

HOUSE BILL 705

N1
HB 331/23 – ENT

4lr2554

By: **Delegate Terrasa**

Introduced and read first time: January 26, 2024

Assigned to: Environment and Transportation

Committee Report: Favorable

House action: Adopted

Read second time: February 23, 2024

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; specifying that a meeting of a
10 cooperative housing corporation, condominium, or homeowners association by
11 electronic transmission may be held only in accordance with certain provisions of
12 law; and generally relating to cooperative housing corporations, condominiums, and
13 homeowners associations.

14 BY repealing and reenacting, without amendments,
15 Article – Corporations and Associations
16 Section 5–6B–19
17 Annotated Code of Maryland
18 (2014 Replacement Volume and 2023 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Corporations and Associations
21 Section 5–6B–25.1
22 Annotated Code of Maryland
23 (2014 Replacement Volume and 2023 Supplement)

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 BY repealing and reenacting, without amendments,
2 Article – Real Property
3 Section 11–109 and 11B–111
4 Annotated Code of Maryland
5 (2023 Replacement Volume)

6 BY repealing and reenacting, with amendments,
7 Article – Real Property
8 Section 11–139.3 and 11B–113.6
9 Annotated Code of Maryland
10 (2023 Replacement Volume)

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

13 **Article – Corporations and Associations**

14 5–6B–19.

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

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

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

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

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

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

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

1 (i) Discussing matters pertaining to employees and personnel;

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

4 (iii) Consulting with legal counsel on legal matters;

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

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

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

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

16 (viii) Discussing individual owner assessment accounts.

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

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

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

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

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

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

29 5-6B-25.1.

30 (a) (1) Notwithstanding language contained in the governing documents of the
31 cooperative housing corporation, the board of directors may authorize any meetings of the

1 cooperative housing corporation, the board of directors, or a committee of the cooperative
2 housing corporation to be conducted or attended by telephone conference, video conference,
3 or similar electronic means.

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

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

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

11 1. BE HEARD BY ALL OTHER MEMBERS PARTICIPATING
12 IN THE MEETING; AND

13 2. PARTICIPATE IN THE MEETING TO THE SAME EXTENT
14 AS IF THE MEETING WERE CONDUCTED IN PERSON;

15 (III) PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE
16 ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR
17 THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:

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

20 2. DURING PRESENTATIONS; AND

21 3. TO AVOID INTERFERENCE FROM BACKGROUND
22 NOISE; AND

23 (IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO
24 CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE
25 PERSON'S DESIGNEE MAY:

26 1. REVOKE THE ABILITY FOR THE PARTICIPANT TO
27 UNMUTE; AND

28 2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE
29 MEETING AFTER WARNING THE PARTICIPANT.

30 (3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR
31 ELECTRONIC MEANS, ALL PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY
32 CHAT FUNCTION.

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

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

6 **(6) A MEETING OF THE GOVERNING BODY HELD BY ELECTRONIC**
7 **TRANSMISSION MAY BE HELD ONLY IN ACCORDANCE WITH § 5-6B-19 OF THIS**
8 **SUBTITLE.**

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

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

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

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

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

21 2. Be considered present for quorum purposes through their
22 proxy.

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

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

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

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

Article – Real Property

11–109.

(a) The affairs of the condominium shall be governed by a council of unit owners which, even if unincorporated, is constituted a legal entity for all purposes. The council of unit owners shall be comprised of all unit owners.

(b) The bylaws may authorize or provide for the delegation of any power of the council of unit owners to a board of directors, officers, managing agent, or other person for the purpose of carrying out the responsibilities of the council of unit owners.

(c) (1) A meeting of the council of unit owners or board of directors may not be held on less notice than required by this section.

(2) The council of unit owners shall maintain a current roster of names and addresses of each unit owner to which notice of meetings of the board of directors shall be sent at least annually.

(3) Each unit owner shall furnish the council of unit owners with his name and current mailing address. A unit owner may not vote at meetings of the council of unit owners until this information is furnished.

