Maryland Contract Lien Act And Selected Statutes

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Maryland Contract Lien Act

§ 14-201. Definitions.

(a) *In general.* -- In this subtitle the following words have the meanings indicated unless the context requires otherwise.

(b) *Contract.* --

(1) "Contract" means a real covenant running with the land or a contract recorded among the land records of a county or Baltimore City.

(2) "Contract" includes a:

(i) Declaration or bylaws recorded under the provisions of the Maryland Condominium Act1 or the Maryland Real Estate Time-Sharing Act; or

(ii) Regulated sustainable energy contract recorded under the provisions of Title 9, Subtitle 20D of the State Government Article.

(c) *Damages.* --

(1) "Damages" means unpaid sums due under a contract, plus interest accruing on the unpaid sums due under a contract or as provided by law, including fines levied under the Maryland Condominium Act or the Maryland Real Estate Time-Sharing Act.

(2) "Damages" does not include consequential or punitive damages.

(d) *Lien.* -- "Lien" means a lien created under this subtitle.

(e) *Party.* -- "Party" means any person who:

(1) Is a signatory to a contract;

(2) Is described in a contract as having the benefit of any provision of the contract; or

(3) Owns property subject to the provisions of a contract.

(f) *Statement of lien.* -- "Statement of lien" means the statement described under § 14-203 (j) of this subtitle.

§ 14-202. Liens created by contract.

(a) *In general.* -- A lien on property may be created by a contract and enforced under this subtitle if:

(1) The contract expressly provides for the creation of a lien; and

(2) The contract expressly describes:

(i) The party entitled to establish and enforce the lien; and

(ii) The property against which the lien may be imposed.

(b) *Lien as security.* -- A lien may only secure the payment of:

(1) Damages;

(2) Costs of collection;

(3) Late charges permitted by law; and

(4) Attorney's fees provided for in a contract or awarded by a court for breach of a contract.

§ 14-203. Liens created by breaches of contract.

(a) *Notice.* --

(1) A party seeking to create a lien as the result of a breach of contract shall, within 2 years of a breach of contract, give written notice to the party against whose property the lien is intended to be imposed.

(2) Except as provided in paragraph (3) of this subsection, notice under this subsection shall be served by:

(i) Certified or registered mail, return receipt requested, addressed to the owner of the property against which the lien is sought to be imposed at the owner's last known address; or

(ii) Personal delivery to the owner by the party seeking a lien or the party's agent.

(3) If a party seeking to create a lien is unable to serve an owner under paragraph (2) of this subsection, notice under this subsection shall be served by:

(i) The mailing of a notice to the owner's last known address; and

(ii) Posting notice in a conspicuous manner on the property by the party seeking to create a lien or the party's agent in the presence of a competent witness. In the instance of a contractual lien on a building, the notice shall be posted in a conspicuous manner on the door or other front part of the building.

(b) *Notice requirements.* -- A notice under subsection (a) of this section shall include:

(1) The name and address of the party seeking to create the lien;

(2) A statement of intent to create a lien;

(3) An identification of the contract;

(4) The nature of the alleged breach;

(5) The amount of alleged damages;

(6) A description of the property against which the lien is intended to be imposed sufficient to identify the property, and stating the county or counties in which the property is located; and

(7) A statement that the party against whose property the lien is intended to be imposed has the right to a hearing under subsection (c) of this section.

(c) (1) A party to whom notice is given under subsection (a) of this section may, within 30 days after the notice is served on the party, file a complaint in the circuit court for the county in which any part of the property is located to determine whether probable cause exists for the establishment of a lien.

(2) A complaint filed under this subsection shall include:

(i) The name of the complainant and the name of the party seeking to establish the lien;

(ii) A copy of the notice served under subsection (a) of this section; and

(iii) An affidavit containing a statement of facts that would preclude establishment of the lien for the damages alleged in the notice.

(3) A party filing a complaint under this subsection may request a hearing at which any party may appear to present evidence.

(d) *Burden of proof.* -- If a complaint is filed, the party seeking to establish the lien has the burden of proof.

(e) *Docketing and process.* -- The clerk of the circuit court shall docket the proceedings under this section, and all process shall issue out of and all pleadings shall be filed in a single action.

(f) *Supplemental affidavit.* -- Before any hearing held under subsection (c) of this section, the party seeking to establish a lien may supplement, by means of an affidavit, any information contained in the notice given under subsection (a) of this section.

(g) *Action on complaint by circuit court.* --

(1) If a complaint is filed under subsection (c) of this section, the court shall review any pleadings filed, including any supplementary affidavit filed under subsection (f) of this section, and shall conduct a hearing if requested under subsection (c)(3) of this section.

(2) If the court determines that probable cause exists to establish a lien, it shall order the lien imposed.

(3) The order to impose a lien shall state that the owner of the property against which the lien is imposed may file a bond of a specified amount to have the lien against the property removed.

(h) *Recording lien; removal of lien upon filing bond.* --

(1) If the court orders a lien to be imposed under subsection (g) of this section, or if the owner of the property against which a lien is intended to be imposed fails to file a complaint under subsection (c) of this section the party seeking to create the lien may file a statement of lien among the land records of each county in which any portion of the property is located.

(2) The party seeking to create the lien may file the lien statement in the county land records:

(i) If a complaint was filed under subsection (c) of this section, 30 days after the date of the court order allowing the creation of the lien; or

(ii) If a complaint was not filed under subsection (c) of this section, 30 days after the owner was served under subsection (a)(2) or (3) of this section.

(3) Unless the party seeking to create the lien and the owner agree otherwise, if the party seeking to create the lien fails to file the lien statement within 90 days after the

expiration of the applicable time period described in paragraph (2) of this subsection, the party seeking to create the lien may:

(i) Not file the lien statement in the county land records; and

(ii) File for a new lien by complying with the requirements of subsections (a) through (h) of this section.

(4) A lien imposed under this subtitle has priority from the date the statement of lien is filed.

(5) Until an order imposing a lien is entered by the court, the owner of the property against which the lien is imposed may have the lien removed at any time by filing with the clerk of the circuit court a bond in the amount specified by the court under subsection (g)(3) of this section.

(i) *Trial; costs.* --

(1) Until an order is entered by the court either establishing or denying a lien, the action shall proceed to trial on any matter at issue.

(2) The court may award costs and reasonable attorney's fees to any party under this subtitle.

(j) *Statement of lien.* –

(1) Subject to paragraph (2) of this subsection, a statement of lien is sufficient for purposes of this subtitle if it is in substantially the following form:

STATEMENT OF LIEN

This is to certify that the property described as _____ is subject to a lien under Title 14, Subtitle 2 of the Real Property Article, Maryland Annotated Code, in the amount of $_____. The property is owned by _____.

I hereby affirm under the penalty of perjury that notice was given under § 14-203(a) of the Real Property Article, and that the information contained in the foregoing statement of lien is true and correct to the best of my knowledge, information and belief.

(name of party claiming lien)

(2) (i) This paragraph applies only to a lien that is subject to § 11–110(f) or § 11B–117(c) of this article.

(ii) In addition to satisfying the requirements of paragraph (1) of this subsection, a statement of lien is sufficient for purposes of this subtitle if the statement

includes specific information about the amount of the regular monthly assessments, or the equivalent of the regular monthly assessments, for common expenses in substantially the following form:

The amount of the regular monthly assessments, or the equivalent of the regular monthly assessments, for common expenses, that is the basis of the priority portion of this lien as provided in § 11–110(f) or § 11B–117(c) of the Real Property Article, is $_____. This sum represents _____ months of unpaid regular assessments, at $_____ per month.

(k) *Releasing lien.* -- If an order is entered under subsection (i) of this section denying a lien, or if a bond is filed under subsection (h) of this section, the clerk of the circuit court shall enter a notation in the land records releasing the lien.

§ 14-204. Enforcement and Foreclosure of Lien.

(a) *Manner of enforcement and foreclosure.* -- Except as provided in subsection (d) of this section, a lien may be enforced and foreclosed by the party who obtained the lien in the same manner, and subject to the same requirements, as the foreclosure of mortgages or deeds of trust on property in this State containing a power of sale or an assent to a decree.

(b) *Suits for deficiency and unpaid damages.* -- If the owner of property subject to a lien is personally liable for alleged damages, suit for any deficiency following foreclosure may be maintained in the same proceeding, and suit for a monetary judgment for unpaid damages may be maintained without waiving any lien securing the same.

(c) *Time limit.* -- Any action to foreclose a lien shall be brought within 12 years following recordation of the statement of lien.

(d) (1) (i) *Definitions.* -- In this subsection the following words have the meanings indicated.

(ii) "Common ownership community" means:

1. A condominium as defined in § 11–101 of this article; or

2. A homeowners association as defined in § 11B–101 of this article.

(iii) "Governing body" means a person who has authority to enforce the declaration, articles of incorporation, bylaws, rules, or regulations of a common ownership community.

(2) *Limitation*. -- Notwithstanding the declaration, articles of incorporation, bylaws, rules, or regulations of a common ownership community, a governing body may

foreclose on a lien against a unit owner or lot owner only if the damages secured by the lien:

(i) Consist of:

1. Delinquent periodic assessments or special assessments and any interest; and

2. Reasonable costs and attorney's fees directly related to the filing of the lien that do not exceed the amount of the delinquent assessments; excluding any interest; and

(ii) Do not include fines imposed by the governing body or attorney's fees or costs related to recovering the fines.

(3) This subsection does not preclude a governing body from using any other means to enforce a lien against a unit owner or lot owner.

§ 14-205. Exemptions.

The provisions of this subtitle do not apply to land installment contracts or to deeds of trust or mortgages on property in this State.

§ 14-206. Short Title.

This subtitle may be cited as the Maryland Contract Lien Act.

Selected Statutes

§ 2-119. Solar Collector Systems.

(a) (1) In this section, the following words have the meanings indicated.

(2) "Restriction on use" includes any covenant, restriction, or condition contained in:

(i) A deed;

(ii) A declaration;

(iii) A contract;

(iv) The bylaws or rules of a condominium or homeowners association;

(v) A security instrument; or

(vi) Any other instrument affecting:

1. The transfer or sale of real property; or

2. Any other interest in real property.

(3) "Solar collector system" means a solar collector or other solar energy device, the primary purpose of which is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating, space cooling, or water heating.

(4) "Solar easement" means an interest in land that:

(i) Is conveyed or assigned in perpetuity; and

(ii) Limits the use of the land to preserve the receipt of sunlight across the land for the use of a property owner's solar collector system.

(b) (1) A restriction on use regarding land use may not impose or act to impose unreasonable limitations on the installation of a solar collector system on the roof or exterior walls of improvements, provided that the property owner owns or has the right to exclusive use of the roof or exterior walls.

(2) For purposes of paragraph (1) of this subsection, a restriction on use is unreasonable if application of the restriction on use to a particular proposal:

(i) Increases the installation cost of the solar Collector system by at least 5% over the projected cost of the initially proposed installation; or

(ii) Reduces the energy generated by the solar collector system by at least 10% below the projected energy generation of the initially proposed installation.

(3) (i) The owner shall provide documentation that is satisfactory to the community association to show that the restriction is unreasonable under paragraph (2) of this subsection.

(ii) The documentation required under subparagraph (i) of this paragraph shall be prepared by an independent solar panel design specialist who:

1. Is certified by the North American Board of Certified Energy Practitioners; or

2. Has attested by affidavit to designing at least 30 solar collector systems in the course of trade within the prior 3 years.

(4) (i) A community association may prohibit or restrict the installation of a solar collector system in the common area or common elements within the real estate development served by the association.

(ii) A community association may establish reasonable restrictions as to the number, size, place, or manner of placement or installation of a solar collector system installed in the common area or common elements.

(iii) Notwithstanding the provisions of the governing documents and provided that the installation is not otherwise prohibited by applicable law, the board of directors for a community association shall have discretion to install a solar collector system in the common area or common elements within the real estate development served by the community association.

(c) (1) A property owner who has installed or intends to install a solar collector system may negotiate to obtain a solar easement in writing.

(2) Any written instrument creating a solar easement shall include:

(i) A description of the dimensions of the solar easement expressed in measurable terms, including vertical or horizontal angles measured in degrees or the hours of the day on specified dates when direct sunlight to a specified surface of a solar collector system may not be obstructed;

(ii) The restrictions placed on vegetation, structures, and other objects that would impair the passage of sunlight through the solar easement; and

(iii) The terms under which the solar easement may be revised or terminated.

(3) A written instrument creating a solar easement shall be recorded in the land records of the county where the property is located.

(d) This section does not apply to a restriction on use on historic property that is listed in, or determined by the Director of the Maryland Historical Trust to be eligible for inclusion in, the Maryland Register of Historic Properties.

§2-124. Unreasonable limitations on location and use of portable basketball apparatus.

(a) *Definitions.* -- (1) In this section the following words have the meanings indicated.

(2) "Portable basketball apparatus" means a portable apparatus or device designed for recreational use in conjunction with the game of basketball.

