

HOUSE BILL 1117

N1, C1

5lr1035

By: **Montgomery County Delegation**

Introduced and read first time: February 5, 2025

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Montgomery County – Common Ownership Communities – Disputes, Payments,**
3 **and Elections**

4 **MC 11–25**

5 FOR the purpose of establishing, for cooperative housing corporations, condominiums, and
6 homeowners associations in Montgomery County, certain requirements for the
7 production of certain records relating to the governing body of the cooperative
8 housing corporation, condominium, or homeowners association for a member or an
9 owner; establishing certain requirements for the acceptance of payment of dues, fees,
10 costs, and other member or owner expenses to the cooperative housing corporation,
11 condominium, or homeowners association and for the production of certain payment
12 records by the cooperative housing corporation, condominium, or homeowners
13 association for a member or an owner; establishing certain requirements for elections
14 of the governing body and for accommodating certain member or owner organizing
15 activities relating to the governance of the cooperative housing corporation,
16 condominium, or homeowners association; establishing certain procedural
17 requirements for a dispute and the resolution of a dispute between a member or an
18 owner and a cooperative housing corporation, condominium, or homeowners
19 association and prohibiting a cooperative housing corporation, condominium, or
20 homeowners association from taking certain actions against a member or an owner
21 during a dispute; and generally relating to cooperative housing corporations,
22 condominiums, and homeowners associations in Montgomery County.

23 BY renumbering

24 Article – Real Property

25 Section 11B–118

26 to be Section 11B–119

27 Annotated Code of Maryland

28 (2023 Replacement Volume and 2024 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



BY adding to

Article – Corporations and Associations
Section 5–6B–19.1, 5–6B–19.2, 5–6B–29.1, and 5–6B–30.1
Annotated Code of Maryland
(2014 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Corporations and Associations
Section 5–6B–30 and 5–6B–32(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2024 Supplement)

BY adding to

Article – Real Property
Section 11–109.5, 11–109.6, 11–110.1, 11–113.1, 11B–111.11, 11B–113.7, and
11B–118
Annotated Code of Maryland
(2023 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Real Property
Section 11–113, 11–122(b), 11B–111.4, and 11B–111.10
Annotated Code of Maryland
(2023 Replacement Volume and 2024 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 11B–118 of Article – Real Property of the Annotated Code of Maryland be
renumbered to be Section(s) 11B–119.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
as follows:

Article – Corporations and Associations

5–6B–19.1.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

**(B) ON REQUEST, A COOPERATIVE HOUSING CORPORATION SHALL
PROMPTLY PROVIDE A MEMBER WITH AGENDAS, BACKGROUND MATERIALS, AND
MINUTES OF A MEMBERSHIP MEETING OR A MEETING OF THE GOVERNING BODY OF
THE COOPERATIVE HOUSING CORPORATION.**

**(C) UNLESS A PAPER COPY IS REQUESTED BY THE MEMBER, MATERIALS
PROVIDED UNDER SUBSECTION (B) OF THIS SECTION MAY BE PROVIDED
ELECTRONICALLY.**

5-6B-19.2.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) (1) ELECTIONS, INCLUDING THE COLLECTION AND COUNTING OF BALLOTS AND THE CERTIFYING OF RESULTS, FOR OFFICERS, COMMITTEE MEMBERS, OR OTHER MEMBERS OF THE GOVERNING BODY OF A COOPERATIVE HOUSING CORPORATION SHALL BE CONDUCTED BY INDEPENDENT PARTIES WHO:

(I) ARE NOT CANDIDATES IN THE ELECTION; AND

(II) DO NOT HAVE A CONFLICT OF INTEREST REGARDING ANY CANDIDATE IN THE ELECTION.

(2) A MEMBER IS AN INDEPENDENT PARTY IF THE MEMBER:

(I) COMPLIES WITH THE REQUIREMENTS OF THIS SUBSECTION;

(II) DOES NOT ELECTIONEER FOR ANY CANDIDATE; AND

(III) IS NOT SUBJECT TO AN OBJECTION BY MORE THAN 25% OF THE ELIGIBLE VOTING MEMBERS OF THE COOPERATIVE HOUSING CORPORATION.

(3) REPRESENTATIVES OF THE COOPERATIVE HOUSING CORPORATION'S PROPERTY MANAGEMENT ARE NOT INDEPENDENT PARTIES.

(C) THE COOPERATIVE HOUSING CORPORATION MAY RETAIN A THIRD-PARTY VENDOR OR EMPLOY A COMMERCIAL TECHNOLOGY PLATFORM TO CONDUCT THE ELECTION.

(D) INDIVIDUALS CONDUCTING AN ELECTION SHALL MAKE REASONABLE EFFORTS TO ENSURE THAT THE ELECTION IS FAIR AND THAT THERE IS ACCOUNTABILITY FOR THE PROCESS AND THE RESULTS OF THE ELECTION.