(4) A regular or special meeting of the council of unit owners may not be held on less than 10 nor more than 90 days':

(i) Written notice delivered or mailed to each unit owner at the address shown on the roster on the date of the notice; or

(ii) Notice sent to each unit owner by electronic transmission, if the requirements of § 11–139.1 of this title are met.

(5) Notice of special meetings of the board of directors shall be given:

(i) As provided in the bylaws; or

(ii) If the requirements of § 11–139.1 of this title are met, by electronic transmission.

(6) Except as provided in § 11–109.1 of this title, a meeting of a governing body shall be open and held at a time and location as provided in the notice or bylaws.

(7) (i) This paragraph does not apply to any meeting of the governing body that occurs at any time before the meeting at which the unit owners elect officers or a board of directors in accordance with paragraph (16) of this subsection.

1 (ii) Subject to subparagraph (iii) of this paragraph and to reasonable
2 rules adopted by the governing body under § 11–111 of this title, a governing body shall
3 provide a designated period of time during a meeting to allow unit owners an opportunity
4 to comment on any matter relating to the condominium.

5 (iii) During a meeting at which the agenda is limited to specific topics
6 or at a special meeting, the unit owners' comments may be limited to the topics listed on
7 the meeting agenda.

8 (iv) The governing body shall convene at least one meeting each year
9 at which the agenda is open to any matter relating to the condominium.

10 (8) (i) Unless the bylaws provide otherwise, a quorum is deemed
11 present throughout any meeting of the council of unit owners if persons entitled to cast 25
12 percent of the total number of votes appurtenant to all units are present in person or by
13 proxy.

14 (ii) If the number of persons present in person or by proxy at a
15 properly called meeting of the council of unit owners is insufficient to constitute a quorum,
16 an additional meeting of the council of unit owners may be called for the same purpose if:

17 1. The notice of the initial properly called meeting stated:

18 A. That the procedure authorized by this paragraph might be
19 invoked; and

20 B. The date, time, and place of the additional meeting; and

21 2. A majority of the unit owners present vote in person or by
22 proxy to call for the additional meeting.

23 (iii) 1. An additional meeting called under subparagraph (ii) of
24 this paragraph shall occur not less than 15 days after the initial properly called meeting.

25 2. Not less than 10 days before the additional meeting, a
26 separate and distinct notice of the date, time, place, and purpose of the additional meeting
27 called under subparagraph (ii) of this paragraph shall be:

28 A. Delivered, mailed, or sent by electronic transmission if the
29 requirements of § 11–139.1 of this title are met, to each unit owner at the address shown
30 on the roster maintained under paragraph (2) of this subsection;

31 B. Advertised in a newspaper published in the county where
32 the condominium is located; or

33 C. If the condominium has a website, posted on the homepage
34 of the website.

1 3. The notice shall contain the quorum and voting provisions
2 of subparagraph (iv) of this paragraph.

3 (iv) 1. At the additional meeting, the unit owners present in
4 person or by proxy constitute a quorum.

5 2. Unless the bylaws provide otherwise, a majority of the
6 unit owners present in person or by proxy:

7 A. May approve or authorize the proposed action at the
8 additional meeting; and

9 B. May take any other action that could have been taken at
10 the original meeting if a sufficient number of unit owners had been present.

11 (v) This paragraph may not be construed to affect the percentage of
12 votes required to amend the declaration or bylaws or to take any other action required to
13 be taken by a specified percentage of votes.

14 (9) At meetings of the council of unit owners each unit owner shall be
15 entitled to cast the number of votes appurtenant to his unit. Unit owners may vote by proxy,
16 but the proxy is effective only for a maximum period of 180 days following its issuance,
17 unless granted to a lessee or mortgagee.

18 (10) Any proxy may be revoked at any time at the pleasure of the unit owner
19 or unit owners executing the proxy.

20 (11) A proxy who is not appointed to vote as directed by a unit owner may
21 only be appointed for purposes of meeting quorums and to vote for matters of business
22 before the council of unit owners, other than an election of officers and members of the
23 board of directors.