(3) "Restriction on use" includes any covenant, restriction, or condition contained in:

(i) A deed;

(ii) A declaration;

(iii) A contract;

(iv) The bylaws or rules of a condominium or homeowners association;

(v) A security instrument; or

(vi) Any other instrument affecting:

1. The transfer or sale of real property; or

2. Any other interest in real property

(b) *In general.* -- (1) A restriction on use regarding land use may not impose or act to impose an unreasonable limitation on the location and use of a portable basketball apparatus, provided that the property owner owns or has the right to exclusive use of the area in which placement and use of the portable basketball apparatus is to occur.

(2) For purposes of paragraph (1) of this subsection, an unreasonable limitation includes a limitation that:

(i) Significantly increases the cost of using a portable basketball apparatus; or

(ii) Significantly decreases the ability to use a portable basketball apparatus as designed and intended.

(c) *Historic property; exception*. This section does not apply to a restriction on use of historic property that is listed in, or determined by the Director of the Maryland Historical Trist to be eligible for inclusion in, the Maryland Register of Historic Properties.

§ 2-303. Housing and Community Development – Common Ownership Community Website.

(a) (1) In this section the following words have the meanings indicated.

(2) "Common ownership community" means:

(i) a condominium, as defined in §11-101 of the Real Property Article;

(ii) a cooperative housing corporation, as defined in §5-6B-01 of the Corporations and Associations Article; or

(iii) a homeowners association, as defined in §11B-101 of the Real Property Article.

(3) "Local common ownership community program" means a program operated by a local jurisdiction for the regulation or oversight of common ownership communities.

(b) The Department shall establish and maintain a website that provides information for individuals living in a common ownership community.

(c) The Department shall make publicly available on the website:

(1) a hyperlink to the website of each local common ownership community program in the State; and

(2) information on statewide legislation enacted in the prior session regarding the rights and responsibilities of individuals living in a common ownership community, including, for each bill that is enacted:

(i) the bill title;

(ii) the bill and chapter number;

(iii) the effective date of the bill; and

(iv) a hyperlink to the bill information on the General Assembly website;

(3) (i) a summary of the requirements for the governing body of a common ownership community and for an individual seeking to install electric vehicle recharging equipment in a common ownership community under § 5–6B–23.1 of the Corporations and Associations Article and §§ 11–111.4 and 11B–111.8 of the Real Property Article;

(ii) information on contractors, including specific information on contractors certified through labor-management training programs, and insurers for the installation of electric vehicle recharging equipment in a common ownership community; and

(iii) a point of contact in the Department to assist individuals with questions relating to electric vehicle recharging equipment in common ownership communities; and

(4) information on resources available to individuals living in common ownership communities to aid in dispute resolution between the individual and the common ownership community.

(d) The information required under subsection (c)(2) of this section shall be posted on the Department's common ownership community website on or before June 1 each year.

§ 3-105.2. Release of mortgage, deed of trust, or lien instrument.

(a) In this section, "lien instrument" means:

(1) A lien created under the Maryland Contract Lien Act;

(2) An instrument creating or authorizing the creation of a lien in favor of a homeowners association, a condominium council of unit owners, a property owners association, or a community association;

(3) A security agreement; or

(4) A vendor's lien.

(b) A mortgage, deed of trust, or lien instrument may be released validly in accordance with this section.

(c) When the debt secured by a mortgage, deed of trust, or lien instrument is paid fully or satisfied by a settlement agent licensed by the Maryland Insurance Administration as a title insurance producer under Title 10, Subtitle 1 of the Insurance Article, a title insurer, or a lawyer admitted to the Maryland Bar, and the party satisfied fails to provide a release suitable for

recording, the settlement agent, title insurer, or lawyer may prepare and record a statutory release affidavit that:

(1) May be received by the clerk and indexed and recorded as any other instrument in the nature of a release or certificate or satisfaction; and

(2) Has the same effect as a release of the property for which the mortgage, deed of trust, or lien instrument is the security, as if a release were executed by the mortgagee, named trustees, or secured party.

(d) Before the settlement agent, title insurer, or lawyer may record a statutory release affidavit under this section, that person shall:

(1) Allow at least a 60-day waiting period from the date the mortgage, deed of trust, or lien instrument is paid fully or satisfied for the party satisfied to provide a release suitable for recording;

(2) Send by certified mail, with or without a return receipt, to the party satisfied:

(i) A copy of this section;

(ii) A copy of the proposed statutory release affidavit that the person intends to record; and

(iii) A notice that unless a release suitable for recording is provided within 30 days, the person will obtain a release in accordance with the provisions of this section;

(3) After the mailing of the notice under item (2) of this subsection, allow an additional waiting period of at least 30 days for the party satisfied to provide a release suitable for recording.

(e) A statutory release affidavit recorded under this section shall:

(1) Be in substantially the following form:

STATUTORY RELEASE AFFIDAVIT

I hereby declare or affirm, under the penalties of perjury, that:

(1) On (insert date), I caused to be paid off the debt secured by the mortgage, deed of trust, or lien instrument, found in Liber/Book ____, at Folio/Page ____, in the land records of _____ County/Baltimore City, Maryland.

(2) I obtained a written payoff statement from the person to whom the debt was owed or the person's agent, the funds paid to the person or the person's agent were sufficient to pay

off the debt in full, and, as authorized by the obligor on the account, I instructed the person or the person's agent to close the account.

(3) On (insert date), I sent the notice required under § 3-105.2(d)(2) of the Real Property Article to the person satisfied by certified mail.

(4) The person satisfied has failed to provide a release suitable for recording.

(5) I am:

____ A settlement agent who holds a title insurance producer license in good standing from the Maryland Insurance Administration;

____ An officer of a title insurer; or

____ A member of the Maryland Bar.

(6) The payoff of the debt was accomplished by:

____ The original check, written on an escrow account controlled by the undersigned individual, which is attached to this affidavit and incorporated by reference;

____ A check, written on an escrow account controlled by the undersigned individual, a check facsimile of which is attached to this affidavit and incorporated by reference, and which has been certified as a true copy of the original check by the issuing bank; or

____ A wire transfer, the wire transfer remittance advice for which contains the information required under § 3-105.2(e)(2)(iii)2 of the Real Property Article and is attached to this affidavit and incorporated by reference.

_____
(Signature)

_____
(Printed or typed name)

_____
(Date")
; and

(2) Be accompanied by:

(i) The canceled check evidencing final payment, which shall contain the name of the party whose debt is being satisfied, the debt account number, if any, and words indicating that the check is intended as payment in full of the debt being satisfied;

(ii) If the canceled check is unavailable, a check facsimile, as defined in § 5-513 of the Financial Institutions Article, that contains the information required under item (i) of this item, accompanied by a certification from an authorized agent of the institution on which the check was drawn stating the check facsimile is a true and genuine image of the original check; or

(iii) If the debt securing the mortgage, deed of trust, or lien instrument was paid off by a wire transfer, the wire transfer remittance advice, which shall:

1. Be accompanied by a certification from an authorized agent of the institution from which the wire transfer was initiated stating that the document is a true and genuine image of the original wire transfer confirmation order issued by the institution; and

2. Contain the name of the person for whom the payoff was made, the name of the institution that was paid the money, a truncated version of the number of the account from which the funds were transferred, a truncated version of the number of the account to which the funds were transferred, the Federal Reserve Bank's reference numbers for the wire transfer, the loan number for the note that was paid off, the amount of the payoff made by the wire transfer, and the date and time of the wire transfer.

§ 3–1901. Personal Injury or Death Caused by Dog.

(a) (1) In an action against an owner of a dog for damages for personal injury or death caused by the dog, evidence that the dog caused the personal injury or death creates a rebuttable presumption that the owner knew or should have known that the dog had vicious or dangerous propensities.

(2) Notwithstanding any other law or rule, in a jury trial, the judge may not rule as a matter of law that the presumption has been rebutted before the jury returns a verdict.

(b) In an action against a person other than an owner of a dog for damages for personal injury or death caused by the dog, the common law of liability relating to attacks by dogs against humans that existed on April 1, 2012, is retained as to the person without regard to the breed or heritage of the dog.

(c) The owner of a dog is liable for any injury, death, or loss to person or property that is caused by the dog, while the dog is running at large, unless the injury, death, or loss was caused to the body or property of a person who was:

(1) Committing or attempting to commit a trespass or other criminal offense on the property of the owner;

(2) Committing or attempting to commit a criminal offense against any person; or

(3) Teasing, tormenting, abusing, or provoking the dog.

(d) This section does not affect:

(1) any other common law or statutory cause of action; or

(2) any other common law or statutory defense or immunity.

§ 5–6B-01. Cooperative Housing – Definitions.

(a) In this subtitle the following terms have the meanings indicated.

(b) "Articles of incorporation" means the charter by which a cooperative housing corporation becomes incorporated under this article.

(c) "Assessment" means any share of common costs or other expense charged to a member by a cooperative housing corporation.

(d) "Blanket encumbrance" means any contract binding on a cooperative housing corporation and creating a lien or security interest or other encumbrance or imposing restrictions on any real or personal property owned by the cooperative housing corporation.

(e) "Bylaws" means the document which details and governs the internal organization and operation of the cooperative housing corporation.

(f) "Conversion" means the creation of a cooperative housing corporation from a property which was immediately previously a residential rental facility.

(g) "Cooperative housing corporation" means a domestic or foreign corporation qualified in this State, either stock or non stock, having only one class of stock or membership, in which each stockholder or member, by virtue of such ownership or membership, has a cooperative interest in the corporation.

(h) "Cooperative interest" means the ownership interest in a cooperative housing corporation which is coupled with a possessory interest in real or personal property or both and evidenced by a membership certificate.

(i) "Cooperative project" means all the real and personal property in this State owned or leased by the cooperative housing corporation for the primary purpose of residential use.

(j) (1) "Developer" means a person who:

(i) Owns an equitable interest, including a cooperative interest, in a unit prior to its initial sale to a member of the public;

(ii) Exercises control over cooperative interests before they are transferred to initial purchasers, excluding management agents and sales agents acting in their capacities as such; or

(iii) Receives a material portion of the sales proceeds, not including customary brokerage commissions or payment for indebtedness to an institutional banker, from the initial sale of a cooperative interest to a member of the public.

(2) "Developer" does not include a cooperative housing corporation.

(k) "Electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that:

(1) May be retained, retrieved, and reviewed by a recipient of the communication; and

(2) May be reproduced directly in paper form by a recipient through an automated process.

(l) "Governing Body" means the board of directors or other entity established to govern the cooperative housing corporation.

(m) "Initial purchaser" means a member of the public, not an affiliate of or a successor to the developer, who, for value, acquires a cooperative interest as part of the initial sale of a cooperative interest which is used for residential purposes.

(n) "Initial sale" means the first transfer of a cooperative interest to an initial purchaser.

(o) "Member" means a person who owns a cooperative interest.

(p) "Membership certificate" means:

(1) A document, including a stock certificate issued by a cooperative housing corporation, evidencing ownership of a cooperative interest; or

(2) If there is no other document which satisfies paragraph (1) of this subsection, a proprietary lease.

(q) "Moving expenses" means costs incurred to:

(1) Hire contractors, labor, trucks, or equipment for the transportation of personal property;

(2) Pack and unpack personal property;

(3) Disconnect and install personal property;

(4) Insure personal property to be moved; and

(5) Disconnect and reconnect utilities such as telephone service, gas, water, and electricity.

(r) "No–impact home–based business" means a business that:

(1) Is consistent with the residential character of the dwelling unit;

(2) Is subordinate to the use of the dwelling unit for residential purposes and requires no external modifications that detract from the residential appearance of the dwelling unit;

(3) Uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors; and

(4) Does not involve use, storage, or disposal of any grouping or classification of materials that the United States Secretary of Transportation or the State or any local governing body designates as a hazardous material.

(s) (1) "Proprietary lease" means an agreement with the cooperative housing corporation under which a member has an exclusive possessory interest in a unit and a possessory interest in common with other members in that portion of a cooperative project not constituting units and which creates a legal relationship of landlord and tenant between the cooperative housing corporation and the member, respectively.

(2) "Proprietary lease" includes, if there is no other document that satisfies paragraph (1) of this subsection, a membership certificate.

(t) "Residential rental facility" means property containing at least 10 dwelling units leased for residential purposes.

(u) "Unit" means a portion of the cooperative project leased for exclusive occupancy by a member under a proprietary lease.

§ 5–6B-19. Cooperative Housing – Meetings.

(a) This section applies to any meeting of a cooperative housing corporation, the governing body of a cooperative housing corporation, or a committee of a cooperative housing corporation, notwithstanding anything contained in the documents of the cooperative housing corporation.

(b) Subject to the provisions of subsection (e) of this section, all meetings of the cooperative housing corporation shall be open to the members of the cooperative housing corporation or their agents.

(c) All members shall be given reasonable notice of all regularly scheduled open meetings of the cooperative housing corporation.

(d) (1) This subsection does not apply to a meeting of a governing body that occurs at any time before the members, other than the developer, have a majority of votes in the cooperative housing corporation.

(2) Subject to paragraph (3) of this subsection and to reasonable rules adopted by a governing body, a governing body shall provide a designated period of time during a meeting to allow members an opportunity to comment on any matter relating to the cooperative housing corporation.

