HOUSE BILL 81

N1 HB 1339/11 – ENV

By: **Delegates Braveboy, Barnes, Frush, and Pena–Melnyk** Introduced and read first time: January 18, 2012 Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 Real Property – Homeowners Associations – Election of Governing Body

- FOR the purpose of prohibiting, with respect to a homeowners association, a declarant
 and its affiliates from voting to elect the governing body of a homeowners
 association at a certain meeting to elect the governing body; and generally
 relating to the election of the governing body of a homeowners association.
- 7 BY repealing and reenacting, with amendments,
- 8 Article Real Property
- 9 Section 11B–106.1(a) and (e)(3)
- 10 Annotated Code of Maryland
- 11 (2010 Replacement Volume and 2011 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 13 MARYLAND, That the Laws of Maryland read as follows:

14

Article – Real Property

15 11B–106.1.

16 (a) (1) A meeting of the members of the homeowners association to elect a 17 governing body of the homeowners association shall be held within:

18 [(1)] (I) 60 days from the date that at least 75% of the total number 19 of lots that may be part of the development after all phases are complete are sold to 20 members of the public for residential purposes; or

21 [(2)] (II) If a lesser percentage is specified in the governing 22 documents of the homeowners association, 60 days from the date the specified lesser

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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percentage of the total number of lots in the development after all phases are complete
 are sold to members of the public for residential purposes.

3 (2) AT THE MEETING TO ELECT THE GOVERNING BODY OF THE 4 HOMEOWNERS ASSOCIATION, THE DECLARANT AND ITS AFFILIATES MAY NOT 5 VOTE IN THE ELECTION OF THE GOVERNING BODY.

6 (e) (3) Until all members of the governing body are elected [by the lot 7 owners] at a transitional meeting under subsection (a) of this section, a contract 8 entered into by the governing body may be terminated, at the discretion of the 9 governing body and without liability for the termination, not later than 30 days after 10 notice.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 October 1, 2012.

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