(E) A MEMBER DESIGNATED TO CONDUCT AN ELECTION WHO ACTS IN GOOD FAITH IS NOT PERSONALLY LIABLE IN CONNECTION WITH THE CONDUCT OF THE ELECTION.

(F) (1) A COOPERATIVE HOUSING CORPORATION SHALL MAKE REASONABLE ACCOMMODATIONS, INCLUDING REASONABLE USE OF ANY PORTIONS OF THE COOPERATIVE PROJECT POSSESSED IN COMMON BY THE MEMBERS, FOR

MEMBERS ENGAGED IN MEMBERSHIP ORGANIZING ACTIVITIES RELATING TO
GOVERNANCE OF THE COOPERATIVE HOUSING CORPORATION.

(2) THE GOVERNING BODY OR THE PROPERTY MANAGER OF A
COOPERATIVE HOUSING CORPORATION MAY NOT PREVENT MEMBERS FROM
EXERCISING RIGHTS GUARANTEED UNDER LAW OR UNDER THE GOVERNING
DOCUMENTS OF THE COOPERATIVE HOUSING CORPORATION, OR RETALIATE
AGAINST MEMBERS FOR DOING SO.

(G) PROVISIONS OF THE BYLAWS OR OTHER GOVERNING DOCUMENTS OF A
COOPERATIVE HOUSING CORPORATION REGARDING THE CONDUCT OF ELECTIONS
THAT ARE INCONSISTENT WITH THE REQUIREMENTS OF THIS SECTION ARE
UNENFORCEABLE AND VOID.

~~5-6B-29.1.~~

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) FOR THE COLLECTION OF REGULAR DUES, FINES, FEES, INCLUDING
ADMINISTRATIVE FEES FOR PROVIDING COPIES OF COOPERATIVE HOUSING
CORPORATION RECORDS, AND OTHER ASSESSMENTS, A COOPERATIVE HOUSING
CORPORATION MAY NOT:

(1) UNREASONABLY RESTRICT THE METHOD OR FORM OF PAYMENT,
OR THE PROCEDURES FOR REMITTING PAYMENT FROM MEMBERS; OR

(2) DISCRIMINATE AGAINST MEMBERS IN:

(I) THE LEVEL OF ACCESS TO ONLINE PAYMENT PORTALS;

(II) THE ACCEPTED METHODS OF PAYMENT; OR

(III) THE TIME TAKEN TO PROCESS PAYMENTS.

(C) A COOPERATIVE HOUSING CORPORATION MAY NOT ASSESS A FINE, LATE
FEE, OR OTHER PENALTY FOR A DELAY BY THE COOPERATIVE HOUSING
CORPORATION OR ITS AGENT IN PROCESSING AND APPLYING A PAYMENT BY A
MEMBER.

(D) A COOPERATIVE HOUSING CORPORATION MAY ASSESS AGAINST A
MEMBER ACTUAL COSTS INCURRED BY THE COOPERATIVE HOUSING CORPORATION
FOR PROCESSING CERTAIN METHODS OF PAYMENT, INCLUDING PROCESSING OF A
PAYMENT BY CREDIT CARD OR WIRE TRANSFER.

(E) (1) ON REQUEST BY A MEMBER, A COOPERATIVE HOUSING CORPORATION SHALL PROMPTLY PROVIDE TO THE MEMBER AN ITEMIZED, WRITTEN STATEMENT CONFIRMING RECEIPT OF ANY PAYMENT MADE BY THE MEMBER AND DETAILING THE APPLICATION OF PAYMENT FUNDS, INCLUDING FUNDS APPLIED TO:

(I) MEMBER DUES;

(II) PRINCIPAL OR INTEREST ON ANY OUTSTANDING DEBT;

(III) FINES, PENALTIES, AND OTHER ACCOUNTS RECEIVABLE;

AND

(IV) ANY OTHER AMOUNTS THAT THE COOPERATIVE HOUSING CORPORATION CLAIMS WERE OWED.

(2) AT LEAST ANNUALLY, A COOPERATIVE HOUSING CORPORATION SHALL PROVIDE EACH MEMBER WITH A WRITTEN STATEMENT:

(I) ITEMIZING ALL PAYMENTS MADE BY THE MEMBER TO THE COOPERATIVE HOUSING CORPORATION DURING THE PERIOD SINCE THE LAST STATEMENT;

(II) EXPLAINING HOW PAYMENT FUNDS WERE APPLIED; AND

(III) LISTING ANY REMAINING DEBTS OWED TO THE COOPERATIVE HOUSING CORPORATION BY THE MEMBER.

(3) UNLESS A MEMBER REQUESTS A PRINTED STATEMENT, A STATEMENT REQUIRED UNDER THIS SUBSECTION MAY BE DELIVERED ELECTRONICALLY.

5-6B-30.