(3) During a meeting at which the agenda is limited to specific topics or at a special meeting, the comments of members may be limited to the topics listed on the meeting agenda.

(e) (1) A meeting of a cooperative housing corporation may be held in closed session only for the purpose of:

(i) Discussing matters pertaining to employees and personnel;

(ii) Protecting the privacy or reputation of individuals in matters not related to the business of the cooperative housing corporation;

(iii) Consulting with legal counsel on legal matters;

(iv) Consulting with staff personnel, consultants, attorneys, board members, or other persons in connection with pending or potential litigation or other legal matters;

(v) Conducting investigative proceedings concerning possible or actual criminal misconduct;

(vi) Considering the terms or conditions of a business transaction in the negotiation stage if the disclosure could adversely affect the economic interests of the cooperative housing corporation;

(vii) Complying with a specific constitutional, statutory, or judicially imposed requirement protecting particular proceedings or matters from public disclosure; or

(viii) Discussing individual owner assessment accounts.

(2) If a meeting is held in closed session under paragraph (1) of this subsection:

(i) An action may not be taken and a matter may not be discussed if it is not permitted by paragraph (1) of this subsection; and

(ii) The minutes of the next meeting of the cooperative housing corporation shall include:

1. A statement of the time, place, and purpose of a closed meeting;

2. A record of the vote of each board or committee member by which the meeting was closed; and

3. A statement of the authority under this subsection for closing the meeting.

§ 5–6B-20. Cooperative Housing – Distribution of Information.

(a) This section does not apply to the distribution of information or materials at any time before the members, other than the developer, have a majority of votes in the cooperative housing corporation.

(b) Subject to subsection (c) of this section, a cooperative housing corporation shall allow any member to distribute written information or materials regarding matters relating to the operation of the cooperative housing corporation in the same place and manner as the governing body distributes written information or materials other than:

(1) Information or materials reflecting assessments imposed on members that the governing body distributes door–to–door; or

(2) Meeting notices that the governing body distributes door–to–door.

(c) A cooperative housing corporation may place reasonable restrictions on the time of any distribution of written information or materials.

§ 5–6B-21. Cooperative Housing – Meetings of Members.

(a) This section does not apply to any meetings of members occurring at any time before the members, other than the developer, have a majority of the votes in the cooperative housing corporation.

(b) Subject to reasonable rules adopted by the governing body, members may meet for the purpose of considering and discussing matters relating to the operation of the cooperative housing corporation any area that is generally open to all members of the cooperative housing corporation.

§ 5–6B-22.1 Cooperative Housing - Family Child Care Homes.

(a) (1) In this section the following words have the meanings indicated.

(2) "Family child care home" has the meaning stated in § 9.5–301 of the Education Article.

(3) "Family child care provider" has the meaning stated in § 9.5–301 of the Education Article.

(4) "Large family child care home" has the meaning stated in § 9.5–301 of the Education Article.

(b) This section does not apply to a cooperative housing corporation that is restricted for occupancy to individuals over a specified age.

(c) (1) Subject to the provisions of subsections (d) through (f) of this section, a provision in the articles of incorporation or a proprietary lease or a provision of the bylaws of a cooperative housing corporation may not prohibit or restrict:

(i) The establishment and operation of a family child care home or large family child care home; or

(ii) The use of the roads, sidewalks, and other common elements of the cooperative housing corporation by users of the family child care home or large family child care home.

(2) Subject to the provisions of subsection (d) of this section, the operation of a family child care home or large family child care home shall be:

(i) considered a residential activity; and

(ii) a permitted activity.

(3) A provision in the articles of incorporation or a proprietary lease or a provision of the bylaws of a cooperative housing corporation may not limit the number of children for which a family child care home or large family child care home provides family child care to below the number authorized by the State Department of Education.

(d) A cooperative housing corporation may include in the articles of incorporation or a proprietary lease or the bylaws a provision that:

(1) Requires family child care providers to pay on a pro rata basis based on the total number of family child care homes or large family child care homes operating in the cooperative housing corporation any increase in insurance costs of the cooperative housing corporation that are solely and directly attributable to the operation of family child care homes or large family child care homes in the cooperative housing corporation; and

(2) Imposes a fee for use of common elements in a reasonable amount not to exceed $50 per year on each family child care home or large family child care home that is registered and operating in the cooperative housing corporation.

(e) The cooperative housing corporation may require residents to notify the cooperative housing corporation before opening a family child care home or large family child care home.

(f) (1) A family child care provider in a cooperative housing corporation:

(i) Shall obtain the liability insurance described under §§ 19–106 and 19–203 of the Insurance Article in at least the minimum amounts described under those statutes; and

(ii) May not operate without the liability insurance described under item (i) of this paragraph.

(2) A cooperative housing corporation may not require a family child care provider to obtain insurance in an amount greater than the minimum amount required under paragraph (1) of this subsection.

§ 5–6B-23.1. Cooperative Housing – Electric Vehicle Recharging Equipment

(a) (1) In this section the following words have the meanings indicated.

(2) "Common element" means any area in a cooperative project in which members have a possessory interest in common.

(3) "Electric vehicle recharging equipment" means property in the State that is used for recharging vehicles propelled by electricity, including motor vehicles and electric bicycles.

(b) A recorded covenant or restriction, a provision in a declaration, a provision in a proprietary lease, or a provision in the bylaws or rules of a cooperative housing corporation is void and unenforceable if the covenant, restriction, or provision:

(1) Is in conflict with the provisions of this section; or

(2) Effectively prohibits or unreasonably restricts the installation or use of electric vehicle recharging equipment in a member's parking space or a parking space that is specifically designated for use by a particular member.

(c) (1) If approval is required for the installation or use of electric vehicle recharging equipment in a cooperative housing corporation, the governing body shall process and review an application for approval in the same manner as an application for approval of an architectural modification to the cooperative housing corporation.

(2) The governing body may not willfully avoid or delay processing and reviewing an application for approval.

(3) If an application is not denied in writing within 60 days after the governing body receives the application, the application shall be deemed approved, unless the delay is the result of a reasonable request for additional information.

(4) The approval or denial of an application shall be in writing.

(d) (1) The governing body shall approve the installation of electric vehicle recharging equipment in a parking space that is specifically designated for use by a particular member if:

(i) Installation:

1. Does not unreasonably impede the normal use of an area outside the member's parking space; and

2. Is reasonably possible; and

(ii) The member agrees in writing to:

1. Comply with:

A. All relevant building codes and safety standards to maintain the safety of all members with a possessory interest in common; and

B. The cooperative housing corporation's architectural standards for the installation of the electric vehicle recharging equipment;

2. Engage a licensed contractor to install the electric vehicle recharging equipment; and

3. Pay for the electricity usage associated with the separately metered electric vehicle recharging equipment.

(2) The owner and each successive owner of the electric vehicle recharging equipment shall be responsible for:

(i) Installation costs for the electric vehicle recharging equipment;

(ii) Costs for damage to the electric vehicle recharging equipment or common element resulting from the installation, maintenance, repair, removal, or replacement of the electric vehicle recharging equipment;

(iii) Costs for the maintenance, repair, and replacement of the electric vehicle recharging equipment up until the equipment is removed;

(iv) If the member decides to remove the electric vehicle recharging equipment, costs for the removal and for the restoration of the common element after removal; and

(v) The cost of electricity associated with the electric vehicle recharging equipment.

(e) A member shall obtain any permit or approval for electric vehicle recharging equipment that is required by the county or municipal corporation in which the cooperative housing corporation is located.

(f) A governing body may grant a license for up to 3 years, renewable at the discretion of the governing body, on any common element necessary for the installation of equipment or for the supply of electricity to any electric vehicle recharging equipment.

(g) (1) A member shall:

(i) Prior to installation of the electric vehicle recharging equipment, provide a certificate of insurance naming the cooperative housing corporation as an additional insured; or

(ii) Reimburse the cooperative housing corporation for the cost of an increased insurance premium attributable to the electric vehicle recharging equipment.

(2) Insurance coverage of the electric vehicle recharging equipment shall be maintained so long as the electric vehicle recharging equipment and all appurtenances to the electric vehicle recharging equipment are installed.

§ 5–6B-23.2 Cooperative Housing – Sensitive Information Protected.

(a) (1) In this section the following words have the meanings indicated.

(2) "Common area" means any area in a cooperative project in which members have a possessory interest in common.

(3) (i) "Sensitive information" means an individual's:

1. Social security card or social security number;

2. Individual taxpayer identification number;

3. Birth certificate;

4. Racial or ethnic origin;

5. National origin;

6. Citizenship or immigration status;

7. Religious or philosophical beliefs; or

8. Medical records.

(ii) "Sensitive information" does not include an individual's government–issued photo identification, such as a driver's license.

(b) A cooperative housing corporation may not require a member or unit occupant, or the guest or child of a member or unit occupant, to provide sensitive information as a condition for accessing or using a recreational common area, such as a reading lounge, game room, playground, or swimming pool.

§ 5–6B-26.1. Cooperative Housing – Reserve Study

(a) (1) In this section the following words have the meanings indicated.

(2) "Reserve study" means a study of the reserves required for future major repairs and replacement of the common elements of a cooperative housing corporation that:

(i) Using an itemized list, clearly identifies each structural, mechanical, electrical, and plumbing component of the common elements and any other components that:

1. Are the responsibility of the cooperative housing corporation to repair and replace; and

2. If applicable, meet a minimum cost of repair or replacement, as determined by the governing body, that is:

a. reasonably based on the expenses of the cooperative housing corporation; and

b. not a minor expense that is otherwise addressed by the budget of the cooperative housing corporation;

(ii) States the normal useful life and the estimated remaining useful life of each identified component;

(iii) States the estimated cost of repair or replacement of each identified component;

(iv) States the estimated annual reserve amount necessary to accomplish any identified future repair or replacement; and

(v) States the quantity or size of each identified component using the appropriate measurement, such as unit amount, square footage, or cubic feet.

(3) "Updated reserve study" means, for the common elements since the prior reserve study was completed within the previous 5 years, a study that:

(i) Revises replacement cost, remaining life, and useful life estimates;

(ii) Analyzes work performed and amounts spent; and

(iii) Identifies whether any maintenance contracts are in place.

(b) (1) this subsection applies only to a cooperative housing corporation established in:

(i) Prince George's county on or after October 1, 2020;

(ii) Montgomery county on or after October 1, 2021; or

(iii) any county other than Prince George's County or Montgomery County on or after October 1, 2022.

(2) The governing body of the cooperative housing corporation shall have an independent reserve study completed not less than 30 calendar days before the first meeting of the cooperative housing corporation at which the members other than the owner have a majority of votes in the cooperative housing corporation.

(3) The governing body shall have an updated reserve study completed within 5 years after the date of the initial reserve study conducted under paragraph (2) of this subsection, which shall be updated at least every 5 years thereafter.

(c) (1) (i) This paragraph applies only to a cooperative housing corporation established in Prince George's county before October 1, 2020.

(ii) If the governing body of a cooperative housing corporation has had a reserve study conducted on or after October 1, 2016, the governing body shall have an updated reserve study conducted within 5 years after the date of that reserve study and at least every 5 years thereafter.

(iii) If the governing body of a cooperative housing corporation has not had a reserve study conducted on or after October 1, 2016, the governing body shall have a reserve study conducted on or before October 1, 2021, and an updated reserve study at least every 5 years thereafter.

(2) (i) This paragraph applies only to a cooperative housing corporation established in Montgomery county before October 1, 2021.

(ii) If the governing body of a cooperative housing corporation has had a reserve study conducted on or after October 1, 2017, the governing body shall have an updated reserve study conducted within 5 years after the date of that reserve study and at least every 5 years thereafter.

(iii) If the governing body of a cooperative housing corporation has not had a reserve study conducted on or after October 1, 2017, the governing body shall have a reserve study conducted on or before October 1, 2022, and an updated reserve study at least every 5 years thereafter.

(3) (i) This paragraph applies to a cooperative housing corporation established in any county other than Prince George's county or Montgomery county before October 1, 2022.

(ii) If the governing body of a cooperative housing corporation has had a reserve study conducted on or after October 1, 2018, the governing body shall have an updated reserve study conducted within 5 years after the date of that reserve study and at least every 5 years thereafter.

(iii) If the governing body of a cooperative housing corporation has not had a reserve study conducted on or after October 1, 2018, the governing body shall have a reserve study conducted on or before October 1, 2023, and an updated reserve study at least every 5 years thereafter.

(d) Each reserve study and updated reserve study required under this section shall:

(1) be prepared by a person who:

(i) Has prepared at least 30 reserve studies within the prior 3 calendar years;

(ii) Has participated in the preparation of at least 30 reserve studies within the prior 3 calendar years while employed by a firm that prepares reserve studies;

(iii) Holds a current license from the State Board of Architects or the State Board for Professional Engineers; or

(iv) Is currently designated as a reserve specialist by the Community Association Institute or as a professional reserve analyst by the Association of Professional Reserve Analysts;

(2) Be available for inspection and copying by any unit owner;

(3) Be reviewed by the governing body of the cooperative housing corporation in connection with the preparation of the annual proposed budget; and

(4) Be summarized for submission with the annual proposed budget to the unit owners.

