

# HOUSE BILL 1147

N1

2lr2703

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By: **Delegates Terrasa and Lehman**

Introduced and read first time: February 11, 2022

Assigned to: Environment and Transportation

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2022

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Real Property – Cooperative Housing Corporations, Condominiums, and**  
3 **Homeowners Associations – Virtual Meetings**

4 FOR the purpose of requiring a person conducting a meeting of a cooperative housing  
5 corporation, condominium, or homeowners association by telephone conference,  
6 video conference, or similar electronic means, to provide a participant a reasonable  
7 opportunity to participate in the meeting; requiring certain participants in a meeting  
8 of a cooperative housing corporation, condominium, or homeowners association to  
9 have equal access to any available chat function; and generally relating to  
10 cooperative housing corporations, condominiums, and homeowners associations.

11 BY repealing and reenacting, with amendments,  
12 Article – Corporations and Associations  
13 Section 5–6B–25.1  
14 Annotated Code of Maryland  
15 (2014 Replacement Volume and 2021 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – Real Property  
18 Section 11–139.3 and 11B–113.6  
19 Annotated Code of Maryland  
20 (2015 Replacement Volume and 2021 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **Article – Corporations and Associations**

2 5-6B-25.1.

3 (a) (1) Notwithstanding language contained in the governing documents of the  
4 cooperative housing corporation, the board of directors may authorize any meetings of the  
5 cooperative housing corporation, the board of directors, or a committee of the cooperative  
6 housing corporation to be conducted or attended by telephone conference, video conference,  
7 or similar electronic means.

8 (2) If a meeting is conducted by telephone conference, video conference, or  
9 similar electronic means[, the]:

10 (I) **THE** equipment or system used must permit any member, board  
11 member, or committee member in attendance to hear and be heard by all other members  
12 participating in the meeting IN ACCORDANCE WITH THE GOVERNING DOCUMENTS;

13 (II) **THE PERSON CONDUCTING THE MEETING SHALL ALLOW**  
14 **ALL PARTICIPANTS A REASONABLE OPPORTUNITY TO:**

15 1. **BE HEARD BY ALL OTHER MEMBERS PARTICIPATING**  
16 **IN THE MEETING; AND**

17 2. ~~CALL FOR A VOTE ON, OR OBJECT TO, MATTERS~~  
18 ~~PRESENTED AT~~ PARTICIPATE IN THE MEETING TO THE SAME EXTENT AS IF THE  
19 MEETING WERE CONDUCTED IN PERSON; AND

20 (III) ~~THE PERSON CONDUCTING THE MEETING MAY MUTE A~~  
21 ~~PARTICIPANT IF THE PARTICIPANT BECOMES DISRUPTIVE AND IS PROVIDED A~~  
22 ~~WARNING~~ PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE ABILITY TO  
23 UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR THEIR  
24 DESIGNEE MAY MUTE ALL PARTICIPANTS:

25 1. WHILE THE GOVERNING BODY OR ITS DESIGNEE IS  
26 CONDUCTING BUSINESS;

27 2. DURING PRESENTATIONS; AND

28 3. TO AVOID INTERFERENCE FROM BACKGROUND  
29 NOISE; AND

30 (IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO  
31 CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE  
32 PERSON'S DESIGNEE MAY:

1                   **1. REVOKE THE ABILITY FOR THE PARTICIPANT TO**  
2 **UNMUTE; AND**

3                   **2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**  
4 **MEETING AFTER WARNING THE PARTICIPANT.**

5                   (3) **IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**  
6 **ELECTRONIC MEANS, ALL ~~BOARD MEMBERS, COMMITTEE MEMBERS, AND OTHER~~**  
7 **MEMBERS PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY CHAT FUNCTION.**

8                   (4) A link or instructions on how to access the meeting by telephone  
9 conference, video conference, or similar electronic means shall be included in the notice of  
10 the meeting.

11                   [(4)] (5) No specific authorization from members shall be required to hold  
12 a meeting electronically.

13                   (b) Any member, board member, or committee member attending a meeting by  
14 telephone conference, video conference, or similar electronic means shall be deemed present  
15 for quorum and voting purposes.

16                   (c) (1) (i) Any matter requiring a vote of the cooperative housing  
17 corporation may be set by the board of directors for a vote at the meeting, and a ballot may  
18 be delivered to members with notice of the meeting.

