

# SENATE BILL 758

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By: **Senator Kagan**

Introduced and read first time: January 27, 2025

Assigned to: Judicial Proceedings

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## A BILL ENTITLED

1 AN ACT concerning

2 **Condominiums and Homeowners Associations – Elections, Financial**  
3 **Statements, and Enforcement**

4 FOR the purpose of establishing certain requirements for elections of the governing body  
5 of a condominium or homeowners association; requiring the governing body of a  
6 condominium to accommodate unit owner organizing activities relating to the  
7 governance of the condominium; prohibiting a condominium or homeowners  
8 association from charging a unit or lot owner for examining certain records of the  
9 condominium or homeowners association in a certain manner; authorizing a  
10 condominium or homeowners association to charge a reasonable fee for copying  
11 certain documents; expanding the authority of the Division of Consumer Protection  
12 of the Office of the Attorney General to enforce certain provisions of law relating to  
13 condominiums and homeowners associations; and generally relating to  
14 condominiums and homeowners associations.

15 BY renumbering

16 Article – Real Property  
17 Section 11B–118  
18 to be Section 11B–119  
19 Annotated Code of Maryland  
20 (2023 Replacement Volume and 2024 Supplement)

21 BY adding to

22 Article – Real Property  
23 Section 11–109(c)(17) through (22) and 11B–118  
24 Annotated Code of Maryland  
25 (2023 Replacement Volume and 2024 Supplement)

26 BY repealing and reenacting, with amendments,

27 Article – Real Property  
28 Section 11–116, 11–130, 11B–112, and 11B–115

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2023 Replacement Volume and 2024 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
4 That Section(s) 11B–118 of Article – Real Property of the Annotated Code of Maryland be  
5 renumbered to be Section(s) 11B–119.

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
7 as follows:

8 **Article – Real Property**

9 11–109.

10 (c) (17) (I) ELECTIONS, INCLUDING THE COLLECTION AND COUNTING  
11 OF BALLOTS AND THE CERTIFYING OF RESULTS, FOR OFFICERS OR MEMBERS OF  
12 THE GOVERNING BODY OTHER THAN THE FULL MEMBERSHIP OF THE COUNCIL OF  
13 UNIT OWNERS SHALL BE CONDUCTED BY INDEPENDENT PARTIES WHO:

14 1. ARE NOT CANDIDATES IN THE ELECTION; AND

15 2. DO NOT HAVE A CONFLICT OF INTEREST REGARDING  
16 ANY CANDIDATE IN THE ELECTION.

17 (II) A UNIT OWNER IS AN INDEPENDENT PARTY IF THE UNIT  
18 OWNER:

19 1. COMPLIES WITH THE REQUIREMENTS OF THIS  
20 SECTION;

21 2. DOES NOT ELECTIONEER FOR ANY CANDIDATE; AND

22 3. IS NOT SUBJECT TO AN OBJECTION BY MORE THAN 25  
23 PERCENT OF THE ELIGIBLE VOTING MEMBERS OF THE COUNCIL OF UNIT OWNERS.

24 (III) REPRESENTATIVES OF THE CONDOMINIUM’S PROPERTY  
25 MANAGEMENT ARE NOT INDEPENDENT PARTIES.

26 (18) THE GOVERNING BODY MAY RETAIN A THIRD–PARTY VENDOR OR  
27 EMPLOY A COMMERCIAL TECHNOLOGY PLATFORM TO CONDUCT AN ELECTION.

28 (19) INDIVIDUALS CONDUCTING AN ELECTION SHALL MAKE  
29 REASONABLE EFFORTS TO ENSURE THAT THE ELECTION IS FAIR AND THAT THERE  
30 IS ACCOUNTABILITY FOR THE PROCESS AND THE RESULTS OF THE ELECTION.