(a) [The] EXCEPT AS OTHERWISE PROVIDED IN § 5-6B-30.1 OF THIS SUBTITLE, 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 is a party 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 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 providing 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] SUBTITLE, 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-30.1.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) (1) A COOPERATIVE HOUSING CORPORATION OR ITS AGENT MAY NOT TAKE ADVERSE ACTION AGAINST A UNIT OWNER WITHOUT PROVIDING NOTICE REQUIRED UNDER § 5-6B-30 OF THIS SUBTITLE.

(2) IF A COOPERATIVE HOUSING CORPORATION HAS REASON TO BELIEVE THAT A MEMBER DOES NOT RESIDE AT THE UNIT ASSIGNED TO THE MEMBER, THE COOPERATIVE HOUSING CORPORATION SHALL PROVIDE NOTICE REQUIRED UNDER § 5-6B-30 OF THIS SUBTITLE TO THE UNIT OF THE MEMBER AND

1 ANY KNOWN ALTERNATE ADDRESS OF THE MEMBER AND, IF APPLICABLE, TO ANY
2 REPRESENTATIVE OF THE MEMBER.

3 (C) DURING A DISPUTE, IF A MEMBER CONTINUES TO REMIT ALL MEMBER
4 DUES AND FEES REGULARLY REQUIRED OF ALL MEMBERS UNDER THE GOVERNING
5 DOCUMENTS OR PROPRIETARY LEASE, A COOPERATIVE HOUSING CORPORATION
6 MAY NOT:

7 (1) RESTRICT ACCESS TO OR USE OF AMENITIES AVAILABLE TO ALL
8 OTHER MEMBERS BY THE MEMBER, THE MEMBER'S HOUSEHOLD, OR A TENANT OF
9 THE MEMBER'S UNIT;

10 (2) CHARGE ADDITIONAL FEES OR FINES BEYOND STANDARD DUES
11 AND FEES, INCLUDING MONTHLY OR ANNUAL MEMBER DUES;

12 (3) REASSIGN PAYMENTS REMITTED BY THE MEMBER FOR REGULAR
13 COOPERATIVE HOUSING CORPORATION DUES AND FEES TO ANY OTHER ALLEGED
14 DEBTS;

15 (4) ACCELERATE ANY PAYMENTS BY THE MEMBER FOR DUES, FEES,
16 PENALTIES, INTEREST, COSTS, OR ANY OTHER MONEY ALLEGEDLY DUE TO THE
17 COOPERATIVE HOUSING CORPORATION; OR

18 (5) CHARGE INTEREST ON FEES OR FINES THAT ARE CLAIMED TO
19 HAVE ACCRUED AS THE RESULT OF THE DISPUTED ACTIONS OR FAILURES TO ACT OF
20 THE MEMBER.

21 (D) (1) (I) IN ADDITION TO ANY ATTORNEY'S FEES AWARDED UNDER §
22 5-6B-30 OF THIS SUBTITLE, THE COURT OR AN ENTITY AUTHORIZED BY THE
23 COUNTY TO CONDUCT DISPUTE RESOLUTION IN A DISPUTE MAY AWARD COSTS AND
24 EXPENSES RELATING TO THE DISPUTE TO A COOPERATIVE HOUSING CORPORATION
25 THAT IS THE PREVAILING PARTY.

26 (II) THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO
27 CONDUCT DISPUTE RESOLUTION MAY AWARD REASONABLE COSTS AND EXPENSES
28 UNDER THIS PARAGRAPH ONLY IF THE COURT OR ENTITY AUTHORIZED BY THE
29 COUNTY TO CONDUCT DISPUTE RESOLUTION ISSUES A WRITTEN RULING
30 SPECIFYING THE AMOUNT OF THE AWARD.

31 (III) A COOPERATIVE HOUSING CORPORATION MAY NOT,
32 THROUGH ANY MEANS, REQUIRE A MEMBER TO PAY FOR ANY ATTORNEY'S FEES,
33 COSTS, OR EXPENSES RELATED TO A DISPUTE UNLESS AWARDED TO THE
34 COOPERATIVE HOUSING CORPORATION UNDER THIS SUBSECTION.

1 **(2) IN ADDITION TO ANY ATTORNEY’S FEES AWARDED UNDER §**
2 **5–6B–30 OF THIS SUBTITLE, THE COURT OR ENTITY AUTHORIZED BY THE COUNTY**
3 **TO CONDUCT DISPUTE RESOLUTION MAY AWARD TO A MEMBER WHO IS A**
4 **PREVAILING PARTY:**