(e) To the extent that a reserve study conducted in accordance with this section indicates a need to budget for reserves, the budget shall include:

(1) For the capital components, the current estimated:

(i) Replacement cost;

(ii) Remaining life; and

(iii) Useful life;

(2) The amount of accumulated cash reserves set aside for the repair, replacement, or restoration of capital components as of the beginning of the fiscal year in which the reserve study is conducted and the amount of the expected contribution to the reserve fund for the fiscal year;

(3) A statement describing the procedures used for estimation and accumulation of cash reserves in accordance with this section; and

(4) A statement of the amount of reserves recommended in the study and the amount of current cash for replacement reserves.

(f) (1) (i) 1. Subject to paragraph (2) of this subsection and subparagraph (ii) of this paragraph, the governing body of a cooperative housing corporation shall deposit funds to the reserve account in accordance with the most recent reserve study or updated reserve study and the funding plan required under subsection (g) of this section on or before the last day of each fiscal year and shall review the reserves and the most recent reserve study or updated reserve study annually to determine whether there is adequate funding in accordance with the funding plan required under subsection (g) of this section.

2. The annual review under subsubparagraph 1 of this subparagraph does not require a reserve study or updated reserve study in addition to the reserve study requirements under subsections (b) and (c) of this section.

(ii) Subject to paragraph (2) of this subsection, if the most recent reserve study was an initial reserve study, the governing body shall, within 5 fiscal years following the fiscal year in which the initial reserve study was completed, attain the annual reserve funding level recommended in the initial reserve study in accordance with the funding plan under subsection (g) of this section.

(2) (i) The governing body of a cooperative housing corporation may determine by a two–thirds majority vote that the cooperative housing corporation and the members are experiencing a financial hardship that limits the ability to fund reserves that are required under paragraph (1)(i) or (ii) of this subsection.

(ii) Subject to subparagraphs (iii) through (v) of this paragraph, if a governing body makes a financial hardship determination based on the reserve funding requirements of paragraph (1)(i) or (ii) of this subsection:

1. The cooperative housing corporation may reasonably deviate from that reserve funding requirement; and

2. The funding level under that requirement shall be at least the funding amount necessary for the purposes specified under subsection (g)(3) of this section.

(iii) 1. Except as provided in subsubparagraph 2 of this subparagraph, a cooperative housing corporation may not deviate from the reserve funding requirements of paragraph (1)(i) or (ii) of this subsection for a period of more than 1 fiscal year following the financial hardship determination.

2. The governing body may renew a financial hardship determination under subparagraph (i) of this paragraph by a two–thirds majority vote to extend the period that a cooperative housing corporation may deviate from the reserve funding requirement by 1 fiscal year following the renewal.

(iv) The governing body shall:

1. Make good faith efforts to resolve the financial hardship and resume funding reserves as required under paragraph (1)(i) or (ii) of this subsection;

2. Maintain detailed documentation of the good faith efforts made under item 1 of this subparagraph; and

3. Treat the documents under item 2 of this subparagraph as records for examination and copying under § 5–6b–26 of this subtitle.

(v) 1. All members shall be given reasonable notice in advance of a vote on an initial or a renewal of a financial hardship determination under this paragraph.

2. A vote on an initial or a renewal of a financial hardship determination under this paragraph may be taken only at a regular or special meeting of the cooperative housing corporation.

(3) The governing body of a cooperative housing corporation has the authority to increase an assessment levied to cover the reserve funding amount required under this section, notwithstanding any provision of the articles of incorporation, bylaws, or proprietary lease restricting assessment increases or capping the assessment that may be levied in a fiscal year.

(g) (1) The governing body of a cooperative housing corporation shall, in consultation with a person identified under subsection (d)(1) of this section, develop a funding plan to determine how to fund the reserves necessary under this section.

(2) In developing the funding plan under this subsection, the governing body shall select one of the following methods to achieve the reserve funding under this section:

(i) The component method;

(ii) The cash flow method;

(iii) The baseline funding method;

(iv) The threshold cash flow method; or

(v) Any other funding method consistent with generally accepted accounting principles.

(3) A funding plan developed under this subsection shall prioritize adequate amounts for repair and replacement of common elements of the cooperative housing corporation that are necessary for:

(i) The health, safety, and well–being of the occupants;

(ii) Ensuring structural integrity, such as roofing replacements and maintaining structural systems;

(iii) Essential functioning, such as plumbing, sewer, heating, cooling, and electrical infrastructure; and

(iv) Any other essential or critical purpose, as determined by the governing body.

(4) Reserves may be used for purposes other than those specified in the funding plan if the funds are repaid to the reserve fund within 5 years after their use.

(5) A governing body shall review progress toward compliance with the funding plan developed under this subsection at each annual meeting of the governing body

§ 5–6B-26.2. Cooperative Housing – Prince George's County Cooperatives Subject to Community Association Registration Requirement

A cooperative housing corporation in Prince George's County shall register with the Community Association Registry and pay any fees as required under § 14–131 of the Real Property Article.

§ 5–6B-27 (d). Cooperative Housing – Copy of Fidelity Policy.

(d) A copy of the fidelity insurance policy or fidelity bond shall be included in the books and records kept and made available by or on behalf of the cooperative housing corporation under § 5–6B–26 of this subtitle.

§ 5–6B-28. Cooperative Housing – Record Keeping.

(a) The governing body shall keep books and records in accordance with good accounting practices.

(b) (1) (i) Subject to subparagraph (ii) of this paragraph, on the request of the members of at least 5 percent of the unit, the governing body shall cause an audit of the books and records to be made by an independent certified public accountant.

(ii) An audit may not be made more than once in any consecutive 12-month period.

(2) The cost of the audit shall be a common expense.

§ 5–6B-29. Cooperative Housing – Late Fees.

(a) Subject to the requirements of this section, a proprietary lease or the bylaws of a cooperative housing corporation may provide for a late charge of no more than $15 or one-tenth of the total amount of any delinquent assessment or installment owed by a member, whichever is greater.

(b) A late charge may not be imposed more than once for the same delinquent assessment or installment.

(c) A late charge may only be imposed if the delinquency has continued for a period of 10 days or more.

§ 5–6B-30. Cooperative Housing – Due Process Procedures.

(a) The dispute settlement mechanism provided by this section applies to any complaint or demand formally arising on or after October 1, 2023, unless the bylaws of the cooperative housing corporation or the proprietary lease of the member who are parties to the dispute state otherwise.

(b) (1) Except as provided in this subsection, a governing body may not impose a fine, suspend voting, bring an action in court to evict, or infringe on any other rights of a member for a violation of:

(i) The rules of the cooperative housing corporation; or

(ii) The provisions of the member's proprietary lease.

(2) The governing body shall send to the member, via certified mail, return receipt requested, at the address of record for notice purposes with the cooperative housing corporation a written demand to cease and desist from the alleged violation specifying:

(i) The alleged violation;

(ii) The action required to abate the violation; and

(iii) 1. A time period of not less than 15 days during which the violation may be abated without further sanction if the violation is a continuing one; or

2. A statement that any further violation of the same rule may result in the imposition of sanction after notice and the opportunity for a hearing if the violation is not continuing.

(3) (i) If the violation continues past the period specified under paragraph (2)(iii)1 of this subsection, or if the same rule is violated subsequently, the governing body

shall send to the member, via certified mail, return receipt requested, at the address of record for notice purposes with the cooperative housing corporation a with written notice of the member's right to request a hearing to be held by the governing body in session.

(ii) The notice shall specify:

1. The nature of the alleged violation;

2. The proposed sanction to be imposed;

3. The procedure for requesting a hearing; and

4. The time frame for requesting a hearing, which may not be less than 10 days beginning on the date of the notice.

(4) (i) If the member requests a hearing within the time frame specified in the notice given under paragraph (3) of this subsection, the governing body shall hold a hearing on the alleged violation in executive session.

(ii) The governing body shall give the member at least 10 days' written notice of the time and place of the hearing.

(iii) At the hearing, the member shall have the right to present evidence and to present and cross-examine witnesses regarding the alleged violation.

(iv) Prior to imposing any sanction on the member, the governing body shall place in the minutes of the meeting proof of the notice provided to the member under paragraph (3) of this subsection, which shall include:

1. A copy of the notice, together with a statement of the date and manner of the delivery of the notice; or

2. A statement that the member in fact appeared at the hearing.

(v) The governing body shall place in the minutes of the meeting the results of the hearing and the sanction, if any, imposed on the member.

(5) If the member does not request a hearing within the time frame specified in the notice given under paragraph (3) of this subsection, the governing body, at the next meeting, shall deliberate as to whether the violation occurred and decide whether a sanction is appropriate for the violation.

(c) A member may appeal a decision of a governing body made in accordance with the dispute settlement procedure described in this section to the courts of Maryland.

(d) (1) If a member fails to comply with this subtitle, the bylaws of a cooperative housing corporation, or a decision rendered by the governing body in accordance with this section, the governing body or any other member of the cooperative housing corporation may sue the member for any damages caused by the failure or for injunctive relief.

(2) The prevailing party in a proceeding authorized under this subsection is entitled to an award for reasonable attorney's fees as determined by court.

(e) The failure of a governing body to enforce a provision of this title, the proprietary lease of a member, or the bylaws of the cooperative housing corporation on any occasion is not a waiver of the right to enforce the provision on any other occasion.

§ 5–6B-31. Cooperative Housing – Eviction.

(a) This section applies only to a cooperative project that is no longer subject to a mortgage or deed of trust.

(b) Notwithstanding the articles of incorporation, bylaws, or regulations of a cooperative housing corporation or the proprietary lease of any member, a governing body may not bring an action in court to evict a member based solely on the failure of the member to pay assessments owed to the cooperative housing corporation unless:

(1) The member has been delinquent assessments for a period of 3 months or more;

(2) The governing body has given the member notice and an opportunity to be heard regarding the delinquency, consistent with § 5-6B-30 of this subtitle;

(3) The governing body has given the member an opportunity to cure the delinquency; and

(4) The member has failed to cure the delinquency.

§ 7-105.3. Notice and disclosure of foreclosure sales to counties.

(a) *Notice to county or municipal corporation.* – In addition to any other foreclosure requirements under the law, after the commencement of an action to foreclose a lien on real property and before making a sale of the property subject to the lien, the person authorized to make the sale shall notify the county or municipal corporation where the property subject to the lien is located, not less than 15 days prior to sale, of:

(1) The name, address, and telephone number of the person authorized to make the sale; and

(2) The time, place, and terms of sale.

(b) *Notice of outstanding liens, charges, taxes, or assessments.* -- A county or municipal corporation that receives the notice described under subsection (a) of this section shall notify the person authorized to make the sale of any outstanding liens, charges, taxes, or assessments that the county or municipal corporation has against the property not more than 10 days after receiving the notice of sale.

§ 7-105.14. Foreclosed Property Registry.

(a) *Definitions.* –

(1) In this section the following words have the meanings indicated.

(2) "Foreclosed Property Registry" means the Foreclosed Property Registry established by the Commissioner of Financial Regulation under subsection (b) of this section.

(3) "Foreclosure purchaser" means the person identified as the purchaser on the report of sale required by Maryland Rule 14–305 for a foreclosure sale of residential property.

(4) "Fund" means the Foreclosed Property Registry Fund established by the Commissioner of Financial Regulation under subsection (i) of this section.

(5) "Local jurisdiction" means:

(i) A county; or

(ii) A municipal corporation.

(6) "Residential property" means real property improved by four or fewer dwelling units that are designed principally and are intended for human habitation.

(b) *Internet based.* -- The Commissioner of Financial Regulation shall establish and maintain an Internet–based Foreclosed Property Registry for information relating to foreclosure sales of residential property.

(c) *Disclosure.* -- At the time of a foreclosure sale of residential property, the person responsible for conducting the foreclosure shall obtain from the foreclosure purchaser a written acknowledgment of the requirements of this section.

(d) *Registration.* –

(1) Within 30 days after a foreclosure sale of residential property, a foreclosure purchaser shall submit an initial registration to the Foreclosed Property Registry.

(2) The initial registration shall:

(i) Be in the form the Commissioner of Financial Regulation requires; and

(ii) Contain the following information:

1. The name, telephone number, and address of the foreclosure purchaser;

2. The street address of the property that is the subject of the foreclosure sale;

3. The date of the foreclosure sale;

4. Whether the property is a single–family or multifamily property;

5. The name and address of the person, including a substitute purchaser, who is authorized to accept legal service for the foreclosure purchaser;

6. To the best of the foreclosure purchaser's knowledge at the time of registration:

A. Whether the residential property is vacant; and

B. The name, telephone number, and street address of the person who is responsible for the maintenance of the property; and

7. Whether the foreclosure purchaser has possession of the property.

(3) Within 30 days after a deed transferring title to the residential property has been recorded, the foreclosure purchaser shall submit a final registration to the Foreclosed Property Registry.