1           **(20) A UNIT OWNER DESIGNATED TO CONDUCT AN ELECTION WHO**  
2 **ACTS IN GOOD FAITH IS NOT PERSONALLY LIABLE IN CONNECTION WITH THE**  
3 **CONDUCT OF THE ELECTION.**

4           **(21) (I) THE GOVERNING BODY SHALL MAKE REASONABLE**  
5 **ACCOMMODATIONS, INCLUDING REASONABLE USE OF ANY PORTION OF COMMON**  
6 **AREAS, FOR UNIT OWNERS TO ENGAGE IN ORGANIZING ACTIVITIES RELATING TO**  
7 **GOVERNANCE OF THE CONDOMINIUM.**

8           **(II) THE GOVERNING BODY MAY NOT PREVENT UNIT OWNERS**  
9 **FROM OR RETALIATE AGAINST UNIT OWNERS FOR EXERCISING RIGHTS**  
10 **GUARANTEED UNDER LAW OR UNDER THE GOVERNING DOCUMENTS OF THE**  
11 **CONDOMINIUM.**

12           **(22) PROVISIONS OF THE GOVERNING DOCUMENTS, RULES, OR**  
13 **REGULATIONS OF A CONDOMINIUM RELATING TO THE CONDUCT OF ELECTIONS**  
14 **THAT ARE INCONSISTENT WITH THE REQUIREMENTS OF THIS SECTION ARE**  
15 **UNENFORCEABLE AND VOID.**

16 11–116.

17           (a) The council of unit owners shall keep books and records in accordance with  
18 good accounting practices on a consistent basis.

19           (b) On the request of the unit owners of at least 5 percent of the units, the council  
20 of unit owners shall cause an audit of the books and records to be made by an independent  
21 certified public accountant, provided an audit shall be made not more than once in any  
22 consecutive 12–month period. The cost of the audit shall be a common expense.

23           (c) (1) (i) Except as provided in paragraph (3) of this subsection, all books  
24 and records, including insurance policies, kept by the council of unit owners shall be  
25 maintained in Maryland or within 50 miles of its borders and shall be available at some  
26 place designated by the council of unit owners for examination or copying, or both, by any  
27 unit owner, a unit owner’s mortgagee, or their respective duly authorized agents or  
28 attorneys, during normal business hours, and after reasonable notice.

29           (ii) If a unit owner requests in writing a copy of financial statements  
30 of the condominium or the minutes of a meeting of the board of directors or other governing  
31 body of the condominium to be delivered, the board of directors or other governing body of  
32 the condominium shall compile and send the requested information by mail, electronic  
33 transmission, or personal delivery:

1                   1.       Within 21 days after receipt of the written request, if the  
2 financial statements or minutes were prepared within the 3 years immediately preceding  
3 receipt of the request; or

4                   2.       Within 45 days after receipt of the written request, if the  
5 financial statements or minutes were prepared more than 3 years before receipt of the  
6 request.

7                   (2)       Books and records required to be made available under paragraph (1)  
8 of this subsection shall first be made available to a unit owner not later than 15 business  
9 days after a unit is conveyed from a developer and the unit owner requests to examine or  
10 copy the books and records.

11                  (3)       Books and records kept by or on behalf of a council of unit owners may  
12 be withheld from public inspection, except for inspection by the person who is the subject  
13 of the record or the person's designee or guardian, to the extent that they concern:

14                   (i)       Personnel records, not including information on individual  
15 salaries, wages, bonuses, and other compensation paid to employees;

16                   (ii)       An individual's medical records;

17                   (iii)      An individual's personal financial records, including assets,  
18 income, liabilities, net worth, bank balances, financial history or activities, and  
19 creditworthiness;

20                   (iv)      Records relating to business transactions that are currently in  
21 negotiation;

22                   (v)       The written advice of legal counsel; or

23                   (vi)      Minutes of a closed meeting of the board of directors or other  
24 governing body of the council of unit owners, unless a majority of a quorum of the board of  
25 directors or governing body that held the meeting approves unsealing the minutes or a  
26 recording of the minutes for public inspection.

27                  (d)       (1)       [Except for a reasonable charge imposed on a person desiring to review  
28 or copy the books and records or who requests delivery of information, the council of unit  
29 owners may not impose any charges under this section.]