19                                   (ii) Only those members present during the telephone conference,  
20 video conference, or similar electronic meeting shall be authorized to vote a ballot in  
21 accordance with this subsection.

22                                   (iii) Members who are not present at the meeting may:

23   1. Vote by proxy in accordance with the requirements of the  
24 governing documents and this title; and

25   2. Be considered present for quorum purposes through their  
26 proxy.

27                   (2) (i) The board of directors may set a reasonable deadline for return  
28 of a ballot to the cooperative housing corporation, including return by electronic  
29 transmission.

30                                   (ii) The deadline for return of the ballot shall be not later than 24  
31 hours after the conclusion of the meeting.

(d) Notwithstanding language contained in the governing documents of the cooperative housing corporation, nominations from the floor at the meeting are not required if at least one candidate has been nominated to fill each open board position.

(e) The inability of a member to join a meeting due to technical difficulties with the member's telephone, computer, or other electronic device does not invalidate the meeting or any action taken at the meeting.

### Article – Real Property

11–139.3.

(a) (1) Notwithstanding language contained in the governing documents of the council of unit owners, the board of directors may authorize any meetings of the council of unit owners, the board of directors, or a committee of the council of unit owners or the board of directors to be conducted or attended by telephone conference, video conference, or similar electronic means.

(2) If a meeting is conducted by telephone conference, video conference, or similar electronic means[, the]:

(I) **THE** equipment or system used must permit any unit owner, board member, or committee member in attendance to hear and be heard by all others participating in the meeting IN ACCORDANCE WITH THE GOVERNING DOCUMENTS;

(II) **THE PERSON CONDUCTING THE MEETING SHALL ALLOW ALL PARTICIPANTS A REASONABLE OPPORTUNITY TO:**

1. **BE HEARD BY ALL OTHERS PARTICIPATING IN THE MEETING; AND**

2. ~~CALL FOR A VOTE ON, OR OBJECT TO, MATTERS PRESENTED AT~~ PARTICIPATE IN THE MEETING TO THE SAME EXTENT AS IF THE MEETING WERE CONDUCTED IN PERSON; AND

(III) ~~THE PERSON CONDUCTING THE MEETING MAY MUTE A PARTICIPANT IF THE PARTICIPANT BECOMES DISRUPTIVE AND IS PROVIDED A WARNING~~ PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:

1. WHILE THE GOVERNING BODY OR ITS DESIGNEE IS CONDUCTING BUSINESS;

2. DURING PRESENTATIONS; AND

1                                   **3. TO AVOID INTERFERENCE FROM BACKGROUND**  
2 **NOISE; AND**

3                                   **(IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO**  
4 **CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE**  
5 **PERSON'S DESIGNEE MAY:**

6                                   **1. REVOKE THE ABILITY FOR THE PARTICIPANT TO**  
7 **UNMUTE; AND**

8                                   **2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**  
9 **MEETING AFTER WARNING THE PARTICIPANT.**

10                                  (3) **IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**  
11 **ELECTRONIC MEANS, ALL ~~BOARD MEMBERS, COMMITTEE MEMBERS, AND UNIT~~**  
12 **~~OWNERS PARTICIPANTS~~ SHALL HAVE THE SAME ACCESS TO ANY CHAT FUNCTION.**

13                                  (4) A link or instructions on how to access the meeting by telephone  
14 conference, video conference, or similar electronic means shall be included in the notice of  
15 the meeting.

16                                  [(4)] (5) No specific authorization from unit owners shall be required to  
17 hold a meeting electronically.

18                                  (b) Any unit owner, board member, or committee member attending a meeting by  
19 telephone conference, video conference, or similar electronic means shall be deemed present  
20 for quorum and voting purposes.

21                                  (c) (1) (i) Any matter requiring a vote of the council of unit owners may be  
22 set by the board of directors for a vote at the meeting, and a ballot may be delivered to unit  
23 owners with notice of the meeting.

24    (ii) Only those unit owners present during the telephone conference,  
25 video conference, or similar electronic meeting shall be authorized to vote by ballot in  
26 accordance with this subsection.

27    (iii) Unit owners who are not present at the meeting may:

28    1. Vote by proxy in accordance with the requirements of the  
29 governing documents and this title; and

30    2. Be considered present for quorum purposes through their  
31 proxy.