(4) The final registration shall:

(i) Be in the form the Commissioner of Financial Regulation requires; and

(ii) Contain the following information as of the date of final registration:

1. The name, telephone number, and address of the owner on the deed;

2. The date of the ratification of the sale; and

3. The date the deed was recorded.

(5) The Commissioner of Financial Regulation shall establish procedures that require a foreclosure purchaser, after submitting an initial registration, to submit to the Foreclosed Property Registry any change to the information required under paragraph (2)(ii)5 through 7 of this subsection within 21 business days after the change is known to the purchaser.

(6) On receipt through the Foreclosed Property Registry of an initial registration or any change submitted under paragraph (5) of this subsection, the Commissioner of Financial Regulation shall promptly notify, by electronic means, authorized users from the county and, if appropriate, the municipal corporation in which the property is located.

(e) *Filing fees.* –

(1) The filing fees for registering a residential property are:

(i) $50 for an initial registration filed within the time period required under subsection (d)(1) of this section; and

(ii) $100 for an initial registration filed after the time period required under subsection (d)(1) of this section.

(2) There is no fee for a final registration.

(3) A filing fee paid under paragraph (1) of this subsection is nonrefundable.

(4) A local jurisdiction may enact a local law that imposes a civil penalty for failure to register under this section in an amount not exceeding $1,000.

(f) *Cost of nuisance abatement.* –

(1) Subject to paragraph (2) of this subsection, a local jurisdiction that, in accordance with any applicable building code or local ordinance, abates a nuisance on a residential property registered under this section or takes action to maintain a residential property registered under this section may collect the cost associated with the abatement or other action as a charge included on the residential property's property tax bill.

(2) Exceptions:

(i) The cost associated with an abatement or other action taken under paragraph (1) of this subsection may not be included as a charge on the residential property's property tax bill unless the local jurisdiction provides advance written notice in accordance with subparagraph (ii) of this paragraph to:

1. The person identified in the registry who is authorized to accept legal service for the foreclosure purchaser; and

2. The person identified in the registry who is responsible for the maintenance of the property.

(ii) The notice described in subparagraph (i) of this paragraph shall:

1. Describe the intended abatement or other action the local jurisdiction intends to take; and

2. Be provided:

A. In accordance with the notice provisions of the applicable building code or local ordinance; or

B. If the applicable building code or local ordinance does not provide for notice, at least 30 days before the local jurisdiction abates the nuisance or takes action to maintain the property.

(g) *Not public record.* –

(1) The Foreclosed Property Registry:

(i) Is not a public record as defined by § 4-101 of the General Provisions Article; and

(ii) Is not subject to Title 4 of the General Provisions Article.

(2) The Commissioner of Financial Regulation may authorize access to the Foreclosed Property Registry only to local jurisdictions, their agencies, and representatives and State agencies.

(3) Notwithstanding paragraphs (1) and (2) of this subsection, the Commissioner of Financial Regulation or a local jurisdiction may provide information for a specific property in the Foreclosed Property Registry to:

(i) A person who owns property on the same block; or

(ii) A homeowners association or condominium in which the property is located.

(h) *Revenue.* -- Revenue collected from the filing fees required under subsection (e)(1) of this section shall be distributed to the Fund.

(i) *Registry Fund.* –

(1) There is a Foreclosed Property Registry Fund in the Office of the Commissioner of Financial Regulation.

(2) The purpose of the Fund is to support the development, administration, and maintenance of the Foreclosed Property Registry established under this section.

(3) The Commissioner of Financial Regulation shall administer the Fund.

(4) (i) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(ii) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(5) The Fund consists of:

(i) Revenue distributed to the Fund under subsection (h) of this section;

(ii) Investment earnings of the Fund;

(iii) Money appropriated in the State budget to the Fund; and

(iv) Any other money from any other source accepted for the benefit of the Fund.

(6) (i) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(ii) Any investment earnings of the Fund shall be paid into the Fund.

§ 7–112. Priority of Refinanced Deed of Trust.

(a) (1) In this section the following words have the meanings indicated.

(2) "Escrow Costs" means money to pay property taxes, hazard insurance, mortgage insurance, and similar costs associated with real property secured by a refinance mortgage that a lender requires to be collected at closing and held in escrow.

(3) (i) "Junior Lien" means a mortgage, deed of trust, or other security instrument that is subordinate in priority to a first mortgage or deed of trust under § 3–203 of this article.

(ii) "Junior Lien" does not include:

1. A judgment lien; or

2. A lien filed under the Maryland Contract Lien Act.

(4) "Refinance Mortgage" means a mortgage, deed of trust, or other security instrument given to secure the refinancing of indebtedness secured by a first mortgage or deed of trust.

(5) "Residential property" means real property improved by four or fewer single family dwelling units that are designed principally and are intended for human habitation.

(b) This section does not apply to a junior lien securing a loan made by a state or local government agency with a 0% interest rate.

(c) A mortgagor or grantor who refinances in full the unpaid indebtedness secured by a first mortgage or deed of trust encumbering or conveying an interest in residential property at an interest rate lower than provided for in the evidence of indebtedness secured by the first mortgage or deed of trust is not required to obtain permission from the holder of a junior lien if:

(1) The principal amount secured by the junior lien does not exceed $150,000; and

(2) The principal amount secured by the refinance mortgage does not exceed the unpaid outstanding principal balance secured by the first mortgage or deed of trust plus an amount not exceeding $5,000 to pay closing costs and escrow costs.

(d) A refinance mortgage that meets the requirements of subsection (c) of this section shall have, on recordation, the same lien priority as the first mortgage or deed of trust that the refinance mortgage replaces.

(e) A refinance mortgage that meets the requirements of subsection (c) of this section shall include the following statement in bold or capitalized letters: "This is a refinance of a deed of trust/mortgage/other security instrument recorded among the land records of ..... county/city, Maryland in liber no. ..... folio ....., in the original principal amount of ....., and with the unpaid outstanding principal balance of ..... . The interest rate provided for in the evidence of indebtedness secured by this refinance mortgage is lower than the applicable interest rate provided for in the evidence of indebtedness secured by the deed of trust/mortgage/other security instrument being refinanced."

(f) The priorities among two or more junior liens shall be governed by § 3–203 of this article.

(g) This section may not be construed to preempt or abrogate the operation or effect of, or ability of a court to apply the principles of, equitable subrogation or equitable subordination.

§ 8-209. Real Property – Residential Leases – Notification of Rent Increases.

(A) (1) This section applies only to a residential lease.

(2) This section does not apply to a landlord who has provided written notice of the intent to terminate a tenancy in accordance with §8-402(c)(2) of this article.

(B) (1) A landlord shall notify a tenant in writing before increasing the tenant's rent.

(2) (I) The notice required under paragraph (1) of this subsection shall:

1. Be sent by first-class mail with a certificate of mailing; or

2. If elected by the tenant, sent by electronic delivery in at least one of the following forms:

A. An e-mail message;

B. A text message; or

C. Through an electronic tenant portal.

(II) The electronic delivery method shall provide the landlord with proof of transmission of the notice.

(III) A landlord may not condition the acceptance of a lease application on the tenant's election to receive notice under this subsection by electronic delivery.

(3) A landlord shall provide the notice required under paragraph (1) of this subsection:

(I) For tenancies for a term of more than one month, at least 90 days in advance of the rent increase;

(II) For tenancies for a term of more than 1 week, but not more than 1 month, at least 60 days in advance of the rent increase; and

(III) For tenancies for a term of 1 week or less:

1. At least 7 days in advance of the rent increase if the parties have a written lease; or

2. At least 21 days in advance of the rent increase if the parties do not have a written lease.

(C) This section does not affect or supersede any local law or ordinance that requires additional notice or provides additional tenant protections.

§ 9–1711. Environment – Recycling for Buildings and Condominiums.

(a) Applicability. --

(1) Except as provided in paragraph (4) of this subsection, this section applies only to:

(i) A property owner or manager of an apartment building that contains 10 or more dwelling units; and

(ii) A council of unit owners of a condominium that contains 10 or more dwelling units.

(2) This section does not affect the authority of a county, municipality, or other local government to enact and enforce recycling requirements, including establishing civil penalties, for an apartment building or a condominium that are more stringent than the requirements of this section.

(3) This section does not require a county to manage or enforce the recycling activities of an apartment building or condominium that is located within the boundaries of a municipality.

(4) This section does not apply in Ocean City.

(b) (1) Compliance Date. -- On or before October 1, 2014, each property owner or manager of an apartment building or a council of unit owners of a condominium shall provide for recycling for the residents of the dwelling units, including:

(i) The collection of recyclable materials from residents of the dwelling units; and

(ii) The removal for further recycling of recyclable materials collected from residents of the dwelling units.

(2) A county may require a property owner or manager of an apartment building or a council of unit owners of a condominium that provides for recycling for the residents of the dwelling units in accordance with paragraph (1) of this subsection to report to the county on recycling activities in a manner determined by the county.

(c) County Recycling Plan. -- The recycling required under subsection (b) of this section shall be carried out in accordance with the recycling plan required under § 9–1703 of this

subtitle for the county in which the apartment building or condominium that contains 10 or more dwelling units is located.

(d) Violations. -- A person that violates subsection (b) or (c) of this section is subject to a civil penalty not exceeding $50 for each day on which the violation exists.

(e) Inspections. -- An enforcement unit, officer, or official of a county, municipality, or other local government may conduct inspections of an apartment building or condominium to enforce subsection (b) of this section.

(f) Enforcement Authority. -- Any penalties collected under subsection (d) of this section shall be paid to the county, municipality, or other local government that brought the enforcement action.

§14–117. Contracts for sale of property.

(a) (1) In this subsection, "water and sewer authority" includes a person to which the duties and responsibilities of the Washington Suburban Sanitary Commission have been delegated by a written agreement or in accordance with a local ordinance.

(2) A contract for the initial sale of improved, residential real property to a member of the public who intends to occupy or rent the property for residential purposes shall disclose the estimated cost, as established by the appropriate water and sewer authority, of any deferred water and sewer charges for which the purchaser may become liable.

(3) (i) In Prince George's county, a contract for the initial sale of residential real property for which there are deferred private water and sewer assessments recorded by a covenant or declaration deferring costs for water and sewer improvements for which the purchaser may be liable shall contain a disclosure that includes:

1. The existence of the deferred private water and sewer assessments;

2. The amount of the annual assessment;

3. The approximate number of payments remaining on the assessment;

4. The amount remaining on the assessment, including interest;

5. The name and address of the person or entity most recently responsible for collection of the assessment;

6. The interest rate on the assessment;

7. The estimated payoff amount of the assessment; and

8. A statement that payoff of the assessment is allowed without prepayment penalty.

(ii) A person or entity establishing water and sewer costs for the initial sale of residential real property may not amortize costs that are passed on to a purchaser by imposing a deferred water and sewer charge for a period longer than 20 years after the date of the initial sale.

(4) If the appropriate water and sewer authority has not established a schedule of charges for the water and sewer project that benefits residential real property or if a local jurisdiction has adopted a plan to benefit residential real property in the future, the contract for the initial sale of the residential real property shall disclose that fact.

(5) (i) This paragraph does not apply in a county that has adopted a disclosure requirement that is substantially similar to the disclosure requirement in subparagraph (ii) of this paragraph.

(ii) A contract for the resale of residential real property that is served by public water or wastewater facilities for which deferred water and sewer charges have been established by a recorded covenant or declaration shall contain a notice in substantially the following form:

"NOTICE REQUIRED BY MARYLAND LAW REGARDING DEFERRED WATER AND SEWER CHARGES

This property is subject to a fee or assessment that purports to cover or defray the cost of installing or maintaining during construction all or part of the public water or wastewater facilities constructed by the developer. This fee or assessment is $___, payable annually or in (__month__) until (__date__) to (__name and address__) (hereafter called "lienholder").

There may be a right of prepayment or a discount for early prepayment which may be ascertained by contacting the lienholder. This fee or assessment is a contractual obligation between the lienholder and each owner of this property, and is not in any way a fee or assessment imposed by the county in which the property is located."

(b) (1) Violation of subsection (1). -- Violation of subsection (a)(2) or (4) of this section entitles the initial purchaser to recover from the seller:

(i) Two times the amount of deferred charges the purchaser would be obligated to pay during the 5 years of payments following the sale;

(ii) No amount greater than actually paid thereafter; and

(iii) Any deposit moneys actually paid by the purchaser that was lost as a result of a violation of subsection (a)(2) or (4) of this section.

(2) Violation of subsection (a)(3) of this section entitles the purchases:

(i) Recover from the seller the total amount of deferred charges the purchaser will be obligated to pay following the sale;

(ii) Recover from the seller any money actually paid by the purchaser on the deferred charge that was lost as a result of a violation of subsection (a)(3) of this section; or

(iii) If the violation is discovered before settlement, rescind the real estate contract without penalty.

(3) (i) Violation of subsection (a)(5) of this section entitles the purchaser:

1. If the violation is discovered before settlement, to rescind in writing the sales contract without penalty or liability;

2. On rescission, to the full return of any deposits made on account of the sales contract; and

3. After settlement, to payment from the seller for the full amount of any fee or assessment not disclosed, unless the seller was never charged a fee or assessment to defray the costs of public water or wastewater facilities by the developer, a successor of the developer, or a subsequent assignee.

