

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 919

(Senator Lewis Young, *et al.*)

Judicial Proceedings

Homeowners Associations - Reserve Funding, Meeting Notices, Voting, and Records

This bill requires homeowners associations (HOAs) with at least 100 lots to make specified documents available within 30 days after creation or receipt on the HOA’s website, online portal, or mobile device application. If an HOA does not have a website, online portal, or mobile device application, the HOA must develop one capable of storing these specified books and records; the bill establishes certain timeframes for compliance. The bill also authorizes the governing body of an HOA to secure a line of credit to fund the necessary reserves (as required under current law) by a vote of at least 51 percent of the lot owners in good standing. Among other things, the bill also (1) requires recordings of meetings conducted by telephone, video conference, or similar electronic means to be kept as an official record of the HOA, as specified, and (2) *requires* an HOA to provide notice of a meeting or deliver information by electronic transmission if certain conditions are met.

Fiscal Summary

State Effect: The bill does not affect State operations or finances.

Local Effect: The bill does not affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary:

Documents and Digital Access

An HOA with at least 100 lots must post the following documents on the HOA’s website, online portal, or mobile device application within 30 days after creation or receipt:

- the declaration and any amendments to the declaration;
- the bylaws and any amendments to the bylaws;
- the articles of incorporation of the HOA or other documents creating the HOA, and each amendment to those articles or other documents;
- the policies, rules, and regulations of the HOA;
- the approved minutes of all open meetings of the board of directors or governing body of the HOA for the preceding five years;
- the recordings of all meetings of the HOA, the board of directors or governing body, or a committee of the HOA that were conducted by telephone conference, video conference, or similar electronic means over the preceding 12 months;
- all written information provided to or used by the board of directors or governing body at all open meetings of the board of directors or governing body of the HOA; and
- any other books and records kept by or on behalf of the HOA that a lot owner may reasonably request for posting, if the records would otherwise be available to the lot owner for inspection.

The above requirements are subject to existing statutory provisions that generally authorize the withholding of certain books and records from public inspection to the extent that they concern specified information or subject matter (*e.g.*, written advice of legal counsel, an individual's medical records, etc.).

The bill specifies that the website, online portal, or mobile device application required under the bill must be accessible to lot owners by (1) October 1, 2027, for HOAs established on or before October 1, 2026, or (2) within one year after the election of the governing body of the HOA, for HOAs established after October 1, 2026.

Notice Requirements

The bill *requires* that the HOA provide notice of a meeting or deliver information by electronic transmission if (1) the lot owner gives the HOA prior written authorization to provide notice of a meeting by that means and (2) an officer or agent of the HOA certifies in writing that the HOA has provided notice of a meeting or delivered material or information authorized by the owner.

Notice of a meeting delivered by electronic transmission must be given at least 14 days prior to the meeting and include (1) the time of the meeting; (2) the location of the meeting (if held in person); and (3) instructions on how an owner may participate, including a hyperlink or phone number (if the meeting is held virtually).

Governing Documents – Amendments

The bill authorizes lot owners to petition the board of directors or governing body to hold a meeting to amend the HOA's governing documents to authorize voting by electronic transmission if at least 25 percent of the eligible voting members of the HOA submit a petition to the board/governing body. The petition must be submitted no later than 180 days after the next scheduled annual meeting. The meeting to amend the governing documents must (1) be held no later than 21 days after the board of directors or governing body received the petition and (2) comply with applicable requirements governing a meeting and vote to amend the HOA's governing documents.

Current Law:

Reserve Studies and Reserve Funding

Pursuant to legislation enacted over the last several years, HOAs in the State, subject to limited exception, are required to conduct reserve studies; statutory provisions specify the time by which initial and updated reserve studies must be completed. Statute includes various requirements related to reserve studies and updated reserve studies, as well as the responsibilities of HOAs to attain the necessary reserves and provide funding in accordance with the studies. This includes requirements for the governing body to develop a funding plan to fund necessary reserves in consultation with a person who satisfies the requirements to conduct a reserve study.

Bookkeeping and Inspection Requirements

Generally, the books and records of an HOA must be available for examination or copying, or both, by any lot owner, the owner's mortgagee, or their respective agents or attorneys during normal business hours and after reasonable notice. The books and records must first be made available to an owner within 15 days after a unit or lot is conveyed and the owner makes a request to examine or copy the books and records. However, if the books and records contain specified information, they may be withheld from public inspection, except for inspection by the person who is the subject of the record.

Electronic Transmission of Notice or Information

Under existing statute, an HOA, notwithstanding the governing documents of the HOA, *may* provide notice of a meeting or deliver information to a lot owner by electronic transmission if (1) the board of directors/governing body authorized electronic transmission; (2) the owner provides prior written authorization; and (3) an officer or agent certifies in writing that the notice or materials were provided or delivered as authorized.

Electronic notice or delivery is ineffective if the HOA is unable to deliver two consecutive notices and the sender becomes aware of the delivery failure.

Governing Documents – Amendments

Generally, notwithstanding the governing documents, an HOA may amend a governing document by the affirmative vote of lot owners in good standing (meaning the owner is not more than 90 days in arrears on any assessment or charge due to the association) holding at least 60 percent of the votes in the development, or a lower percentage if required by the governing document. If the governing documents require action by a mortgagee or deed-of-trust holder, that requirement is generally deemed satisfied if the proposed amendment is delivered to the holder and the holder does not object in writing within 60 days, subject to exceptions for amendments that affect lien priority, materially impair or affect the lot as collateral, or materially impair or affect mortgage rights.

For more information on HOAs, which, along with cooperative housing corporations and condominiums are commonly known as common ownership communities, see the **Appendix – Common Ownership Communities**.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 1600 (Delegate Fair) - Rules and Executive Nominations.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Department of Legislative Services

Fiscal Note History: First Reader - March 9, 2026
jg/jkb

Analysis by: Donovan A. Ham

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

Appendix – Common Ownership Communities

When a person purchases a single-family home, condominium, or an interest in a cooperative housing corporation, the person may also be required to join an association of owners, which is intended to act in the common interests of all the homeowners, condominium unit owners, or cooperative owners in the community. Collectively, these associations are often referred to as common ownership communities (COCs). In Maryland, a growing number of newly constructed or newly converted residences are located in some form of a COC. Because registration of the various COCs is not required statewide, the exact number of COCs in Maryland is unknown. However, the Foundation for Community Association Research estimated that there were 7,200 community associations with an estimated 1.1 million residents in these associations in the State in 2024.

The affairs of a condominium are governed by a council of unit owners, which comprises all unit owners. Among other powers, the council of unit owners has the power to impose assessments on the unit owners to pay common expenses. A council of unit owners may delegate its powers to a board of directors, officers, or a managing agent. Condominiums are governed under Title 11 of the Real Property Article.

Many new housing developments are subject to a homeowner's association (HOA) that is created by a governing document and has the authority to impose mandatory fees on lots in the development in connection with the provision of services or for the benefit of the lots, the lot owners, or the common areas. HOAs are governed under Title 11B of the Real Property Article.

A cooperative housing corporation or "cooperative" is a corporation that owns real property. A resident of a cooperative does not own an individual unit; instead, the person owns an interest in the corporation, which leases the unit to the person for residential use. Cooperatives are governed by the laws in Title 5, Subtitle 6B of the Corporations and Associations Article.

Condominiums and HOAs may be authorized by their governing documents to impose liens on units or lots to collect unpaid assessments or fees. In a cooperative, the governing documents usually provide for the collection of delinquent fees, and evictions for outstanding fees are generally pursued by way of a landlord-tenant action.