30                   **(I)       EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,**  
31 **THE COUNCIL OF UNIT OWNERS MAY IMPOSE A REASONABLE CHARGE ON A PERSON**  
32 **DESIRING TO REVIEW OR COPY THE BOOKS AND RECORDS OF THE CONDOMINIUM OR**  
33 **WHO REQUESTS DELIVERY OF INFORMATION.**

1                   **(II) THE COUNCIL OF UNIT OWNERS MAY NOT IMPOSE ANY**  
2 **CHARGES UNDER THIS SECTION OTHER THAN THOSE AUTHORIZED UNDER**  
3 **SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

4                   **(2) A UNIT OWNER MAY NOT BE CHARGED FOR:**

5                   **(I) EXAMINING THE FINANCIAL STATEMENTS OF THE**  
6 **CONDOMINIUM IN PERSON WHERE THE FINANCIAL STATEMENTS ARE MAINTAINED**  
7 **IN ACCORDANCE WITH SUBSECTION (C)(1)(I) OF THIS SECTION; OR**

8                   **(II) RECEIVING THE FINANCIAL STATEMENTS OF THE**  
9 **CONDOMINIUM THROUGH ELECTRONIC TRANSMISSION IN ACCORDANCE WITH**  
10 **SUBSECTION (C)(1)(II) OF THIS SECTION.**

11                   **[(2)] (3)** A charge imposed under paragraph (1) of this subsection for  
12 copying books and records may not exceed the limits authorized under Title 7, Subtitle 2 of  
13 the Courts Article.

14 11–130.

15                   (a) This section is intended to provide minimum standards for the protection of  
16 consumers in the State.

17                   (b) (1) **[For purposes of] IN** this section, “consumer” means an actual or  
18 prospective purchaser, lessee, assignee or recipient of a condominium unit **OR A UNIT**  
19 **OWNER.**

20                   (2) “Consumer” includes a co-obligor or surety for a consumer.

21                   (c) **[(1) To the extent that a violation of any provision of this title affects a**  
22 **consumer, that] A violation OF THIS TITLE** shall be within the scope of the enforcement  
23 duties and powers of the Division of Consumer Protection of the Office of the Attorney  
24 General, as described in Title 13 of the Commercial Law Article.

25                   **[(2) The provisions of this title shall otherwise be enforced by each agency**  
26 **of the State within the scope of its authority.]**

27                   (d) **THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF THE**  
28 **ATTORNEY GENERAL MAY ADOPT REGULATIONS TO CARRY OUT THIS TITLE.**

29                   **(E)** A county or incorporated municipality, or an agency of any of those  
30 jurisdictions, may adopt laws or ordinances for the protection of a consumer to the extent  
31 and in the manner provided for under § 13–103 of the Commercial Law Article.

1            [(e)] (F)        Within 30 days of the effective date of a law, ordinance, or regulation  
2 enacted under this section which is expressly applicable to condominiums, the local  
3 jurisdiction shall forward a copy of the law, ordinance, or regulation to the Secretary of  
4 State.

5 11B-112.

6            (a)    (1)    (i)        Subject to the provisions of paragraph (2) of this subsection, all  
7 books and records kept by or on behalf of the homeowners association shall be made  
8 available for examination or copying, or both, by a lot owner, a lot owner's mortgagee, or  
9 their respective duly authorized agents or attorneys, during normal business hours, and  
10 after reasonable notice.

11                            (ii)        Books and records required to be made available under  
12 subparagraph (i) of this paragraph shall first be made available to a lot owner no later than  
13 15 business days after a lot is conveyed by the declarant and the lot owner requests to  
14 examine or copy the books and records.

15                            (iii)        If a lot owner requests in writing a copy of financial statements  
16 of the homeowners association or the minutes of a meeting of the governing body of the  
17 homeowners association to be delivered, the governing body of the homeowners association  
18 shall compile and send the requested information by mail, electronic transmission, or  
19 personal delivery:

20    1.        Within 21 days after receipt of the written request, if the  
21 financial statements or minutes were prepared within the 3 years immediately preceding  
22 receipt of the request; or

23    2.        Within 45 days after receipt of the written request, if the  
24 financial statements or minutes were prepared more than 3 years before receipt of the  
25 request.

