

SENATE BILL 1011

N1, C9

5lr3563
CF HB 1411

By: **Senator Attar**

Introduced and read first time: February 3, 2025

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Insufficient Condominium Reserve Account Grant Fund –**
3 **Establishment**

4 FOR the purpose of establishing the Insufficient Condominium Reserve Account Grant
5 Fund as a special, nonlapsing fund to provide grants to low-income unit owners of
6 condominiums with insufficient reserve accounts to enable a low-income unit owner
7 to pay increased assessments necessary for a condominium association to meet
8 reserve account funding requirements; requiring interest earnings to be credited to
9 the Fund; requiring that the Fund prioritize certain older adults; and generally
10 relating to the Insufficient Condominium Reserve Account Grant Fund.

11 BY adding to
12 Article – Real Property
13 Section 11–144
14 Annotated Code of Maryland
15 (2023 Replacement Volume and 2024 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – State Finance and Procurement
18 Section 6–226(a)(2)(i)
19 Annotated Code of Maryland
20 (2021 Replacement Volume and 2024 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – State Finance and Procurement
23 Section 6–226(a)(2)(ii)204. and 205.
24 Annotated Code of Maryland
25 (2021 Replacement Volume and 2024 Supplement)

26 BY adding to
27 Article – State Finance and Procurement

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 6–226(a)(2)(ii)206.
2 Annotated Code of Maryland
3 (2021 Replacement Volume and 2024 Supplement)

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

6 **Article – Real Property**

7 **11–144.**

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
9 INDICATED.

10 (2) “DEPARTMENT” MEANS THE DEPARTMENT OF HOUSING AND
11 COMMUNITY DEVELOPMENT.

12 (3) “FUND” MEANS THE INSUFFICIENT CONDOMINIUM RESERVE
13 ACCOUNT GRANT FUND.

14 (4) “LOW-INCOME UNIT OWNER” MEANS AN INDIVIDUAL OWNER OF A
15 CONDOMINIUM UNIT WHO IS A MEMBER OF A HOUSEHOLD WITH AN INCOME THAT IS
16 NOT GREATER THAN 80% OF THE AREA MEDIAN INCOME.

17 (5) “SECRETARY” MEANS THE SECRETARY OF HOUSING AND
18 COMMUNITY DEVELOPMENT.

19 (B) THERE IS AN INSUFFICIENT CONDOMINIUM RESERVE ACCOUNT
20 GRANT FUND.

21 (C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO LOW-INCOME
22 UNIT OWNERS TO PAY FOR INCREASED ASSESSMENTS NECESSARY FOR A
23 CONDOMINIUM ASSOCIATION TO MEET RESERVE FUNDING REQUIREMENTS UNDER
24 § 11–109.2 OF THIS TITLE.

25 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
26 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
28 AND THE SECRETARY SHALL ACCOUNT FOR THE FUND.

29 (E) THE FUND CONSISTS OF:

30 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

1 **(2) INTEREST EARNINGS OF THE FUND; AND**

2 **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
3 **THE BENEFIT OF THE FUND.**

4 **(F) THE FUND MAY BE USED ONLY TO PROVIDE GRANTS TO LOW-INCOME**
5 **UNIT OWNERS TO COVER INCREASED ASSESSMENTS NECESSARY TO MEET THE**
6 **REQUIRED RESERVES OF THE CONDOMINIUM.**

7 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
8 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

9 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
10 **THE FUND.**

11 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
12 **WITH THE STATE BUDGET.**

13 **(I) (1) THE SECRETARY SHALL:**

14 **(I) ADMINISTER THE FUND AND AWARD GRANTS FROM THE**
15 **FUND TO ELIGIBLE LOW-INCOME UNIT OWNERS;**

16 **(II) ESTABLISH PROCEDURES FOR LOW-INCOME UNIT OWNERS**
17 **TO APPLY FOR AND RECEIVE GRANTS FROM THE FUND; AND**

18 **(III) PUBLICIZE THE FUND AND THE APPLICATION PROCESS FOR**
19 **THE FUND.**

20 **(2) PRIORITY FOR GRANTS AWARDED UNDER THIS SECTION SHALL BE**
21 **GIVEN TO LOW-INCOME UNIT OWNERS WHO ARE AT LEAST 65 YEARS OLD.**

22 **(3) BY DECEMBER 31 EACH YEAR, LOW-INCOME UNIT OWNERS WHO**
23 **RECEIVE GRANTS FROM THE FUND SHALL REPORT TO THE DEPARTMENT**
24 **REGARDING THE RESERVE ACCOUNT BALANCE IN A MANNER DETERMINED BY THE**
25 **DEPARTMENT.**

26 **(J) MONEY EXPENDED FROM THE FUND SHALL BE SUPPLEMENTAL TO AND**
27 **IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE**
28 **APPROPRIATED FOR A UNIT OWNER TO PAY FOR INCREASED ASSESSMENTS AGAINST**
29 **THE OWNER TO MEET THE INCREASED RESERVE ACCOUNT AMOUNT REQUIRED**
30 **UNDER § 11-109.2 OF THIS TITLE.**