5 **(I) INJUNCTIVE RELIEF AGAINST A COOPERATIVE HOUSING**
6 **CORPORATION AND ITS AGENTS;**

7 **(II) REASONABLE COSTS AND EXPENSES RELATING TO THE**
8 **DISPUTE;**

9 **(III) COMPENSATORY DAMAGES; AND**

10 **(IV) FOR WILLFUL OR INTENTIONAL VIOLATIONS BY A**
11 **COOPERATIVE HOUSING CORPORATION, TREBLE DAMAGES.**

12 **(3) ATTORNEY’S FEES UNDER § 5–6B–30 OF THIS SUBTITLE AND**
13 **COSTS, EXPENSES, AND DAMAGES UNDER THIS SUBSECTION MAY BE AWARDED ONLY**
14 **AFTER ALL APPEALS BY THE PARTIES HAVE BEEN EXHAUSTED.**

15 **(E) AN OFFICER, A BOARD MEMBER, OR ANY OTHER PERSON SERVING AS A**
16 **MEMBER OF THE GOVERNING BODY OF A COOPERATIVE HOUSING CORPORATION, OR**
17 **A REPRESENTATIVE OF THE PROPERTY MANAGER OF THE COOPERATIVE HOUSING**
18 **CORPORATION, MAY NOT SERVE AS AN ADJUDICATOR FOR A DISPUTE PROCEEDING**
19 **IN WHICH THE COOPERATIVE HOUSING CORPORATION, ITS GOVERNING BODY, OR**
20 **THE PROPERTY MANAGER IS ALSO A PARTY.**

21 **(F) NOTHING IN THIS SECTION MAY BE INTERPRETED TO:**

22 **(1) PROHIBIT A COOPERATIVE HOUSING CORPORATION FROM:**

23 **(I) COLLECTING DUES, FEES, FINES, AND REASONABLE**
24 **INTEREST UNRELATED TO A DISPUTE;**

25 **(II) COLLECTING FEES, FINES, AND REASONABLE INTEREST IF**
26 **THE COOPERATIVE HOUSING CORPORATION IS GRANTED A JUDGMENT FOR SUCH**
27 **AMOUNTS; OR**

28 **(III) ENFORCING ANY JUDGMENT AGAINST A MEMBER**
29 **OTHERWISE PERMITTED BY LAW; OR**

(2) LIMIT THE RIGHTS OF A MEMBER AS OTHERWISE PROVIDED UNDER LAW OR UNDER THE GOVERNING DOCUMENTS OR PROPRIETARY LEASE.

(G) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, ANY BYLAW OR PROVISION OF A GOVERNING DOCUMENT OF A COOPERATIVE HOUSING CORPORATION THAT CONFLICTS WITH THIS SECTION IS VOID AND UNENFORCEABLE.

5-6B-32.

(a) (1) Except as provided in §§ 5-6B-08 through 5-6B-10 [and §], 5-6B-12, 5-6B-19.1, 5-6B-19.2, 5-6B-29.1, AND 5-6B-30.1 of this subtitle, the provisions of this subtitle are statewide in their effect.

(2) Except as provided in this subtitle, a county, city, or other jurisdiction may not enact any law, ordinance, or regulation which would impose a burden or restriction on a cooperative housing corporation that is not imposed on all other property of similar character not a cooperative housing corporation. Any such law, ordinance, or regulation is preempted by the subject and material of this title and is void.

Article – Real Property

11-109.5.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) ON REQUEST, THE COUNCIL OF UNIT OWNERS OR BOARD OF DIRECTORS SHALL PROMPTLY PROVIDE A UNIT OWNER WITH AGENDAS, BACKGROUND MATERIALS, AND MINUTES OF A MEMBERSHIP MEETING OR A MEETING OF THE GOVERNING BODY OF THE CONDOMINIUM.

(C) UNLESS A PAPER COPY IS REQUESTED BY A UNIT OWNER, MATERIALS PROVIDED TO THE UNIT OWNER UNDER SUBSECTION (B) OF THIS SECTION MAY BE PROVIDED ELECTRONICALLY.

11-109.6.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) (1) ELECTIONS, INCLUDING THE COLLECTION AND COUNTING OF BALLOTS AND THE CERTIFYING OF RESULTS, FOR OFFICERS OR MEMBERS OF THE GOVERNING BODY OTHER THAN THE FULL MEMBERSHIP OF THE COUNCIL OF UNIT OWNERS SHALL BE CONDUCTED BY INDEPENDENT PARTIES WHO:

(I) ARE NOT CANDIDATES IN THE ELECTION; AND

1 (II) DO NOT HAVE A CONFLICT OF INTEREST REGARDING ANY
2 CANDIDATE IN THE ELECTION.

3 (2) A UNIT OWNER IS AN INDEPENDENT PARTY IF THE UNIT OWNER:

4 (I) COMPLIES WITH THE REQUIREMENTS OF THIS SECTION;

5 (II) DOES NOT ELECTIONEER FOR ANY CANDIDATE; AND

6 (III) IS NOT SUBJECT TO AN OBJECTION BY MORE THAN 25% OF
7 THE ELIGIBLE VOTING MEMBERS OF THE COUNCIL OF UNIT OWNERS.