26            (2)        Books and records kept by or on behalf of a homeowners association  
27 may be withheld from public inspection, except for inspection by the person who is the  
28 subject of the record or the person's designee or guardian, to the extent that they concern:

29                            (i)        Personnel records, not including information on individual  
30 salaries, wages, bonuses, and other compensation paid to employees;

31                            (ii)        An individual's medical records;

32                            (iii)        An individual's personal financial records, including assets,  
33 income, liabilities, net worth, bank balances, financial history or activities, and  
34 creditworthiness;

35                            (iv)        Records relating to business transactions that are currently in  
36 negotiation;

1 (v) The written advice of legal counsel; or

2 (vi) Minutes of a closed meeting of the governing body of the  
3 homeowners association, unless a majority of a quorum of the governing body of the  
4 homeowners association that held the meeting approves unsealing the minutes or a  
5 recording of the minutes for public inspection.

6 (b) (1) [Except for a reasonable charge imposed on a person desiring to review  
7 or copy the books and records or who requests delivery of information, the homeowners  
8 association may not impose any charges under this section.]

9 (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION,  
10 THE HOMEOWNERS ASSOCIATION MAY IMPOSE A REASONABLE CHARGE ON A  
11 PERSON DESIRING TO REVIEW OR COPY THE BOOKS AND RECORDS OR WHO  
12 REQUESTS DELIVERY OF INFORMATION.

13 (II) THE HOMEOWNERS ASSOCIATION MAY NOT IMPOSE ANY  
14 CHARGES UNDER THIS SECTION OTHER THAN THOSE AUTHORIZED UNDER  
15 SUBPARAGRAPH (I) OF THIS PARAGRAPH.

16 (2) A LOT OWNER MAY NOT BE CHARGED FOR:

17 (I) EXAMINING THE FINANCIAL STATEMENTS OF THE  
18 HOMEOWNERS ASSOCIATION IN PERSON WHERE THE FINANCIAL STATEMENTS ARE  
19 MAINTAINED IN ACCORDANCE WITH SUBSECTION (A)(1)(I) OF THIS SECTION,  
20 UNLESS THE FINANCIAL STATEMENTS ARE LOCATED IN A DEPOSITORY; OR

21 (II) RECEIVING THE FINANCIAL STATEMENTS OF THE  
22 HOMEOWNERS ASSOCIATION THROUGH ELECTRONIC TRANSMISSION IN  
23 ACCORDANCE WITH SUBSECTION (A)(1)(III) OF THIS SECTION.

24 [(2)] (3) A charge imposed under paragraph (1) of this subsection for  
25 copying books and records may not exceed the limits authorized under Title 7, Subtitle 2 of  
26 the Courts Article.

27 (c) (1) Each homeowners association that was in existence on June 30, 1987  
28 shall deposit in the depository by December 31, 1988, and each homeowners association  
29 established subsequent to June 30, 1987 shall deposit in the depository by the later of the  
30 date 30 days following its establishment, or December 31, 1988, all disclosures, current to  
31 the date of deposit, specified:

32 (i) By § 11B–105(b) of this title except for those disclosures required  
33 by paragraphs (6)(i), (8), (9), and (12);

1 (ii) By § 11B–106(b) of this title except for those disclosures required  
2 by paragraphs (1), (2), (4), and (5)(i); and

3 (iii) By § 11B–107(b) of this title.

4 (2) Beginning January 1, 1989, within 30 days of the adoption of or  
5 amendment to any of the disclosures required by this title to be deposited in the depository,  
6 a homeowners association shall deposit the adopted or amended disclosures in the  
7 depository.

8 (3) If a homeowners association fails to deposit in the depository any of the  
9 disclosures required to be deposited by this section, or by § 11B–105(b)(6)(ii) or §  
10 11B–106(b)(5)(ii) of this title, then those disclosures which were not deposited shall be  
11 unenforceable until the time they are deposited.

12 11B–115.