24 (12) Only a unit owner voting in person or by electronic transmission if the
25 requirements of § 11-139.2 of this title are met or a proxy voting for candidates designated
26 by a unit owner may vote for officers and members of the board of directors.

27 (13) Unless otherwise provided in the bylaws, a unit owner may nominate
28 himself or any other person to be an officer or member of the board of directors. A call for
29 nominations shall be sent to all unit owners not less than 45 days before notice of an election
30 is sent. Only nominations made at least 15 days before notice of an election shall be listed
31 on the election ballot. Candidates shall be listed on the ballot in alphabetical order, with
32 no indicated candidate preference. Nominations may be made from the floor at the meeting
33 at which the election to the board is held.

34 (14) Election materials prepared with funds of the council of unit owners
35 shall list candidates in alphabetical order and may not indicate a candidate preference.

1 (15) Unless otherwise provided in this title, and subject to provisions in the
2 bylaws requiring a different majority, decisions of the council of unit owners shall be made
3 on a majority of votes of the unit owners listed on the current roster present and voting.

4 (16) (i) A meeting of the council of unit owners to elect a board of
5 directors for the council of unit owners, as provided in the condominium declaration or
6 bylaws, shall be held within:

7 1. 60 days from the date that units representing 50 percent
8 of the votes in the condominium have been conveyed by the developer to members of the
9 public for residential purposes; or

10 2. If a lesser percentage is specified in the declaration or
11 bylaws of the condominium, 60 days from the date the specified lesser percentage of units
12 in the condominium are sold to members of the public for residential purposes.

13 (ii) 1. Before the date of the meeting held under subparagraph
14 (i) of this paragraph, the developer shall deliver to each unit owner notice that the
15 requirements of subparagraph (i) of this paragraph have been met.

16 2. The notice shall include the date, time, and place of the
17 meeting to elect the board of directors for the council of unit owners.

18 (iii) If a replacement board member is elected, the term of each
19 member of the board of directors appointed by the developer shall end 10 days after the
20 meeting is held as specified in subparagraph (i) of this paragraph.

21 (iv) Within 30 days from the date of the meeting held under
22 subparagraph (i) of this paragraph, the developer shall deliver to the officers or board of
23 directors for the council of unit owners, as provided in the condominium declaration or
24 bylaws, at the developer's expense:

25 1. The documents specified in § 11-132 of this title;

26 2. The condominium funds, including operating funds,
27 replacement reserves, investment accounts, and working capital;

28 3. The tangible property of the condominium; and

29 4. A roster of current unit owners, including mailing
30 addresses, telephone numbers, and unit numbers, if known.

31 (v) The replacement reserves delivered under subparagraph (iv)2 of
32 this paragraph for a residential condominium shall be equal to at least the reserve funding
33 amount recommended in the reserve study completed under § 11-109.4 of this title as of
34 the date of the meeting.

1 (vi) 1. This subparagraph does not apply to a contract entered
2 into before October 1, 2009.

3 2. A. In this subparagraph, “contract” means an
4 agreement with a company or individual to handle financial matters, maintenance, or
5 services for the condominium.

6 B. “Contract” does not include an agreement relating to the
7 provision of utility services or communication systems.

8 3. Until all members of the board of directors of the
9 condominium are elected by the unit owners at a transitional meeting as specified in
10 subparagraph (i) of this paragraph, a contract entered into by the officers or board of
11 directors of the condominium may be terminated, at the discretion of the board of directors
12 and without liability for the termination, not later than 30 days after notice.

13 (vii) If the developer fails to comply with the requirements of this
14 paragraph, an aggrieved unit owner may submit the dispute to the Division of Consumer
15 Protection of the Office of the Attorney General under § 11–130(c) of this title.

