

December 2019

Community Associations Newsletter

Maryland Legislative Updates

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The 2019 Maryland General Assembly was again extremely busy with 2,481 bills introduced and many bills impacting community associations were considered. Only a couple statewide bills with specific community association impacts were signed into law. Those bills are noted below first and then we have summarized some of the bills that were introduced but did not become law. Please contact us if you have any questions.

Passed Legislation/Effective October 1, 2019

Bingo legalized for 55-over communities in Montgomery And Carroll County (HB564/1135) - Allowing, in Montgomery County and Carroll County, an individual who is at least 55 years of age to conduct a bingo game involving cash prizes if the game is conducted at a certain residential property that is restricted to residents who are at least 55 years of age and is conducted in a certain manner.

Number of Declarant Votes - Homeowners Association (SB305) - Providing that a declarant is entitled to one vote per lot that has been subdivided and recorded and has not been sold to members of the public when voting on a homeowners association matter on or after the date on which all lots that may be part of a development have been subdivided and recorded in the land records of the county in which the homeowners association is located; and altering the number of declarant votes before the date on which all lots that may be part of a development have been subdivided and recorded.

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Legislation that FAILED to Pass

Amendment of Governing Documents - Condominiums and Homeowners Associations - Clarifying the circumstances under which unit owners may vote to amend the bylaws of a condominium.

Responsibility for Property Insurance Deductibles - Condominiums - Altering, in the case of a council of unit owners' responsibility to repair or replace damage to certain portions of a condominium, the circumstances under which the council of unit owners' property insurance deductible is a common expense; increasing the maximum amount of the council of unit owners' property insurance deductible for which a unit owner is responsible.

Priority of Liens - Condominiums - Altering, in the case of a certain priority of a condominium's liens in a foreclosure of a mortgage or deed of trust on a condominium unit

Dispute Settlement and Eviction Procedures - Cooperative Housing Corporations - Specifying that a certain dispute settlement mechanism does not apply to complaints or demands arising out of a cooperative housing member's failure to pay certain assessments owed to the cooperative housing corporation.

Registration Common Ownership Communities - Requiring a cooperative housing corporation, a condominium, and a homeowners association to register annually with the State Department of Assessments and Taxation;

Installation and Use of Electric Vehicle Recharging Equipment - Providing that certain provisions of a recorded covenant or restriction, a declaration, or the bylaws or rules of a condominium or homeowners association are void and unenforceable.

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Legislation that FAILED to Pass (cont.)

Powers, Boards of Directors, Voting, Meetings, and Rules - Homeowners Associations - Altering the fee that a homeowners association may impose for a certain inspection from \$50 to \$100; altering the circumstances under which the homeowners association is entitled to the inspection fee.

Use of Quorum Reducing 2nd Meeting - Condominiums and Homeowners Associations - Requiring an additional meeting of a council of unit owners to be held not less than 15 days after the initial properly called meeting.

Dispute Settlement - Condominiums and Homeowners Associations - Altering the procedures a council of unit owners or a board of directors of a condominium shall take before a penalty for a violation of the condominium's rules can be imposed on an alleged violator.

Residential Rental Licensing - Common Ownership Community Fees - Requiring a person applying for a certain residential rental license to certify that the dwelling unit is not more than 60 days in arrears for a common ownership community fee; and providing that the Act does not preclude a county or municipality from adopting or enforcing requirements that are more stringent than the requirements of the Act.

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