8 (3) REPRESENTATIVES OF THE CONDOMINIUM'S PROPERTY
9 MANAGEMENT ARE NOT INDEPENDENT PARTIES.

10 (C) THE GOVERNING BODY MAY RETAIN A THIRD-PARTY VENDOR OR
11 EMPLOY A COMMERCIAL TECHNOLOGY PLATFORM TO CONDUCT AN ELECTION.

12 (D) INDIVIDUALS CONDUCTING AN ELECTION SHALL MAKE REASONABLE
13 EFFORTS TO ENSURE THAT THE ELECTION IS FAIR AND THAT THERE IS
14 ACCOUNTABILITY FOR THE PROCESS AND THE RESULTS OF THE ELECTION.

15 (E) A UNIT OWNER DESIGNATED TO CONDUCT AN ELECTION WHO ACTS IN
16 GOOD FAITH IS NOT PERSONALLY LIABLE IN CONNECTION WITH THE CONDUCT OF
17 THE ELECTION.

18 (F) (1) THE GOVERNING BODY SHALL MAKE REASONABLE
19 ACCOMMODATIONS, INCLUDING REASONABLE USE OF ANY PORTION OF COMMON
20 AREAS, FOR UNIT OWNERS TO ENGAGE IN ORGANIZING ACTIVITIES RELATING TO
21 GOVERNANCE OF THE CONDOMINIUM.

22 (2) THE GOVERNING BODY MAY NOT PREVENT UNIT OWNERS FROM
23 OR RETALIATE AGAINST UNIT OWNERS FOR EXERCISING RIGHTS GUARANTEED
24 UNDER LAW OR UNDER THE GOVERNING DOCUMENTS OF THE CONDOMINIUM.

25 (G) PROVISIONS OF THE GOVERNING DOCUMENTS, RULES, OR
26 REGULATIONS OF A CONDOMINIUM RELATING TO THE CONDUCT OF ELECTIONS
27 THAT ARE INCONSISTENT WITH THE REQUIREMENTS OF THIS SECTION ARE
28 UNENFORCEABLE AND VOID.

29 11-110.1.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) FOR THE COLLECTION OF REGULAR DUES, FINES, FEES, INCLUDING ADMINISTRATIVE FEES FOR PROVIDING COPIES OF RECORDS, AND OTHER ASSESSMENTS, THE GOVERNING BODY MAY NOT:

(1) UNREASONABLY RESTRICT THE METHOD OR FORM OF PAYMENT, OR THE PROCEDURES FOR REMITTING PAYMENT FROM UNIT OWNERS; OR

(2) DISCRIMINATE AGAINST UNIT OWNERS IN:

(I) THE LEVEL OF ACCESS TO ONLINE PAYMENT PORTALS;

(II) THE ACCEPTED METHODS OF PAYMENT; OR

(III) THE TIME TAKEN TO PROCESS PAYMENTS.

(C) THE GOVERNING BODY MAY NOT ASSESS A FINE, LATE FEE, OR OTHER PENALTY FOR A DELAY IN PAYMENT CAUSED BY THE GOVERNING BODY OR AN AGENT OF THE GOVERNING BODY IN PROCESSING AND APPLYING A PAYMENT BY A UNIT OWNER.

(D) THE GOVERNING BODY MAY ASSESS AGAINST A UNIT OWNER ACTUAL COSTS INCURRED FOR PROCESSING CERTAIN METHODS OF PAYMENT, INCLUDING PROCESSING OF A PAYMENT BY CREDIT CARD OR WIRE TRANSFER.

(E) (1) ON REQUEST BY A UNIT OWNER, THE GOVERNING BODY SHALL PROMPTLY PROVIDE TO THE UNIT OWNER AN ITEMIZED, WRITTEN STATEMENT CONFIRMING RECEIPT OF ANY PAYMENT MADE BY THE UNIT OWNER AND DETAILING THE APPLICATION OF PAYMENT FUNDS, INCLUDING FUNDS APPLIED TO:

(I) MONTHLY OR ANNUAL DUES;

(II) PRINCIPAL OR INTEREST ON ANY OUTSTANDING DEBT;

(III) FINES, PENALTIES, AND OTHER ACCOUNTS RECEIVABLE;

AND

(IV) ANY OTHER AMOUNTS THAT THE GOVERNING BODY CLAIMS WERE OWED.

(2) AT LEAST ANNUALLY, A GOVERNING BODY SHALL PROVIDE EACH UNIT OWNER WITH A WRITTEN STATEMENT:

(I) ITEMIZING ALL PAYMENTS MADE BY THE UNIT OWNER TO THE GOVERNING BODY DURING THE PERIOD SINCE THE LAST STATEMENT;

(II) EXPLAINING HOW PAYMENT FUNDS WERE APPLIED; AND

(III) LISTING ANY REMAINING DEBTS OWED TO THE GOVERNING BODY BY THE UNIT OWNER.