(ii) The purchaser's right to rescind under the paragraph shall terminate 5 days after the seller provides a written notice in accordance with subsection (a)(5) of this section.

(iii) If any deposits are held in trust by a licensed real estate broker, the return of the deposits to a purchaser under this paragraph shall comply with the procedures under § 17-505 of the Business Occupations and Professions Article.

(c) (1) A contract for use in the sale of residential property used as a dwelling place for one or two single–family units shall contain, in the manner provided under paragraph (2) of this subsection, the following statement:

> "Section 14–104 of the Real Property Article of the Annotated Code of Maryland provides that, unless otherwise negotiated in the contract or provided by State or local law, the cost of any recordation tax or any State or local transfer tax shall be shared equally between the buyer and seller."

(2) The statement required under paragraph (1) of this subsection shall be printed in conspicuous type or handwritten in the contract or an addendum to the contract.

(d) *"Critical area" notice required.* -- A contract or an addendum to the contract for the sale of real property shall contain in conspicuous type the following statement:

> "Notice to buyer concerning the Chesapeake and Atlantic Coastal Bays Critical Area.
>
> Buyer is advised that all or a portion of the property may be located in the "critical area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "critical area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of State or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries. The "critical area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries to the head of tide. For information as to whether the property is located within the critical area, buyer may contact the local department of planning and zoning, which maintains maps showing the extent of the critical area in the jurisdiction. Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington counties do not include land located in the critical area."

(e) *Additional requirements.* -- A contract of sale shall also comply with the following provisions, if applicable:

(1) Section 17–405 of the Business Occupations and Professions Article (notice of purchaser's protection by the Real Estate Guaranty Fund in an amount not to exceed $25,000);

(2) Section 17–504 of the Business Occupations and Professions Article (notice by real estate broker pertaining to deposit in noninterest bearing account);

(3) Section 17–523 of the Business Occupations and Professions Article (notice by real estate broker about recordation and transfer taxes);

(4) Section 17–524 of the Business Occupations and Professions Article (notice of purchaser's right to select title company, settlement company, escrow company, mortgage lender, or financial institution);

(5) Section 8A–605 of this article (notice of park rules to be given to buyer pertaining to sales of mobile homes);

(6) Section 10–103 of this article (notices and disclosures pertaining to land installment contracts);

(7) Sections 10–301 and 10–306 of this article (requirements and disclosures pertaining to deposits on new homes);

(8) Sections 10–505 and 10–506 of this article (requirements and disclosures pertaining to contracts between custom home builders and buyers);

(9) Sections 10–602, 10–603, 10–604(b), and 10–605 of this article (notices, disclosures, and requirements pertaining to new home warranties);

(10) Section 10–701 of this article (notice pertaining to sale of real property in Prince George's County creating subdivision);

(11) Section 10–702 of this article (disclosure or disclaimer statements pertaining to single–family residential real property);

(12) Section 10–703 of this article (notice pertaining to land use in county land–use plans in Anne Arundel County);

(13) Section 11–126 of this article (notice pertaining to initial sale of condominium unit);

(14) Section 11–135 of this article (notice pertaining to resale of condominium unit);

(15) Sections 11A–112, 11A–115, and 11A–118 of this article (statements and requirements pertaining to time–shares);

(16) Section 11B–105 of this article (notice pertaining to initial sale of lot in development containing more than 12 lots);

(17) Section 11B–106 of this article (notice pertaining to resale of any lot or initial sale of lot in development containing 12 or fewer lots);

(18) Section 11B–107 of this article (notice pertaining to initial sale of lot not intended to be occupied or rented for residential purposes);

(19) Section 5–6B–02 of the Corporations and Associations Article (notice pertaining to initial sale of cooperative interests);

(20) Section 13–308 of the Tax – Property Article (notice of liability for agricultural land transfer tax);

(21) Section 13–504 of the Tax – Property Article (notice of liability for agricultural land transfer tax in Washington County); and

(22) Section 6–824 of the Environment Article (disclosure pertaining to obligations to perform risk reduction).

(23) Section 10-711 of this article (notice on zones of dewatering influence)

(f) *Validity of contract.* -- Unless otherwise specifically provided, a contract of sale is not rendered invalid by the omission of any statement referred to in this section.

(g) *Development impact fees.* –

(1) This subsection applies to Prince George's County.

(2) A contract for the sale of real property on which a development impact fee has been imposed shall contain a notice to the purchaser stating:

(i) That a development impact fee has been imposed on the property;

(ii) The total amount of the impact fee that has been imposed on the property; and

(iii) The amount of the impact fee, if any, that is unpaid on the date of the contract for the sale of the property.

(3) Violation of paragraph (2) of this subsection entitles the initial purchaser to recover from the seller:

(i) Two times the amount of development impact fees the purchaser would be obligated to pay following the sale;

(ii) No amount greater than actually paid thereafter; and

(iii) Any deposit money actually paid by the purchaser that was lost as a result of violation of paragraph (2) of this subsection.

(h) *Agriculturally assessed property; applicability.* –

(1) This subsection applies to St. Mary's and Charles counties.

(2) A contract for the sale of agriculturally assessed real property shall include the following information:

> "Notice: under § 9–241 of the Environment Article of the Annotated Code of Maryland, the Department of the Environment is required to maintain permanent records regarding every permit issued for the utilization of sewage sludge, including the application of sewage sludge on farm land. A prospective buyer has the right to ascertain all such information regarding the property being sold under this transaction."

(3) Omission of the notice required under paragraph (2) of this subsection may not be a basis for invalidation of the contract for sale.

(i) *Contract for initial sale of new home.*--

(1) This subsection applies to Baltimore City and all other counties except Montgomery County.

(2) A contract for the initial sale of a new home, as defined in the Maryland Home Builder Registration Act, shall include the following:

(i) The builder registration number of the seller of the new home;

(ii) A provision stating that the new home shall be constructed in accordance with all applicable building codes in effect at the time of the construction of the new home;

(iii) A provision referencing all performance standards or guidelines:

(1) That the seller shall comply with in the construction of the new home; and

(2) That shall prevail in the performance of the contract and any arbitration or adjudication of a claim arising from the contract; and

(iv) A provision detailing the purchaser's right to receive a consumer information pamphlet as provided under the Home Builder Registration Act.

(3) The performance standards or guidelines described in paragraph (2) of this subsection shall be:

(i) The performance standards or guidelines adopted at the time of the contract:

1. By the National Association of Home Builders; or

2. Under the federal National Manufactured Housing Construction and Safety Standards Act, to the extent applicable;

(ii) Any performance standards or guidelines adopted by the home builder and incorporated into the contract that are equal to or more stringent than the performance standards or guidelines adopted at the time of the contract:

1. By the National Association of Home Builders; or

2. Under the federal National Manufactured Housing Construction and Safety Standards Act, to the extent applicable; or

(iii) Any performance standards or guidelines adopted at the time of the contract by a county or municipal corporation that are equal to or more stringent than the performance standards or guidelines adopted at the time of the contract:

1. By the National Association of Home builders; or

2. Under the federal National Manufactured Housing Construction and Safety Standards Act, to the extent applicable.

(4) The information required by paragraph (2) of this subsection shall be printed in conspicuous type.

(j) *Written commitment for loan.* –

(1) A contract for the initial sale of a new home, as defined in the Maryland Home Builder Registration Act, shall be contingent on the purchaser obtaining a written commitment for a loan secured by the property, unless the contract contains a provision expressly stating that it is not contingent.

(2) If the contract is contingent on the purchaser obtaining a written commitment for a loan secured by the property, the contract shall state:

(i) The maximum loan interest rate the purchaser is obligated to accept; and

(ii) The time period within which the purchaser must obtain a written commitment for a loan.

(3) If a purchaser does not obtain a written commitment for a loan in accordance with the terms of the contract, including terms relating to the time period or obtaining the written commitment:

(i) At the seller's election and on the written notice to the purchaser, the seller may declare the contract void and of no effect; or

(ii) On written notice to the seller accompanied by written documentation from a lender evidencing that purchaser's inability to obtain a loan in accordance with the terms of the contract, the purchaser may declare the contract void and of no effect.

(k) *Notice of potential high noise levels from proximity to military installation.—*

(1) This subsection does not apply in Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington counties.

(2) A contract for the sale of residential real property shall contain the following statement:

"Buyer is advised that the property may be located near a military installation that conducts flight operations, munitions testing, or military operations that may result in high noise levels."

(3) All local laws requiring a statement or notice substantially similar to the statement required under paragraph (2) of this subsection prevail over the requirements of this subsection.

(l) *Disclosure of violations described in § 5-106(aa)(1) of the Courts and Judicial Proceedings Article. –*

(1) This subsection applies to Anne Arundel County.

(2) Subject to paragraph (3) of this subsection, if Anne Arundel County or the State has initiated enforcement action for a violation of a local law described in § 5–106(aa)(1) of the Courts and Judicial Proceedings Article, a contract for sale of the real property where the violation occurred shall disclose:

(i) The nature of the violation;

(ii) The status of any ongoing proceedings to enforce the violation; and

(iii) Any actions the buyer of the real property may be required to take with respect to the property in order to cure the violation.

(3) If a violation of a local law described in § 5–106(aa)(1) of the Courts and Judicial Proceedings Article is cured and a buyer of the real property where the violation occurred would not have any obligation to cure the violation, paragraph (2) of this subsection does not apply.

(m) *Acknowledgment by home builder of development that contains 11 or more new homes* --

(1) This subsection applies only to a development that contains 11 or more new homes to be built by the same home builder.

(2) A contract for the initial sale of a new home, as defined in the Maryland Home Builder Registration Act, shall contain an acknowledgment that the purchaser was provided by the home builder with written information about any energy-efficient options, including a statement that tax credits may be available related to the energy-efficient options, that are available for installation in the home before construction of the home is completed.

(n) *Statement about homestead property tax credit required* -- A contract for the sale of residential property shall include:

(1) The statement "If you plan to live in this home as your principal residence, you may qualify for the homestead property tax credit. The homestead property tax credit may significantly reduce the amount of property taxes you owe."; and

(2) The website address of the document required under § 9-105(f)(5) of the Tax--Property Article.

§14–120. Abatement of nuisance actions where property used for controlled dangerous substance offenses.

(a) (1) In this section the following words have the meanings indicated.

(2) "Commercial property" does not include residential rental property.

(3) "Community association" means:

(i) A nonprofit association, corporation, or other organization that is:

1. Comprised of residents of a community within which a nuisance is located;

2. Operated exclusively for the promotion of social welfare and general neighborhood improvement and enhancement; and

3. Exempt from taxation under § 501(c) (3) or (4) of the Internal Revenue Code; or

(ii) A nonprofit association, corporation, or other organization that is:

1. Comprised of residents of a contiguous community that is defined by specific geographic boundaries, within which a nuisance is located; and

2. Operated for the promotion of the welfare, improvement and enhancement of that community.

(4) "Controlled dangerous substance" means a substance listed in Schedule I or Schedule II under § 5-402 or § 5-403 of the Criminal Law Article.

(5) "Nuisance" means a property that is used:

(i) 1. By persons who assemble for the specific purpose of illegally administering a controlled dangerous substance;

2. For the illegal manufacture, or distribution of:

A. A controlled dangerous substance; or

B. Controlled paraphernalia, as defined in § 5-101 of the Criminal Law Article; or

3. For the illegal storage or concealment of a controlled dangerous substance in sufficient quantity to reasonably indicate under all the circumstances an intent to manufacture, distribute, or dispense:

A. A controlled dangerous substance; or

B. Controlled paraphernalia, as defined in § 5-101 of the Criminal Law Article.

(ii) For prostitution.

(6) (i) "Operator" means a person that exercises control over property.

(ii) "Operator" includes a property manager or any other person that is authorized to evict a tenant.

(7) "Owner" includes an owner-occupant.

(8) "Owner-occupant" includes an owner of commercial property that conducts business in any part of the property.

(9) "Property" includes a mobile home.

(10) "Prostitution" has the meaning stated in § 11-301 of the Criminal Law Article.

(11) (i) "Tenant" means the lessee or a person occupying property, whether or not a party to a lease.

(ii) "Tenant" includes a lessee or a person occupying a mobile home, whether or not a party to a lease.

(iii) "Tenant" does not include:

1. The owner of the property; or

2. A mobile home owner who leases or rents a site for residential use and resides in a mobile home park.

(b) An action under § 4-401 of the Courts Article to abate a nuisance may be brought by:

(1) The State's Attorney of the county in which the nuisance is located;

(2) The county attorney or solicitor of the county in which the nuisance is located;

(3) A community association within whose boundaries the nuisance is located; or

(4) A municipal corporation within whose boundaries the nuisance is located.

(c) An action under § 4-401 of the Courts Article to abate a nuisance may be brought against:

(1) A tenant of the property where the nuisance is located;

(2) An owner of the property where the nuisance is located; or

(3) An operator of the property where the nuisance is located.