16 (d) The council of unit owners may be either incorporated as a nonstock
17 corporation or unincorporated and it is subject to those provisions of Title 5, Subtitle 2 of
18 the Corporations and Associations Article which are not inconsistent with this title. The
19 council of unit owners has, subject to any provision of this title, and except as provided in
20 item (22) of this subsection, the declaration, and bylaws, the following powers:

21 (1) To have perpetual existence, subject to the right of the unit owners to
22 terminate the condominium regime as provided in § 11–123 of this title;

23 (2) To adopt and amend reasonable rules and regulations;

24 (3) To adopt and amend budgets for revenues, expenditures, and reserves
25 and collect assessments for common expenses from unit owners;

26 (4) To sue and be sued, complain and defend, or intervene in litigation or
27 administrative proceedings in its own name on behalf of itself or two or more unit owners
28 on matters affecting the condominium;

29 (5) To transact its business, carry on its operations and exercise the powers
30 provided in this subsection in any state, territory, district, or possession of the United
31 States and in any foreign country;

32 (6) To make contracts and guarantees, incur liabilities and borrow money,
33 sell, mortgage, lease, pledge, exchange, convey, transfer, and otherwise dispose of any part
34 of its property and assets;

1 (7) To issue bonds, notes, and other obligations and secure the same by
2 mortgage or deed of trust of any part of its property, franchises, and income;

3 (8) To acquire by purchase or in any other manner, to take, receive, own,
4 hold, use, employ, improve, and otherwise deal with any property, real or personal, or any
5 interest therein, wherever located;

6 (9) To hire and terminate managing agents and other employees, agents,
7 and independent contractors;

8 (10) To purchase, take, receive, subscribe for or otherwise acquire, own,
9 hold, vote, use, employ, sell, mortgage, loan, pledge or otherwise dispose of, and otherwise
10 use and deal in and with, shares or other interests in, or obligation of corporations of the
11 State, or foreign corporations, and of associations, partnerships, and individuals;

12 (11) To invest its funds and to lend money in any manner appropriate to
13 enable it to carry on the operations or to fulfill the purposes named in the declaration or
14 bylaws, and to take and to hold real and personal property as security for the payment of
15 funds so invested or loaned;

16 (12) To regulate the use, maintenance, repair, replacement, and
17 modification of common elements;

18 (13) To cause additional improvements to be made as a part of the general
19 common elements;

20 (14) To grant easements, rights-of-way, licenses, leases in excess of 1 year,
21 or similar interests through or over the common elements in accordance with § 11-125(f)
22 of this title;

23 (15) To impose and receive any payments, fees, or charges for the use, rental,
24 or operation of the common elements other than limited common elements;

25 (16) To impose charges for late payment of assessments and, after notice
26 and an opportunity to be heard, levy reasonable fines for violations of the declaration,
27 bylaws, and rules and regulations of the council of unit owners, under § 11-113 of this title;

28 (17) To impose reasonable charges for the preparation and recordation of
29 amendments to the declaration, bylaws, rules, regulations, or resolutions, resale
30 certificates, or statements of unpaid assessments;

31 (18) To provide for the indemnification of and maintain liability insurance
32 for officers, directors, and any managing agent or other employee charged with the
33 operation or maintenance of the condominium;

34 (19) To enforce the implied warranties made to the council of unit owners by
35 the developer under § 11-131 of this title;

1 (20) To enforce the provisions of this title, the declaration, bylaws, and rules
2 and regulations of the council of unit owners against any unit owner or occupant;

3 (21) Generally, to exercise the powers set forth in this title and the
4 declaration or bylaws and to do every other act not inconsistent with law, which may be
5 appropriate to promote and attain the purposes set forth in this title, the declaration or
6 bylaws; and

7 (22) To designate parking for individuals with disabilities, notwithstanding
8 any provision in the declaration, bylaws, or rules and regulations.

9 (e) A unit owner may not have any right, title, or interest in any property owned
10 by the council of unit owners other than as holder of a percentage interest in common
11 expenses and common profits appurtenant to his unit.