(3) UNLESS A UNIT OWNER REQUESTS A PRINTED STATEMENT, A STATEMENT REQUIRED UNDER THIS SUBSECTION MAY BE DELIVERED ELECTRONICALLY.

11–113.

(a) [Unless] EXCEPT AS PROVIDED IN § 11–113.1 OF THIS TITLE AND UNLESS the declaration or bylaws state otherwise, the dispute settlement mechanism provided by this section is applicable to complaints or demands formally arising on or after October 1, 2022.

(b) (1) The council of unit owners or board of directors may not impose a fine, suspend voting, or infringe upon any other rights of a unit owner or other occupant for violations of rules until the procedures in this subsection are followed.

(2) A written demand to cease and desist from an alleged violation shall be provided to the alleged violator specifying:

(i) The alleged violation;

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

(iii) A time period, not less than 15 days, during which the violation may be abated without further sanction, if the violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of sanction after notice and opportunity for hearing if the violation is not continuing.

(3) Within 12 months of the demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is violated subsequently, the board shall provide the alleged violator, at the alleged violator's address of record, with a written notice of the alleged violator's right to request a hearing to be held by the board in executive session containing:

(i) The nature of the alleged violation;

(ii) The procedures for requesting a hearing at which the alleged violator may produce any statement, evidence, or witnesses on behalf of the alleged violator;

(iii) The period of time for requesting a hearing, which may not be less than 10 days from the giving of the notice; and

(iv) The proposed sanction to be imposed.

(4) (i) If the alleged violator requests a hearing within the period of time specified in the notice provided under paragraph (3) of this subsection, the board shall provide the alleged violator with written notice of the time and place of the hearing, which time may not be less than 10 days after the date the request for a hearing was provided.

(ii) 1. At the hearing, the alleged violator has the right to present evidence and present and cross-examine witnesses.

2. The hearing shall be held in executive session pursuant to this notice and shall afford the alleged violator a reasonable opportunity to be heard.

3. A. Prior to the taking effect of any sanction hereunder, proof of notice shall be entered in the minutes of the meeting.

B. The proof of notice shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of providing the notice, is entered in the minutes by the officer or director who provided the notice.

C. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting.

4. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(5) If the alleged violator does not request a hearing within the period of time specified in the notice provided under paragraph (3) of this subsection, the board, at the next meeting, shall deliberate as to whether the violation occurred and decide whether a sanction is appropriate for the violation.

(6) A decision in accordance with these procedures shall be appealable to the courts of Maryland.

(c) (1) If any unit owner fails to comply with this title, the declaration, or bylaws, or a decision rendered in accordance with this section, the unit owner may be sued for damages caused by the failure or for injunctive relief, or both, by the council of unit owners or by any other unit owner.

(2) The prevailing party in any proceeding under this subsection is entitled to an award for counsel fees as determined by court.

(d) The failure of the council of unit owners to enforce a provision of this title, the declaration, or bylaws on any occasion is not a waiver of the right to enforce the provision on any other occasion.

11-113.1.

(A) THE SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) (1) A GOVERNING BODY OR ITS AGENT MAY NOT TAKE ADVERSE ACTION AGAINST A UNIT OWNER WITHOUT PROVIDING NOTICE REQUIRED UNDER § 11-113 OF THIS TITLE.

(2) IF A GOVERNING BODY HAS REASON TO BELIEVE THAT A UNIT OWNER DOES NOT RESIDE AT THEIR UNIT, THE GOVERNING BODY SHALL PROVIDE NOTICE REQUIRED UNDER § 11-113 OF THIS TITLE TO THE UNIT OWNER'S UNIT AND ANY KNOWN ALTERNATE ADDRESS OF THE UNIT OWNER AND, IF APPLICABLE, TO ANY REPRESENTATIVE OF THE UNIT OWNER.

(C) (1) THE PERIOD OF TIME FOR A UNIT OWNER TO REQUEST A HEARING UNDER § 11-113 OF THIS TITLE MAY NOT BE LESS THAN 30 DAYS AFTER THE BOARD PROVIDES NOTICE TO THE UNIT OWNER.

(2) IF A UNIT OWNER REQUESTS A HEARING UNDER § 11-113 OF THIS TITLE, THE HEARING MAY NOT BE HELD LESS THAN 30 DAYS AFTER THE DATE THE REQUEST FOR A HEARING WAS PROVIDED BY THE UNIT OWNER.

