## HOUSE BILL 360

#### N1, L2

5lr1098

By: **Prince George's County Delegation** Introduced and read first time: January 16, 2025 Assigned to: Environment and Transportation

Committee Report: Favorable with amendments House action: Adopted Read second time: March 6, 2025

CHAPTER \_\_\_\_\_

#### 1 AN ACT concerning

# Prince George's County – Community Associations – Management Registration Fees for Alternative Dispute Resolution Administrative Hearing Process

4

#### PG 408–25

- $\mathbf{5}$ FOR the purpose of <u>altering the registration fee requirement for the Community</u> 6 Association Registry; permitting the County Executive to establish the registration 7 fee; prohibiting a person or entity who fails to register from filing a dispute; requiring 8 the Prince George's County Office of Community Relations to provide revenue from 9 annual community association management registration fees to fund alternative 10 dispute resolution the administrative hearing process for disputes between 11 community associations and owners in Prince George's County; and generally 12relating to community associations and alternative dispute resolution the administrative hearing process in Prince George's County. 13
- 14 <u>BY adding to</u>
- 15 <u>Article Corporations and Associations</u>
- $16 \qquad \underline{\text{Section } 5-6B-26.2}$
- 17 <u>Annotated Code of Maryland</u>
- 18 (2014 Replacement Volume and 2024 Supplement)
- 19 <u>BY adding to</u>
- 20 <u>Article Real Property</u>
- 21 <u>Section 11–109.5 and 11B–112.4</u>
- 22 <u>Annotated Code of Maryland</u>

#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



	2	HOUSE BILL 360	
1	<u>(202</u>	<u> 3 Replacement Volume and 2024 Supplement)</u>	
$2 \\ 3 \\ 4 \\ 5 \\ 6$	Arti Sect Ann	ng and reenacting, with amendments, cle – Real Property ion <del>14–131(a) and (e)</del> <u>14–131</u> otated Code of Maryland 3 Replacement Volume and 2024 Supplement)	
$7\\ 8\\ 9\\ 10\\ 11$	A <del>rti</del> <del>Sect</del> Ann	ng and reenacting, without amendment <del>s,</del> <del>cle – Real Property</del> <del>ion 14–131(b) through (d)</del> <del>otated Code of Maryland</del> <del>3 Replacement Volume and 2024 Supplement)</del>	
$\begin{array}{c} 12\\ 13 \end{array}$		TION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, aws of Maryland read as follows:	
14		<u>Article – Corporations and Associations</u>	
15	<u>5-6B-26.2</u>	<u>2.</u>	
16 17 18	SHALL RE	OOPERATIVE HOUSING CORPORATION IN PRINCE GEORGE'S COUNTY GISTER WITH THE COMMUNITY ASSOCIATION REGISTRY AND PAY ANY EQUIRED UNDER § 14–131 OF THE REAL PROPERTY ARTICLE.	
19	Article – Real Property		
20	<u>11–109.5.</u>		
21 22 23	COMMUN	ONDOMINIUM IN PRINCE GEORGE'S COUNTY SHALL REGISTER WITH THE TTY ASSOCIATION REGISTRY AND PAY ANY FEES AS REQUIRED UNDER § THIS ARTICLE.	
24	<u>11B–112.</u>	<u>4.</u>	
25 26 27	<u>A homeowners association in Prince George's County shall</u> <u>register with the Community Association Registry and pay any fees as</u> <u>required under § 14–131 of this article.</u>		
28	14–131.		
29	(a)	(1) In this section the following terms have the meanings indicated.	
30		(2) "Community association" means:	

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1 A condominium council of unit owners organized under Title 11, (i)  $\mathbf{2}$ Subtitle 1 of this article: 3 (ii) A homeowners association organized under Title 11B of this 4 article; or  $\mathbf{5}$ (iii) A cooperative housing corporation organized under Title 5, 6 Subtitle 6B of the Corporations and Associations Article. 7 "Community association management" means to manage the common (3)property and services of a community association with the authority of the community 8 association in its business, legal, financial, or other transactions with association members 9 10 and nonmembers for a fee, commission, or other valuable consideration, including: 11 (i) Collecting monthly assessments; 12(ii) Preparing budgets, financial statements, or other financial 13reports; Negotiating contracts or otherwise coordinating or arranging for 14 (iii) services or the purchase of property or goods for or on behalf of a community association; 1516Executing the resolutions and decisions of a community (iv) 17association and assisting the governing body of a community association and association members in complying with laws, contracts, covenants, rules, and bylaws; 1819 Managing the operation and maintenance of community-owned (v) 20properties, including community centers, pools, golf courses, and parking areas; and 21(vi) Arranging, conducting, or coordinating meetings of a community 22association or the governing body of an association. 23"Office" means the Prince George's County Office of Community (4) Relations. 2425**"OWNER" MEANS:** (5)26**(I)** A MEMBER OF A COOPERATIVE HOUSING CORPORATION; 27**(II)** A UNIT OWNER OF A CONDOMINIUM; OR (III) A LOT OWNER OF A HOMEOWNERS ASSOCIATION. 2829(6) "Registry" means the Community Association Managers Registry. 30 (b) This section applies only in Prince George's County.