12 (f) A unit owner's rights as holder of a percentage interest in common expenses
13 and common profits are such that:

14 (1) A unit owner's right to possess, use, or enjoy property of the council of
15 unit owners shall be as provided in the bylaws; and

16 (2) A unit owner's interest in the property is not assignable or attachable
17 separate from his unit except as provided in §§ 11-107(d) and 11-112(g) of this title.

18 11-139.3.

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

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

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

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

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

1 **2. PARTICIPATE IN THE MEETING TO THE SAME EXTENT**
2 **AS IF THE MEETING WERE CONDUCTED IN PERSON;**

3 **(III) PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE**
4 **ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR**
5 **THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:**

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

8 **2. DURING PRESENTATIONS; AND**

9 **3. TO AVOID INTERFERENCE FROM BACKGROUND**
10 **NOISE; AND**

11 **(IV) IF A PARTICIPANT INTERFERES IN THE ABILITY TO**
12 **CONDUCT THE MEETING, THE PERSON CONDUCTING THE MEETING OR THE**
13 **PERSON'S DESIGNEE MAY:**

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

16 **2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**
17 **MEETING AFTER WARNING THE PARTICIPANT.**

18 **(3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**
19 **ELECTRONIC MEANS, ALL PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY**
20 **CHAT FUNCTION.**

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

24 **[(4)] (5)** No specific authorization from unit owners shall be required to
25 hold a meeting electronically.

26 **(6) A MEETING OF THE GOVERNING BODY HELD BY ELECTRONIC**
27 **TRANSMISSION MAY BE HELD ONLY IN ACCORDANCE WITH § 11-109 OF THIS TITLE.**

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

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

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

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

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

10 2. Be considered present for quorum purposes through their
11 proxy.

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

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

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

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

22 11B-111.

23 Except as provided in this title, and notwithstanding anything contained in any of
24 the documents of the homeowners association:

25 (1) Subject to the provisions of item (4) of this section, all meetings of the
26 homeowners association, including meetings of the board of directors or other governing
27 body of the homeowners association or a committee of the homeowners association, shall
28 be open to all members of the homeowners association or their agents;

29 (2) All members of the homeowners association shall be given reasonable
30 notice of all regularly scheduled open meetings of the homeowners association;

31 (3) (i) This item does not apply to any meeting of a governing body that
32 occurs at any time before the lot owners, other than the developer, have a majority of votes
33 in the homeowners association, as provided in the declaration;

1 (ii) Subject to item (iii) of this item and to reasonable rules adopted
2 by a governing body, a governing body shall provide a designated period of time during a
3 meeting to allow lot owners an opportunity to comment on any matter relating to the
4 homeowners association;

5 (iii) During a meeting at which the agenda is limited to specific topics
6 or at a special meeting, the lot owners' comments may be limited to the topics listed on the
7 meeting agenda; and

8 (iv) The governing body shall convene at least one meeting each year
9 at which the agenda is open to any matter relating to the homeowners association;

10 (4) A meeting of the board of directors or other governing body of the
11 homeowners association or a committee of the homeowners association may be held in
12 closed session only for the following purposes:

13 (i) Discussion of matters pertaining to employees and personnel;

14 (ii) Protection of the privacy or reputation of individuals in matters
15 not related to the homeowners association's business;

16 (iii) Consultation with legal counsel on legal matters;

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

20 (v) Investigative proceedings concerning possible or actual criminal
21 misconduct;

22 (vi) Consideration of the terms or conditions of a business
23 transaction in the negotiation stage if the disclosure could adversely affect the economic
24 interests of the homeowners association;

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

28 (viii) Discussion of individual owner assessment accounts;

29 (5) If a meeting is held in closed session under item (4) of this section:

30 (i) An action may not be taken and a matter may not be discussed if
31 it is not permitted by item (4) of this section; and

32 (ii) A statement of the time, place, and purpose of a closed meeting,
33 the record of the vote of each board or committee member by which the meeting was closed,

1 and the authority under this section for closing a meeting shall be included in the minutes
2 of the next meeting of the board of directors or the committee of the homeowners
3 association; and