(d) (1) (i) Except as provided in subparagraph (ii) of this paragraph, an action may not be brought under this section concerning a commercial property until 30 days after the tenant, if any, and owner of record receive notice from a person entitled to bring an action under this section that a nuisance exists.

(ii) In Baltimore City, an action may not be brought under this section concerning a commercial property until 15 days after the tenant, if any, and owner of record receive notice from a person entitled to bring an action under this section that a nuisance exists.

(2) The notice shall specify:

(i) The date and time of day the nuisance was first discovered; and

(ii) The location on the property where the nuisance is allegedly occurring.

(3) The notice shall be:

(i) Hand delivered to the tenant, if any, and the owner of record; or

(ii) Sent by certified mail to the tenant, if any, and the owner of record.

(e) (1) In addition to any service of process required by the Maryland Rules, the plaintiff shall cause to be posted in a conspicuous place on the property no later than 48 hours before the hearing the notice required under paragraph (2) of this subsection.

(2) The notice shall indicate:

(i) The nature of the proceedings;

(ii) The time and place of the hearing; and

(iii) The name and telephone number of the person to contact for additional information.

(f) A plaintiff is entitled to relief under this section whether or not an adequate remedy exists at law.

(g) (1) If, after a hearing, the court determines that a nuisance exists, the court may order any appropriate injunctive or other equitable relief.

(2) Notwithstanding any other provision of law, and in addition to or as a component of any remedy ordered under paragraph (1) of this subsection, the court may order:

(i) A tenant who knew or should have known of the existence of the nuisance to vacate the property within 72 hours; or

(ii) An owner or operator of the property to submit for court approval a plan of correction to ensure, to the extent reasonably possible, that the property will not again be used for a nuisance if:

1. The owner or operator is a party to the action; and

2. The owner or operator knew or should have known of the existence of the nuisance.

(h) (1) (i) If a tenant fails to comply with an order under subsection (g) of this section and the owner or operator, and tenant, are parties to the action, the court, after a hearing, may order restitution of the possession of the property to the owner or operator.

(ii) If the court orders restitution of the possession of the property under subparagraph (i) of this paragraph, the court shall immediately issue its warrant to the sheriff or constable commanding execution of the warrant within 5 days after issuance of the warrant.

(2) (i) This paragraph does not apply to an action brought under this section alleging the use of a property for prostitution.

(ii) If an owner, including an owner-occupant, fails to comply with an order under subsection (g) of this section, after a hearing the court may, in addition to issuing a contempt order or an order for any other relief, order that:

1. The property be sold, at the owner's expense, in accordance with the Maryland Rules governing judicial sales; or

2. The property be demolished if the property is unfit for habitation and the estimated cost of rehabilitation significantly exceeds the estimated market value of the property after rehabilitation.

(3) (i) This paragraph applies only to an action brought under this section alleging the use of a property for prostitution.

(ii) If an owner, including an owner-occupant, fails to comply with an order under subsection (g) of this section, after a hearing, the court may issue a contempt order.

(4) If an owner-occupant fails to comply with an order under subsection (g) of this section regarding a nuisance in the owner-occupied unit of the property, after a hearing the court may, in addition to issuing a contempt order or an order for any other relief, order that:

(i) The owner-occupied unit be vacated within 72 hours; and

(ii) The owner-occupied unit remain unoccupied for a period not to exceed 1 year or until the property is sold in an arm's length transaction.

(i) Except as provided in paragraph (g)(2) of this section, the court may order appropriate relief under subsection (g) of this section without proof that a defendant knew of the existence of the nuisance.

(j) In any action brought under this section:

(1) Evidence of the general reputation of the property is admissible to corroborate testimony based on personal knowledge or observation, or evidence seized during the execution of a search and seizure warrant, but shall not, in and of itself, be sufficient to establish the existence of a nuisance under this section; and

(2) Evidence that the nuisance had been discontinued at the time of the filing of the complaint or at the time of the hearing does not bar the imposition of appropriate relief by the court under subsection (g) of this section.

(k) (1) This subsection does not apply to an action against an owner, other than an owner-occupant, brought under this section alleging the use of a property for prostitution.

(2) The court may award court costs and reasonable attorney's fees to a community association that is the prevailing plaintiff in an action brought under this section.

(l) An action under this section shall be heard within 14 days after service of process on the parties.

(m) This section does not abrogate any equitable or legal right or remedy under existing law to abate a nuisance.

(n) (1) An appeal from a judgment or order under this section shall be filed within 10 days after the date of the order or judgment.

(2) If either party files a request for oral argument, the court shall hear the oral argument within 7 days after the request is filed.

(3) (i) If the appellant files a request for oral argument, the request shall be filed at the time of the filing of the appeal.

(ii) If the appellee files a request for oral argument, the request shall be filed within 2 days of receiving notice of the appeal.

(o) Provisions of this article or public local laws applicable to actions between a landlord and tenant are not applicable to actions brought against a landlord or a tenant under this section.

(p) All proceedings under this section are equitable in nature.

(q) (1) Except as provided in paragraph (2) of this subsection, when necessary to accomplish the purposes of this section, a law enforcement officer, an attorney in a municipal or county attorney's office, or an attorney in an office of the State's Attorney may disclose the contents of an executed search warrant and papers filed in connection with the search warrant to:

(i) An officer or director of the community association in which the nuisance is located, or the attorney representing the community association;

(ii) An owner, tenant, or operator of the searched property or an agent of the owner, tenant, or operator of the searched property; or

(iii) An attorney in a municipal or county attorney's office.

(2) An affidavit may not be disclosed under this subsection while under seal in accordance with § 1-203 of the Criminal Procedure Article.

§ 14-128. Display of United States flag by homeowner or tenant.

(a) *Application of section.* -- The provisions of this section shall apply to any residential property, including property that is subject to the provisions of:

(1) Title 8, Title 8A, Title 11, Title 11A, or Title 11B of this article; or

(2) Title 5, Subtitle 6B of the Corporations and Associations Article.

(b) *Homeowner or tenant may not be prohibited from displaying flag.* -- Regardless of the terms of any contract, deed, covenant, restriction, instrument, declaration, rule, bylaw, lease agreement, rental agreement, or any other document concerning the display of flags or decorations by a homeowner or tenant on residential property, a homeowner or tenant may not be prohibited from displaying on the premises of the property in which the homeowner or tenant is entitled to reside one portable, removable flag of the United States in a respectful manner, consistent with 4 U.S.C. §§ 4 through 10, as amended, and subject to reasonable rules and regulations adopted pursuant to subsection (d) of this section.

(c) *Terms of contract may not prohibit display of flag.* -- The terms of any contract, deed, covenant, restriction, instrument, declaration, rule, bylaw, lease agreement, rental agreement, or any other document concerning the display of flags or decorations by a homeowner or tenant on residential property may not prohibit or unduly restrict the right of a homeowner or tenant to display on the premises of the property in which the homeowner or tenant is entitled to reside one portable, removable flag of the United States in a respectful manner, consistent with 4 U.S.C. §§ 4 through 10, as amended, and subject to reasonable rules and regulations adopted under subsection (d) of this section.

(d) *Rules and regulations.* --

(1) Subject to paragraph (2) of this subsection, the board of directors of a condominium, homeowners association, or housing cooperative, or a landlord may adopt reasonable rules and regulations regarding the placement and manner of display of the flag of the United States and a flagpole used to display the flag of the United States on the premises of the property in which the homeowner or tenant is entitled to reside.

(2) Before adopting any rules or regulations under paragraph (1) of this subsection, the board of directors of the condominium, homeowners association, or housing cooperative, or the landlord shall:

(i) Hold an open meeting on the proposed rules and regulations for the purpose of providing affected homeowners and tenants an opportunity to be heard; and

(ii) Provide advance notice of the time and place of the open meeting by publishing the notice in a community newsletter, on a community bulletin board, by means provided in the documents governing the condominium, homeowners association, or housing cooperative, or in the lease, or by other means reasonably calculated to inform the affected homeowners and tenants.

§ 14-130 Installation and use of clotheslines on residential property.

(a) *Definitions.* --

(1) In this section the following words have the meanings indicated.

(2) (i) "Single-family property" includes:

1. A single-family detached home;

2. A townhouse; and

3. A property that is subject to:

A. Title 11 of this article;

B. Title 11B of this article; or

C. Title 5, Subtitle 6B of the Corporations and Associations Article.

(ii) "Single-family property" does not include property that contains more than four dwelling units.

(3) "Townhouse" means a single-family dwelling unit that is constructed in a horizontal series of attached units with property lines separating the units.

(b) *Section inapplicable to historic property*. -- This section does not apply to a restriction concerning the installation or use of clotheslines on historic property that is listed in, or determined by the Director of the Maryland Historical Trust to be eligible for inclusion in, the Maryland Register of Historic Properties.

(c) *Property instruments may not prohibit installation or use of clotheslines*. -- A contract, deed, covenant, restriction, instrument, declaration, rule, bylaw, lease agreement, rental agreement, or any other document concerning the installation or use of clotheslines on single-

family property may not prohibit a homeowner or tenant from installing or using clotheslines on single-family property.

(d) *Installation or use of clotheslines not prohibited by existing property instruments*. -- Notwithstanding any other provision of law or the terms of any contract, deed, covenant, restriction, instrument, declaration, rule, bylaw, lease agreement, rental agreement, or any other document concerning the installation or use of clotheslines on single-family property, a homeowner or tenant may not be prohibited from installing or using clotheslines on single-family property.

(e) *Reasonable restrictions permitted*. -- This section does not prohibit reasonable restrictions on:

(1) The dimensions, placement, or appearance of clotheslines for the purpose of protecting aesthetic values; or

(2) The placement of clotheslines for the purpose of protecting persons or property in the event of fire or other emergencies.

(f) Meetings regarding adoption of restrictions. -- Before adopting any restriction concerning the installation or use of clotheslines on single-family property, a landlord or the governing body of a condominium, homeowners association, or housing cooperative shall:

(1) Hold an open meeting on the proposed restriction for the purpose of providing affected homeowners and tenants an opportunity to be heard; and

(2) Provide advance notice of the time and place of the open meeting by publishing the notice:

(i) In a community newsletter;

(ii) On a community bulletin board;

(iii) By means provided in the lease or governing documents of the condominium, homeowners association, or housing cooperative; or

(iv) By other means reasonably calculated to inform the affected homeowners and tenants.

§ 14-131 Community Association Managers Registry.

(a) *Definitions.* --

(1) In this section the following terms have the meanings indicated.

(2) "Community association" means:

(i) A condominium council of unit owners organized under Title 11, Subtitle 1 of this article;

(ii) A homeowners association organized under Title 11B of this article; or

(iii) A cooperative housing corporation organized under Title 5, Subtitle 6B of the Corporations and Associations Article.

(3) "Community association management" means to manage the common property and services of a community association with the authority of the community association in its business, legal, financial, or other transactions with association members and nonmembers for a fee, commission, or other valuable consideration, including:

(i) Collecting monthly assessments;

(ii) Preparing budgets, financial statements, or other financial reports;

(iii) Negotiating contracts or otherwise coordinating or arranging for services or the purchase of property or goods for or on behalf of a community association;

(iv) Executing the resolutions and decisions of a community association and assisting the governing body of a community association and association members in complying with laws, contracts, covenants, rules, and bylaws;

(v) Managing the operation and maintenance of community-owned properties, including community centers, pools, golf courses, and parking areas; and

(vi) Arranging, conducting, or coordinating meetings of a community association or the governing body of an association.

(4) "Office" means the Prince George's County Office of Community Relations.

(5) "Owner" means:

(i) A member of a cooperative housing corporation;

(ii) A unit owner of a condominium; or

(iii) A lot owner of a homeowners association.

(6) "Registry" means the Community Association Registry.

(b) *Prince George County.* -- This section applies only in Prince George's County.

(c) *Registry established.* -- On or after January 1, 2011, the Office shall establish a Registry.

(d) *Registration by managers required.* –

(1) Any entity, including a sole proprietorship, that provides community 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.

(2) Each community association located in the county shall register with the Registry and renew its registration by January 31 each year.

(e) *Form and fee.* –

(1) The Office shall:

(i) Provide the registration form; and

(ii) Collect a fee from each entity that registers under this section.

(2) (i) The County Executive shall establish the annual fee charged, which shall be in an amount sufficient to fund the cost to establish and administer the administrative hearing process by the Office.

(ii) The fee may include:

1. A per–unit charge to community associations to renew registration;

2. fees for services relating to the administrative hearing process that seek to recover the actual cost of the services; and

3. A per–unit charge to developers when the documents for the community association are recorded.

(iii) Fees collected in accordance with this section shall be used to cover the cost of the administrative hearing process provided through the county for disputes between a community association and an owner, including costs for any technical assistance provided by the Office and the Commission on Common Ownership Communities in Prince George's County.

(f) *Form -- Contents.* -- The registration form shall include:

(1) The name, address, and telephone number of the entity providing community association management services if applicable;

(2) The names, titles, and business telephone numbers of the principal officers of the entity;

(3) The designated contact person of the entity, including name, address, title, telephone number, and electronic mail address;

(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

(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.