(D) DURING A DISPUTE, IF A UNIT OWNER CONTINUES TO REMIT TO THE GOVERNING BODY ALL DUES AND FEES REGULARLY REQUIRED OF ALL UNIT OWNERS UNDER THE GOVERNING DOCUMENTS, RULES, OR REGULATIONS OF THE CONDOMINIUM, THE GOVERNING BODY MAY NOT:

(1) RESTRICT ACCESS TO OR USE OF AMENITIES AVAILABLE TO ALL OTHER UNIT OWNERS BY THE UNIT OWNER, MEMBERS OF THE UNIT OWNER'S HOUSEHOLD, OR A TENANT OF THE UNIT OWNER;

(2) CHARGE ADDITIONAL FEES OR FINES BEYOND STANDARD DUES AND FEES, INCLUDING MONTHLY OR ANNUAL DUES;

(3) REASSIGN PAYMENTS REMITTED BY THE UNIT OWNER FOR REGULAR DUES AND FEES TO ANY OTHER ALLEGED DEBTS;

(4) ACCELERATE ANY PAYMENTS BY THE UNIT OWNER FOR DUES, FEES, PENALTIES, INTEREST, COSTS, OR ANY OTHER MONEY ALLEGEDLY DUE TO THE GOVERNING BODY;

1 **(5) CHARGE INTEREST ON FEES OR FINES THAT ARE CLAIMED TO**
2 **HAVE ACCRUED AS THE RESULT OF THE DISPUTED ACTIONS OR FAILURES TO ACT OF**
3 **THE UNIT OWNER; OR**

4 **(6) RECORD A LIEN ON THE UNIT OWNER'S UNIT.**

5 **(E) (1) (I) IN ADDITION TO ANY COUNSEL FEES AWARDED UNDER §**
6 **11-113 OF THIS TITLE, THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO**
7 **CONDUCT DISPUTE RESOLUTION IN A DISPUTE MAY AWARD COSTS AND EXPENSES**
8 **RELATING TO THE DISPUTE TO A GOVERNING BODY THAT IS THE PREVAILING PARTY.**

9 **(II) THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO**
10 **CONDUCT DISPUTE RESOLUTION MAY AWARD REASONABLE COSTS AND EXPENSES**
11 **UNDER THIS PARAGRAPH ONLY IF THE COURT, ARBITRATOR, OR ENTITY**
12 **AUTHORIZED BY THE COUNTY TO CONDUCT DISPUTE RESOLUTION ISSUES A**
13 **WRITTEN RULING SPECIFYING THE AMOUNT OF THE AWARD.**

14 **(III) A GOVERNING BODY MAY NOT, THROUGH ANY MEANS,**
15 **REQUIRE A UNIT OWNER TO PAY FOR ANY ATTORNEY'S FEES, COSTS, OR EXPENSES**
16 **RELATED TO A DISPUTE UNLESS AWARDED TO THE GOVERNING BODY BY A COURT**
17 **OR ENTITY AUTHORIZED BY THE COUNTY TO CONDUCT DISPUTE RESOLUTION**
18 **UNDER THIS SUBSECTION.**

19 **(2) IN ADDITION TO ANY ATTORNEY'S FEES AWARDED UNDER §**
20 **11-113 OF THIS TITLE, THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO**
21 **CONDUCT DISPUTE RESOLUTION MAY:**

22 **(I) AWARD TO A UNIT OWNER WHO IS A PREVAILING PARTY:**

23 1. **REASONABLE COSTS AND EXPENSES RELATING TO**
24 **THE DISPUTE;**

25 2. **COMPENSATORY DAMAGES; AND**

26 3. **FOR WILLFUL OR INTENTIONAL VIOLATIONS BY A**
27 **CONDOMINIUM, TREBLE DAMAGES; AND**

28 **(II) GRANT INJUNCTIVE RELIEF AGAINST THE GOVERNING**
29 **BODY AND ITS AGENTS.**

(3) ATTORNEY'S FEES UNDER § 11-113 OF THIS TITLE AND COSTS, EXPENSES, AND DAMAGES UNDER THIS SUBSECTION MAY BE AWARDED ONLY AFTER ALL APPEALS BY THE PARTIES HAVE BEEN EXHAUSTED.

(F) AN OFFICER, A BOARD MEMBER, OR ANY OTHER PERSON SERVING AS A MEMBER OF THE GOVERNING BODY, OR A REPRESENTATIVE OF THE PROPERTY MANAGER OF THE CONDOMINIUM, MAY NOT SERVE AS AN ADJUDICATOR FOR A DISPUTE PROCEEDING IN WHICH THE GOVERNING BODY OR THE PROPERTY MANAGER IS ALSO A PARTY.

(G) NOTHING IN THIS SECTION MAY BE INTERPRETED TO:

(1) PROHIBIT A GOVERNING BODY FROM:

(I) COLLECTING DUES, FEES, FINES, AND REASONABLE INTEREST UNRELATED TO A DISPUTE;

(II) COLLECTING FEES, FINES, AND REASONABLE INTEREST IF THE COOPERATIVE HOUSING CORPORATION IS GRANTED A JUDGMENT FOR SUCH AMOUNTS; OR

(III) ENFORCING ANY JUDGMENT AGAINST A MEMBER OTHERWISE PERMITTED BY LAW; OR

(2) LIMIT THE RIGHTS OF A UNIT OWNER OTHERWISE PROVIDED UNDER LAW OR UNDER THE GOVERNING DOCUMENTS, RULES, OR REGULATIONS OF THE CONDOMINIUM.

