           (e) The inability of a unit owner to join a meeting due to technical difficulties with  
31 the unit owner's telephone, computer, or other electronic device does not invalidate the  
32 meeting or any action taken at the meeting.

33 11B-111.



1 Except as provided in this title, and notwithstanding anything contained in any of  
2 the documents of the homeowners association:

3 (1) Subject to the provisions of item (4) of this section, all meetings of the  
4 homeowners association, including meetings of the board of directors or other governing  
5 body of the homeowners association or a committee of the homeowners association, shall  
6 be open to all members of the homeowners association or their agents;

7 (2) All members of the homeowners association shall be given reasonable  
8 notice of all regularly scheduled open meetings of the homeowners association;

9 (3) (i) This item does not apply to any meeting of a governing body that  
10 occurs at any time before the lot owners, other than the developer, have a majority of votes  
11 in the homeowners association, as provided in the declaration;

12 (ii) Subject to item (iii) of this item and to reasonable rules adopted  
13 by a governing body, a governing body shall provide a designated period of time during a  
14 meeting to allow lot owners an opportunity to comment on any matter relating to the  
15 homeowners association;

16 (iii) During a meeting at which the agenda is limited to specific topics  
17 or at a special meeting, the lot owners' comments may be limited to the topics listed on the  
18 meeting agenda; and

19 (iv) The governing body shall convene at least one meeting each year  
20 at which the agenda is open to any matter relating to the homeowners association;

21 (4) A meeting of the board of directors or other governing body of the  
22 homeowners association or a committee of the homeowners association may be held in  
23 closed session only for the following purposes:

24 (i) Discussion of matters pertaining to employees and personnel;

25 (ii) Protection of the privacy or reputation of individuals in matters  
26 not related to the homeowners association's business;

27 (iii) Consultation with legal counsel on legal matters;

28 (iv) Consultation with staff personnel, consultants, attorneys, board  
29 members, or other persons in connection with pending or potential litigation or other legal  
30 matters;

31 (v) Investigative proceedings concerning possible or actual criminal  
32 misconduct;

1 (vi) Consideration of the terms or conditions of a business  
2 transaction in the negotiation stage if the disclosure could adversely affect the economic  
3 interests of the homeowners association;

4 (vii) Compliance with a specific constitutional, statutory, or judicially  
5 imposed requirement protecting particular proceedings or matters from public disclosure;  
6 or

7 (viii) Discussion of individual owner assessment accounts;

8 (5) If a meeting is held in closed session under item (4) of this section:

9 (i) An action may not be taken and a matter may not be discussed if  
10 it is not permitted by item (4) of this section; and

11 (ii) A statement of the time, place, and purpose of a closed meeting,  
12 the record of the vote of each board or committee member by which the meeting was closed,  
13 and the authority under this section for closing a meeting shall be included in the minutes  
14 of the next meeting of the board of directors or the committee of the homeowners  
15 association; and

16 (6) (i) If the number of lot owners present in person or by proxy at a  
17 properly called meeting is insufficient to constitute a quorum, an additional meeting of the  
18 lot owners may be called for the same purpose if:

19 1. The notice of the initial properly called meeting stated:

20 A. That the procedure authorized by this item (6) might be  
21 invoked; and

22 B. The date, time, and place of the additional meeting; and

23 2. A majority of the lot owners present vote in person or by  
24 proxy to call for the additional meeting;

25 (ii) An additional meeting called under item (i) of this item shall  
26 occur not less than 15 days after the initial properly called meeting;

27 (iii) 1. Not less than 10 days before the additional meeting, a  
28 separate and distinct notice of the date, time, place, and purpose of the additional meeting  
29 called under item (i) of this item shall be:

30 A. Delivered, mailed, or sent by electronic transmission, if  
31 the requirements of § 11B–113.1 of this title are met, to each lot owner at the address shown  
32 on the roster maintained by the homeowners association;

1 B. Advertised in a newspaper published in the county where  
2 the homeowners association is located; or

3 C. If the homeowners association has a website, posted on the  
4 homepage of the website; and

5 2. The notice shall contain the quorum and voting provisions  
6 of item (iv) of this item;

7 (iv) 1. At the additional meeting, the lot owners present in  
8 person or by proxy constitute a quorum; and

9 2. Unless the bylaws provide otherwise, a majority of the lot  
10 owners present in person or by proxy:

11 A. May approve or authorize the proposed action at the  
12 additional meeting; and

13 B. May take any other action that could have been taken at  
14 the original meeting if a sufficient number of lot owners had been present; and

15 (v) This item (6) may not be construed to affect the percentage of  
16 votes required to amend the declaration or bylaws or to take any other action required to  
17 be taken by a specified percentage of votes.