(g) *Information available to public.* – In addition to the annual registration fee established under this section, the governing body of Prince George's County may establish the following reasonable fees in amounts sufficient to cover costs identified in subsection (e)(2)(iii) of this section:

(1) Fees for services relating to the administrative hearing process that seek to recover the actual cost of the services; and

(2) A per–unit charge to developers when documents are recorded.

(h) The governing body of a community association shall be responsible for compliance with this section.

(i) The Office may make any information received under this section available to the public, subject to the provisions of the Maryland Public Information Act.

(j) A person who fails to register or who makes a false statement on a registration form may not file a dispute under the administrative hearings process provided through the county until the person registers as required by this section.

(k) *Violations.* -- A person who commits a willful violation of this section or who causes a person to commit a willful violation of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $ 1,000.

§ 21-10A. Transportation - Towing Regulations.

§ 21-10A-01. "Parking lot" defined; applicability.

(a) *"Parking lot" defined.* -- In this subtitle, "parking lot" means a privately owned facility consisting of 3 or more spaces for motor vehicle parking that is:

(1) Accessible to the general public; and

(2) Intended by the owner of the facility to be used primarily by the owner's customers, clientele, residents, lessees, or guests.

(b) *Applicability* --

(1) This subtitle applies only to the towing or removal of vehicles from parking lots.

(2) Nothing in this subtitle prevents a local authority from exercising any power to adopt local laws or regulations relating to the registration or licensing of persons engaged in, or otherwise regulating in a more stringent manner, the parking, towing or removal, or impounding of vehicles.

§ 21-10A-02. **Signs.**

(a)(1) In this section, "regional mall" means a shopping mall with at least:

(i) 400,000 square feet of gross leasable area; and

(ii) 2 anchor stores.

(2) The square footage of any anchor store shall be excluded from the calculation of gross leasable area under this section.

(b) *In general* -- The owner or operator of a parking lot or the owner's or operator's agent may not have a vehicle towed or otherwise removed from the parking lot unless the owner, operator, or agent has placed in conspicuous locations, as described in subsection (c) of this section, signs that:

(1) Are at least 24 inches high and 30 inches wide;

(2) Are clearly visible to the driver of a motor vehicle entering or being parked in the parking lot;

(3) State the location to which the vehicle will be towed or removed and the name of the towing company;

(4) State that State law requires that the vehicle be available for reclamation 24 hours per day, 7 days per week;

(5) State the maximum amount that the owner of the vehicle may be charged for the towing or removal of the vehicle; and

(6) Provide the telephone number of a person who can be contacted to arrange for the reclaiming of the vehicle by its owner or the owner's agent.

(c) *Number of signs required* –

(1) Except as provided in paragraph (2) of this subsection, the signs described in subsection (b) of this section shall be placed to provide at least 1 sign for every 7,500 square feet of parking space in the parking lot.

(2) In the parking lot of a regional mall, the signs described in subsection (b) of this section shall be placed at every entrance to the parking lot.

§ 21-10A-03. **Location to which vehicles towed or removed.**

(a) *In general*. -- A vehicle may not be towed or otherwise removed from a parking lot to a location that is:

(1) Subject to subsection (b) of this section, more than 15 miles from the parking lot; or

(2) Outside the State.

(b) *Establishment of distance limitations by local jurisdiction*. -- A local jurisdiction may establish a maximum distance from a parking lot to a towed vehicle storage facility that is different than that established under subsection (a)(1) of this section.

§ 21-10A-04. Rights, duties and obligations of persons undertaking towing or removing vehicles; database.

(a) *In general*. -- Unless otherwise set by local law, a person who undertakes the towing or removal of a vehicle from a parking lot:

(1) May not charge the owner of the vehicle, the owner's agent, the insurer of record, or any secured party more than:

(i) Twice the amount of the total fees normally charged or authorized by the political subdivision for the public safety impound towing of vehicles;

(ii) Notwithstanding § 16-207(f)(1) of the Commercial Law Article, the fee normally charged or authorized by the political subdivision from which the vehicle was towed for the daily storage of impounded vehicles;

(iii) If a political subdivision does not establish a fee limit for the public safety towing, recovery, or storage of impounded vehicles, $250 for towing and recovering a vehicle and $30 per day for vehicle storage; and

(iv) Subject to subsection (b) of this section, the actual cost of providing notice under this section;

(2) Shall notify the police department in the jurisdiction where the parking lot is located within 1 hour after towing or removing the vehicle from the parking lot, and shall provide the following information:

(i) A description of the vehicle including the vehicle's registration plate number and vehicle identification number;

(ii) The date and time the vehicle was towed or removed;

(iii) The reason the vehicle was towed or removed; and

(iv) The locations from which and to which the vehicle was towed or removed;

(3) Shall notify the owner, any secured party, and the insurer of record by certified mail, return receipt requested, and first-class mail within 3 days, exclusive of days that the towing business is closed, after towing or removing the vehicle, and shall provide the same information required in a notice to a police department under item (2) of this subsection;

(4) Shall provide to the owner, any secured party, and the insurer of record the itemized actual costs of providing notice under this section;

(5) Before towing or removing the vehicle, shall have authorization of the parking lot owner which shall include:

(i) The name of the person authorizing the tow or removal;

(ii) A statement that the vehicle is being towed or removed at the request of the parking lot owner; and

(iii) Photographic evidence of the violation or event that precipitated the towing of the vehicle;

(6) Shall obtain commercial liability insurance in the amount required by federal law for transporting property in interstate or foreign commerce to cover the cost of any damage to the vehicle resulting from the person's negligence;

(7) May not employ or otherwise compensate individuals, commonly referred to as "spotters", whose primary task is to report the presence of unauthorized parked vehicles for the purposes of towing or removal, and impounding;

(8) May not pay any remuneration to the owner, agent, or employee of the parking lot; and

(9) May not tow a vehicle solely for a violation of failure to display a valid current registration under § 13-411 of this article until 72 hours after a notice of violation is placed on the vehicle.

(b) *Charge for cost of providing notice* -- A person may not charge for the actual cost of providing notice under subsection (a)(1)(iv) of this section if the vehicle owner, the owner's agent, the insurer of record, or any secured party retakes possession of the vehicle within 48 hours after the vehicle was received at the storage facility.

(c) *Database with addresses of insurers for providing notice* -- The Administration shall:

(1) Establish and maintain a database containing the proper address for providing notice to an insurer under subsection (a)(3) of this section for each insurer authorized to write a vehicle liability insurance policy in the State; and

(2) Make the database available to any tower free of charge.

§ 21-10A-05. **Delivery to storage facility; repossession by owner before or after towing; payment.**

(a) *Delivery to storage facility; repossession by owner*. -- Subject to subsection (b) of this section, if a vehicle is towed or otherwise removed from a parking lot, the person in possession of the vehicle:

(1) Shall immediately deliver the vehicle directly to the storage facility stated on the signs posted in accordance with § 21-10A-02 of this subtitle;

(2) May not move the towed vehicle from that storage facility to another storage facility for at least 72 hours; and

(3) Shall provide the owner of the vehicle or the owner's agent immediate and continuous opportunity, 24 hours per day, 7 days per week, from the time the vehicle was received at the storage facility, to retake possession of the vehicle.

(b) *Repossession by owner prior to removal to storage facility*. -- Before a vehicle is removed from a parking lot, a tower who possesses the vehicle shall release the vehicle to the owner or an agent of the owner:

(1) If the owner or agent requests that the tower release the vehicle;

(2) If the vehicle can be driven under its own power;

(3) Whether or not the vehicle has been lifted off the ground; and

(4) If the owner or agent pays a drop fee to the tower in an amount not exceeding 50% of the cost of a full tow.

(c) *Payment options and duties; availability of vehicle*. –

(1) Subject to paragraph (2) of this subsection, a storage facility that is in possession of a towed vehicle shall:

(i) Accept payment for outstanding towing, recovery, or storage charges by cash or at least two major, nationally recognized credit cards; and

(ii) If the storage facility accepts only cash, have an operable automatic teller machine available on the premises.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, if a storage facility is unable to process a credit card payment and does not have an operable automatic teller machine on the premises, the storage facility shall accept a personal check as payment for outstanding towing, recovery, and storage charges.

(ii) A storage facility may refuse to accept a personal check as payment if it is unable to process a credit card for the payment because use of the credit card has been declined by the credit card company.

(3) A storage facility that is in possession of a towed vehicle shall make the vehicle available to the owner, the owner's agent, the insurer of record, or a secured party, under the supervision of the storage facility, for:

(i) Inspection; or

(ii) Retrieval from the vehicle of personal property that is not attached to the vehicle.

§ 21-10A-06. **Violation of subtitle.**

Any person who undertakes the towing or removal of a vehicle from a parking lot in violation of any provision of this subtitle:

(1) Shall be liable for actual damages sustained by any person as a direct result of the violation; and

(2) Shall be liable to the vehicle owner, a secured party, an insurer, or a successor in interest for triple the amount paid by the owner or the owner's agent to retake possession of the vehicle.

§ 21-10A-07. "Penalties".

A person convicted of a violation of this subtitle is subject to imprisonment not exceeding 2 months or a fine not exceeding $500 or both.

§ 21-1003.2. "Plug in electric drive vehicle charging spaces".

(a) (1) In this section the following words have the meanings indicated.

(2) "Plug-in electric drive vehicle" means a motor vehicle"

(i) That is made by a manufacturer;

(ii) That is propelled to a significant extent by an electric motor that draws electricity from a battery that can be recharged from an external source of electricity;

(iii) For which the external source of electricity is unable to be connected to the motor vehicle while the motor vehicle is in motion; and

(iv) That is properly registered.

(3) "Plug-in electric drive vehicle charging space" means a parking space that provides access to charging equipment that transfers electrical energy to a plug-in electric drive vehicle.

(B) Unless the vehicle is a plug-in electric drive vehicle that is plugged into charging equipment, a person may not stop, stand, or park a vehicle in a designated plug-in electric drive vehicle charging space.

(c) A publicly accessible plug-in electric drive vehicle charging space shall be designated by a sign that:

(1) Indicates that the charging space is only for electric vehicle charging;

(2) Includes any day or time restrictions;

(3) States the maximum fine that may be incurred for a violation; and

(4) Is consistent with the design and placement specifications established in the Manual on Uniform Traffic Control Devices for Streets and Highways adopted by the State Highway Administration under §25-104 of this Article.

(d) A plug-in electric drive vehicle charging space shall be counted as part of the overall number of parking spaces in a parking lot for the purpose of complying with any zoning or

parking laws intended to meet requirements for commercial and industrial uses under the Americans with Disabilities Act.

(e) A person who violates this section is subject to a civil penalty of $100.

§12-205. Residential Construction – Electric Vehicle Charging.

(a) (1) In this section the following words have the meanings indicated.

(2) "Electric vehicle" means a vehicle that uses electricity for propulsion.

(3) "Electric vehicle supply equipment" means a device or facility for delivering electricity to an electric vehicle.

(4) "EV-ready parking space" means a parking space that has electrical panel capacity and full circuit installation of a minimum of 40-ampere, 208/240-volt circuit, raceway wiring, a NEMA 14-50R receptacle, and circuit overcurrent protection devices.

(5) "EVSE- installed parking space" means a parking space with electric vehicle supply equipment that is fully installed from the electrical panel to the parking space.

(6) (i) "Housing units" means:

1. Single-family detached houses;

2. Duplexes; and

3. Town houses that are subject to the provisions of the International Residential Code.

(ii) "Housing units" does not include multifamily residential buildings that are subject to the provisions of the International Building Code.

(7) "Level 2 charging" means that the charging capability of the electric vehicle supply equipment:

(i) includes the ability to charge a battery or any other energy storage device in an electric vehicle through means of an alternating current electrical service with a minimum of 208 volts; and

(ii) meets applicable industry safety standards.

(8) "Vehicle" has the meaning state in §11-176 of the Transportation Article.

(b) (1) This subsection applies to the construction of housing units that include a separate garage, carport, or driveway for each residential unit.

(2) The constriction of a new housing unit shall include in or on the garage, carport, or driveway:

(i) One EVSE-installed parking space capable of providing at least Level 2 charging; or

(ii) One EV-ready parking space.

(c) Notwithstanding any other law, a county or municipal corporation may require the construction of housing units to include a greater number of EVSE-installed parking spaces or EV-ready parking spaces than are required under subsection (B) of this section.

§ 27-501 (u). Insurance – Lapse in coverage due to insurer's withdrawal

(u) If an applicant for residential condominium unit insurance experiences a lapse in coverage of the applicant's prior residential condominium unit due to an insurer's withdrawal from the market, an insurer from whom the applicant seeks new residential condominium unit coverage may not refuse to issue a policy based solely on the applicant's lapse in coverage on the unit if:

(1) the lapse in coverage was for not longer than 90 days;

(2) if required by the new insurer, the applicant provides an affidavit that the applicant has not incurred any losses during the lapse in coverage; and

(3) the applicant provides any other documentation required by the insurer.