4 (6) (i) If the number of lot owners present in person or by proxy at a
5 properly called meeting is insufficient to constitute a quorum, an additional meeting of the
6 lot owners may be called for the same purpose if:

7 1. The notice of the initial properly called meeting stated:

8 A. That the procedure authorized by this item (6) might be
9 invoked; and

10 B. The date, time, and place of the additional meeting; and

11 2. A majority of the lot owners present vote in person or by
12 proxy to call for the additional meeting;

13 (ii) An additional meeting called under item (i) of this item shall
14 occur not less than 15 days after the initial properly called meeting;

15 (iii) 1. Not less than 10 days before the additional meeting, a
16 separate and distinct notice of the date, time, place, and purpose of the additional meeting
17 called under item (i) of this item shall be:

18 A. Delivered, mailed, or sent by electronic transmission, if
19 the requirements of § 11B–113.1 of this title are met, to each lot owner at the address shown
20 on the roster maintained by the homeowners association;

21 B. Advertised in a newspaper published in the county where
22 the homeowners association is located; or

23 C. If the homeowners association has a website, posted on the
24 homepage of the website; and

25 2. The notice shall contain the quorum and voting provisions
26 of item (iv) of this item;

27 (iv) 1. At the additional meeting, the lot owners present in
28 person or by proxy constitute a quorum; and

29 2. Unless the bylaws provide otherwise, a majority of the lot
30 owners present in person or by proxy:

31 A. May approve or authorize the proposed action at the
32 additional meeting; and

1 B. May take any other action that could have been taken at
2 the original meeting if a sufficient number of lot owners had been present; and

3 (v) This item (6) may not be construed to affect the percentage of
4 votes required to amend the declaration or bylaws or to take any other action required to
5 be taken by a specified percentage of votes.

6 11B-113.6.

7 (a) (1) Notwithstanding language contained in the governing documents of the
8 homeowners association, the governing body may authorize meetings of the homeowners
9 association, the governing body, or a committee of the homeowners association to be
10 conducted or attended by telephone conference, video conference, or similar electronic
11 means.

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

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

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

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

21 2. **PARTICIPATE IN THE MEETING TO THE SAME EXTENT**
22 **AS IF THE MEETING WERE CONDUCTED IN PERSON;**

23 (III) **PROVIDED THAT ALL PARTICIPANTS ARE GRANTED THE**
24 **ABILITY TO UNMUTE THEMSELVES, THE PERSON CONDUCTING THE MEETING OR**
25 **THE PERSON'S DESIGNEE MAY MUTE ALL PARTICIPANTS:**

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

28 2. **DURING PRESENTATIONS; AND**

29 3. **TO AVOID INTERFERENCE FROM BACKGROUND**
30 **NOISE; AND**

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

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

6 **2. IF NECESSARY, REMOVE THE PARTICIPANT FROM THE**
7 **MEETING AFTER WARNING THE PARTICIPANT.**

8 **(3) IF A MEETING IS CONDUCTED BY VIDEO CONFERENCE OR SIMILAR**
9 **ELECTRONIC MEANS, ALL PARTICIPANTS SHALL HAVE THE SAME ACCESS TO ANY**
10 **CHAT FUNCTION.**

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

14 **[(4)] (5)** No specific authorization from lot owners shall be required to
15 hold a meeting electronically.

16 **(6) A MEETING OF THE GOVERNING BODY HELD BY ELECTRONIC**
17 **TRANSMISSION MAY BE HELD ONLY IN ACCORDANCE WITH § 11B-111 OF THIS TITLE.**

18 (b) Any lot 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 homeowners association may
22 be set by the governing body for a vote at the meeting, and a ballot may be delivered to
23 members with notice of the meeting.

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

27 (iii) Lot 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.

32 (2) (i) The governing body may set a reasonable deadline for return of
33 a ballot to the homeowners association, including return by electronic transmission.

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

3 (d) Notwithstanding language contained in the governing documents of the
4 homeowners association, nominations from the floor at the meeting are not required if at
5 least one candidate has been nominated to fill each open position in the governing body.

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

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.