13 (a) (1) In this section, “consumer” means an actual or prospective purchaser,  
14 lessee, assignee, or recipient of a lot in a development, **OR A LOT OWNER.**

15 (2) “Consumer” includes a co–obligor or surety for a consumer.

16 (b) This section is intended to provide minimum standards for protection of  
17 consumers in the State.

18 (c) [(1) To the extent that a violation of any provision of this title affects a  
19 consumer, that] **A violation OF THIS TITLE** shall be within the scope of the enforcement  
20 duties and powers of the Division of Consumer Protection of the Office of the Attorney  
21 General, as described in Title 13 of the Commercial Law Article.

22 [(2) The provisions of this title shall otherwise be enforced by each unit of  
23 State government within the scope of the authority of the unit.]

24 (d) **THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF THE**  
25 **ATTORNEY GENERAL MAY ADOPT REGULATIONS TO CARRY OUT THIS TITLE.**

26 (E) (1) A county or municipal corporation may adopt a law, ordinance, or  
27 regulation for the protection of a consumer to the extent and in the manner provided for  
28 under § 13–103 of the Commercial Law Article.

29 (2) Within 30 days of the effective date of a law, ordinance, or regulation  
30 adopted under this subsection that is expressly applicable to a development, the county or  
31 municipal corporation shall forward a copy of the law, ordinance, or regulation to the  
32 homeowners association depository in the office of the clerk of the court in the county where  
33 the development is located.



1 11B-118.

2 (A) (1) ELECTIONS FOR THE GOVERNING BODY OF A HOMEOWNERS  
3 ASSOCIATION, INCLUDING THE COLLECTION AND COUNTING OF BALLOTS AND THE  
4 CERTIFYING OF RESULTS, SHALL BE CONDUCTED BY INDEPENDENT PARTIES WHO:

5 (I) ARE NOT CANDIDATES FOR POSITIONS ON THE GOVERNING  
6 BODY OF THE HOMEOWNERS ASSOCIATION IN THAT ELECTION; AND

7 (II) DO NOT HAVE A CONFLICT OF INTEREST REGARDING ANY  
8 CANDIDATE IN THE ELECTION.

9 (2) (I) REPRESENTATIVES OF THE HOMEOWNERS ASSOCIATION'S  
10 PROPERTY MANAGEMENT ARE NOT INDEPENDENT PARTIES.

11 (II) A LOT OWNER IS AN INDEPENDENT PARTY IF THE LOT  
12 OWNER:

13 1. COMPLIES WITH THE REQUIREMENTS OF THIS  
14 SUBSECTION;

15 2. DOES NOT ELECTIONEER FOR ANY CANDIDATE; AND

16 3. IS NOT SUBJECT TO AN OBJECTION BY MORE THAN 25  
17 PERCENT OF THE ELIGIBLE VOTING MEMBERS OF THE HOMEOWNERS ASSOCIATION.

18 (III) THE HOMEOWNERS ASSOCIATION MAY RETAIN A  
19 THIRD-PARTY VENDOR OR EMPLOY A COMMERCIAL TECHNOLOGY PLATFORM TO  
20 CONDUCT THE ELECTION.

21 (B) INDIVIDUALS CONDUCTING AN ELECTION SHALL MAKE REASONABLE  
22 EFFORTS TO ENSURE THAT THE ELECTION IS FAIR AND THAT THERE IS  
23 ACCOUNTABILITY FOR THE PROCESS AND THE RESULTS OF THE ELECTION.

24 (C) A LOT OWNER DESIGNATED TO CONDUCT AN ELECTION WHO ACTS IN  
25 GOOD FAITH HAS NO PERSONAL LIABILITY IN CONNECTION WITH THE CONDUCT OF  
26 AN ELECTION.

27 (D) PROVISIONS OF THE GOVERNING DOCUMENTS, RULES, OR  
28 REGULATIONS OF A HOMEOWNERS ASSOCIATION RELATING TO THE CONDUCT OF  
29 ELECTIONS THAT ARE INCONSISTENT WITH THE REQUIREMENTS OF THIS SECTION  
30 ARE VOID AND UNENFORCEABLE.

1           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2025.