4 HOUSE BILL 360 1 On or after January 1, 2011, the Office shall establish a Registry. (c)  $\mathbf{2}$ (d) (1) Any entity, including a sole proprietorship, that provides community 3 association management services for community associations located in the county shall register with the Registry and renew its registration by January 31 of each year. 4  $\mathbf{5}$ EACH COMMUNITY ASSOCIATION LOCATED IN THE COUNTY SHALL (2) 6 **REGISTER WITH THE REGISTRY AND RENEW ITS REGISTRATION BY JANUARY 31** 7 EACH YEAR. 8 (e) The Office shall: (1)9 (i) Provide the registration form; and 10 Collect a fee from each entity that registers under this section. (ii) (2)The COUNTY EXECUTIVE SHALL ESTABLISH THE annual fee 11 **(I)** 12charged, WHICH shall be set at \$100 IN AN AMOUNT SUFFICIENT TO FUND THE COST 13TO ESTABLISH AND ADMINISTER THE ADMINISTRATIVE HEARING PROCESS BY THE 14**OFFICE.** 15**(II)** THE FEE MAY INCLUDE: 16 1. A PER–UNIT CHARGE TO COMMUNITY ASSOCIATIONS 17TO RENEW REGISTRATION; 18 FEES 2. FOR SERVICES RELATING TO THE ADMINISTRATIVE HEARING PROCESS THAT SEEK TO RECOVER THE ACTUAL COST OF 19 20THE SERVICES; AND 213. A PER-UNIT CHARGE TO DEVELOPERS WHEN THE 22DOCUMENTS FOR THE COMMUNITY ASSOCIATION ARE RECORDED. 23<del>(III) (III)</del> FEES COLLECTED IN ACCORDANCE WITH THIS 24SECTION SHALL BE USED TO COVER THE COST OF ALTERNATIVE DISPUTE 25RESOLUTION THE ADMINISTRATIVE HEARING PROCESS PROVIDED THROUGH THE COUNTY FOR DISPUTES BETWEEN A COMMUNITY ASSOCIATION AND AN OWNER, 26INCLUDING COSTS FOR ANY TECHNICAL ASSISTANCE PROVIDED BY THE OFFICE AND 27THE COMMISSION ON COMMON OWNERSHIP COMMUNITIES IN PRINCE GEORGE'S 2829COUNTY. 30 (f) The registration form shall include: 31(1)The name, address, and telephone number of the entity providing 32 community association management services IF APPLICABLE;

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1	(2) The names, titles, and business telephone numbers of the principal
2	<u>officers of the entity;</u>
$\frac{3}{4}$	(3) <u>The designated contact person of the entity, including name, address,</u> <u>title, telephone number, and electronic mail address;</u>
$5 \\ 6$	(4) The length of time the entity has been in existence and the length of time the entity has provided community association management services; and
7 8 9	(5) A listing of all community associations in the county as of December 31 of the previous year for which the entity provided community association management services.
10	(G) IN ADDITION TO THE ANNUAL REGISTRATION FEE ESTABLISHED UNDER
11	THIS SECTION, THE GOVERNING BODY OF PRINCE GEORGE'S COUNTY MAY
12	ESTABLISH THE FOLLOWING REASONABLE FEES IN AMOUNTS SUFFICIENT TO COVER
13	COSTS IDENTIFIED IN SUBSECTION (E)(2)(III) OF THIS SECTION:
14	(1) FEES FOR SERVICES RELATING TO THE ADMINISTRATIVE
15	HEARING PROCESS THAT SEEK TO RECOVER THE ACTUAL COST OF THE SERVICES;
16	AND
1 7	(9) A DED UNIT CHADGE TO DEVELOPEDO WHEN DOCUMENTS ADE
17	(2) <u>A PER-UNIT CHARGE TO DEVELOPERS WHEN DOCUMENTS ARE</u>
18	<u>RECORDED.</u>
19	(H) THE GOVERNING BODY OF A COMMUNITY ASSOCIATION SHALL BE
20	RESPONSIBLE FOR COMPLIANCE WITH THIS SECTION.
21	[(g)] (I) The Office may make any information received under this section
22	available to the public, subject to the provisions of the Maryland Public Information Act.
23	(J) A PERSON WHO FAILS TO REGISTER OR WHO MAKES A FALSE
24	STATEMENT ON A REGISTRATION FORM MAY NOT FILE A DISPUTE UNDER THE
25	ADMINISTRATIVE HEARINGS PROCESS PROVIDED THROUGH THE COUNTY UNTIL
26	THE PERSON REGISTERS AS REQUIRED BY THIS SECTION.
27	[(h)] (K) A person who commits a willful violation of this section or who causes
28	a person to commit a willful violation of this section is guilty of a misdemeanor and on
29	conviction is subject to a fine not exceeding \$1,000.
30	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July

31 1, 2025.