18 11B-113.6.

19 (a) (1) Notwithstanding language contained in the governing documents of the  
20 homeowners association, the governing body may authorize meetings of the homeowners  
21 association, the governing body, or a committee of the homeowners association to be  
22 conducted or attended by telephone conference, video conference, or similar electronic  
23 means.

24 (2) If a meeting is conducted by telephone conference, video conference, or  
25 similar electronic means[, the]:

26 (I) **THE** equipment or system used must permit any lot owner, board  
27 member, or committee member in attendance to hear and be heard by all others  
28 participating in the meeting **IN ACCORDANCE WITH THE GOVERNING DOCUMENTS;**

29 (II) **THE PERSON CONDUCTING THE MEETING SHALL ALLOW**  
30 **ALL PARTICIPANTS A REASONABLE OPPORTUNITY TO:**

31 1. **BE HEARD BY ALL OTHERS PARTICIPATING IN THE**  
32 **MEETING; AND**

1                                   **2. PARTICIPATE IN THE MEETING TO THE SAME EXTENT**  
2 **AS IF THE MEETING WERE CONDUCTED IN PERSON;**

3                                   **(III) PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE**  
4 **ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR**  
5 **THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:**

6                                   **1. WHILE THE GOVERNING BODY OR ITS DESIGNEE IS**  
7 **CONDUCTING BUSINESS;**

8                                   **2. DURING PRESENTATIONS; AND**

9                                   **3. TO AVOID INTERFERENCE FROM BACKGROUND**  
10 **NOISE; AND**

11                                   **(IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO**  
12 **CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE**  
13 **PERSON'S DESIGNEE MAY:**

14                                   **1. REVOKE THE ABILITY FOR THE PARTICIPANT TO**  
15 **UNMUTE; AND**

16                                   **2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**  
17 **MEETING AFTER WARNING THE PARTICIPANT.**

18                                   **(3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**  
19 **ELECTRONIC MEANS, ALL PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY**  
20 **CHAT FUNCTION.**

21                                   **(4)** A link or instructions on how to access the meeting by telephone  
22 conference, video conference, or similar electronic means shall be included in the notice of  
23 the meeting.

24                                   **[(4)] (5)** No specific authorization from lot owners shall be required to  
25 hold a meeting electronically.

26                                   **(6) A MEETING OF THE BOARD OF DIRECTORS HELD BY ELECTRONIC**  
27 **TRANSMISSION IS DEEMED TO BE A CLOSED MEETING AND MAY BE HELD ONLY IN**  
28 **ACCORDANCE WITH § 11B-111 OF THIS TITLE.**

29                                   **(b)** Any lot owner, board member, or committee member attending a meeting by  
30 telephone conference, video conference, or similar electronic means shall be deemed present  
31 for quorum and voting purposes.

1 (c) (1) (i) Any matter requiring a vote of the homeowners association may  
2 be set by the governing body for a vote at the meeting, and a ballot may be delivered to  
3 members with notice of the meeting.

4 (ii) Only those lot owners present during the telephone conference,  
5 video conference, or similar electronic meeting shall be authorized to vote a ballot in  
6 accordance with this subsection.

7 (iii) Lot owners who are not present at the meeting may:

8 1. Vote by proxy in accordance with the requirements of the  
9 governing documents and this title; and

10 2. Be considered present for quorum purposes through their  
11 proxy.

12 (2) (i) The governing body may set a reasonable deadline for return of  
13 a ballot to the homeowners association, including return by electronic transmission.

14 (ii) The deadline for return of the ballot shall be not later than 24  
15 hours after the conclusion of the meeting.

16 (d) Notwithstanding language contained in the governing documents of the  
17 homeowners association, nominations from the floor at the meeting are not required if at  
18 least one candidate has been nominated to fill each open position in the governing body.

19 (e) The inability of a lot owner to join a meeting due to technical difficulties with  
20 the lot owner's telephone, computer, or other electronic device does not invalidate the  
21 meeting or any action taken at the meeting.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2023.