1 (2) (i) The board of directors may set a reasonable deadline for return  
2 of a ballot to the council of unit owners, including return by electronic transmission.

3 (ii) The deadline for return of the ballot shall be not later than 24  
4 hours after the conclusion of the meeting.

5 (d) Notwithstanding language contained in the governing documents of the  
6 council of unit owners, nominations from the floor at the meeting are not required if at least  
7 one candidate has been nominated to fill each open board position.

8 (e) The inability of a unit owner to join a meeting due to technical difficulties with  
9 the unit owner's telephone, computer, or other electronic device does not invalidate the  
10 meeting or any action taken at the meeting.

11 11B-113.6.

12 (a) (1) Notwithstanding language contained in the governing documents of the  
13 homeowners association, the governing body may authorize meetings of the homeowners  
14 association, the governing body, or a committee of the homeowners association to be  
15 conducted or attended by telephone conference, video conference, or similar electronic  
16 means.

17 (2) If a meeting is conducted by telephone conference, video conference, or  
18 similar electronic means[, the]:

19 (I) **THE** equipment or system used must permit any lot owner, board  
20 member, or committee member in attendance to hear and be heard by all others  
21 participating in the meeting **IN ACCORDANCE WITH THE GOVERNING DOCUMENTS;**

22 (II) **THE PERSON CONDUCTING THE MEETING SHALL ALLOW**  
23 **ALL PARTICIPANTS A REASONABLE OPPORTUNITY TO:**

24 1. **BE HEARD BY ALL OTHERS PARTICIPATING IN THE**  
25 **MEETING; AND**

26 2. ~~CALL FOR A VOTE ON, OR OBJECT TO, MATTERS~~  
27 ~~PRESENTED AT~~ **PARTICIPATE IN THE MEETING TO THE SAME EXTENT AS IF THE**  
28 **MEETING WERE CONDUCTED IN PERSON; AND**

29 (III) ~~THE PERSON CONDUCTING THE MEETING MAY MUTE A~~  
30 ~~PARTICIPANT IF THE PARTICIPANT BECOMES DISRUPTIVE AND IS PROVIDED A~~  
31 ~~WARNING~~ **PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE ABILITY TO**  
32 **UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR THE PERSON'S**  
33 **DESIGNEE MAY MUTE ALL PARTICIPANTS;**

1                                   **1. WHILE THE GOVERNING BODY OR ITS DESIGNEE IS**  
 2 **CONDUCTING BUSINESS;**

3                                   **2. DURING PRESENTATIONS; AND**

4                                   **3. TO AVOID INTERFERENCE FROM BACKGROUND**  
 5 **NOISE; AND**

6                                   **(IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO**  
 7 **CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE**  
 8 **PERSON'S DESIGNEE MAY:**

9                                   **1. REVOKE THE ABILITY FOR THE PARTICIPANT TO**  
 10 **UNMUTE; AND**

11                                   **2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**  
 12 **MEETING AFTER WARNING THE PARTICIPANT.**

13                                   **(3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**  
 14 **ELECTRONIC MEANS, ALL ~~BOARD MEMBERS, COMMITTEE MEMBERS, AND LOT~~**  
 15 **~~OWNERS~~ PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY CHAT FUNCTION.**

16                                   **(4)** A link or instructions on how to access the meeting by telephone  
 17 conference, video conference, or similar electronic means shall be included in the notice of  
 18 the meeting.

19                                   **[(4)] (5)** No specific authorization from lot owners shall be required to  
 20 hold a meeting electronically.

21                                   **(b)** Any lot owner, board member, or committee member attending a meeting by  
 22 telephone conference, video conference, or similar electronic means shall be deemed present  
 23 for quorum and voting purposes.

24                                   **(c) (1) (i)** Any matter requiring a vote of the homeowners association may  
 25 be set by the governing body for a vote at the meeting, and a ballot may be delivered to  
 26 members with notice of the meeting.

27                                   **(ii)** Only those lot owners present during the telephone conference,  
 28 video conference, or similar electronic meeting shall be authorized to vote a ballot in  
 29 accordance with this subsection.

30                                   **(iii)** Lot owners who are not present at the meeting may:

31                                   1. Vote by proxy in accordance with the requirements of the  
 32 governing documents and this title; and