(H) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, ANY PROVISION OF THE RULES, REGULATIONS, OR OTHER GOVERNING DOCUMENTS OF A CONDOMINIUM THAT CONFLICTS WITH THIS SECTION IS VOID AND UNENFORCEABLE.

11-122.

(b) Except as otherwise provided in this title, a county, city, or other jurisdiction may not enact any law, ordinance, or regulation which would impose a burden or restriction on a condominium that is not imposed on all other property of similar character not subjected to a condominium regime. Any such law, ordinance, or regulation is void. Except as otherwise expressly provided in §§ **11-109.5, 11-109.6, 11-110.1, 11-113.1**, 11-130, 11-138, 11-139, and 11-140 of this title, the provisions of this title are statewide in their effect. Any law, ordinance, or regulation enacted by a county, city, or other jurisdiction is preempted by the subject and material of this title.

1 11B-111.4.

2 (a) This section does not apply to any meetings of lot owners occurring at any time
3 before the lot owners, other than the developer, have a majority of the votes in the
4 homeowners association, as provided in the declaration.

5 (b) Subject to reasonable rules adopted by the governing body, lot owners may
6 meet for the purpose of considering and discussing the operation of and matters relating to
7 the operation of the homeowners association in any common areas or in any building or
8 facility in the common areas that the governing body of the homeowners association uses
9 for scheduled meetings.

10 (c) (1) **THIS SUBSECTION APPLIES ONLY IN MONTGOMERY COUNTY.**

11 (2) **THE GOVERNING BODY SHALL MAKE REASONABLE**
12 **ACCOMMODATIONS FOR LOT OWNERS TO MEET FOR THE PURPOSE OF ENGAGING IN**
13 **ORGANIZING ACTIVITIES RELATING TO GOVERNANCE OF THE HOMEOWNERS**
14 **ASSOCIATION, INCLUDING REASONABLE USE OF ANY PORTION OF THE COMMON**
15 **AREAS OR ANY BUILDING OR FACILITY IN THE COMMON AREAS THAT THE**
16 **HOMEOWNERS ASSOCIATION USES FOR SCHEDULED MEETINGS.**

17 (3) **THE GOVERNING BODY MAY NOT PREVENT LOT OWNERS FROM, OR**
18 **RETALIATE AGAINST LOT OWNERS FOR, EXERCISING RIGHTS GUARANTEED UNDER**
19 **LAW OR UNDER THE GOVERNING DOCUMENTS OF THE HOMEOWNERS ASSOCIATION.**

20 11B-111.10.

21 (a) **[Unless] EXCEPT AS PROVIDED IN § 11B-111.11 OF THIS TITLE AND**
22 **UNLESS** the declaration or bylaws state otherwise, the dispute settlement mechanism
23 provided by this section is applicable to complaints or demands formally arising on or after
24 October 1, 2022.

25 (b) (1) The board of directors or other governing body of the homeowners
26 association may not impose a fine, suspend voting, or infringe on any other right of a lot
27 owner or any other occupant for violations of rules until the procedures in this subsection
28 are followed.

29 (2) A written demand to cease and desist from an alleged violation shall be
30 provided to the alleged violator specifying:

31 (i) The nature of the alleged violation;

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

33 (iii) A period of time, not less than 15 days, during which the violation
34 may be abated without further sanction, if the violation is a continuing violation, or a

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

3 (3) Within 12 months of the demand, if the violation continues past the
4 period of time allowed in the demand for abatement without penalty or if the same rule is
5 violated subsequently, the board shall provide the alleged violator, at the alleged violator's
6 address of record, with a written notice of the alleged violator's right to request a hearing
7 to be held by the board in executive session containing:

8 (i) The nature of the alleged violation;

9 (ii) The procedures for requesting a hearing at which the alleged
10 violator may produce any statement, evidence, or witnesses on behalf of the alleged violator;

11 (iii) The period of time for requesting a hearing, which may not be
12 less than 10 days from the giving of the notice; and

13 (iv) The proposed sanction to be imposed.

14 (4) (i) If the alleged violator requests a hearing within the period of
15 time specified in the notice provided under paragraph (3) of this subsection, the board shall
16 provide the alleged violator with a written notice of the time and place of the hearing, which
17 time may not be less than 10 days after the date the request for a hearing was provided.

18 (ii) 1. At the hearing, the alleged violator has the right to present
19 evidence and cross-examine witnesses.

20 2. The hearing shall be held in executive session in
21 accordance with this notice and shall afford the alleged violator a reasonable opportunity
22 to be heard.

23 3. A. Prior to the taking effect of any sanction under this
24 section, proof of notice shall be entered in the minutes of the meeting.

25 B. The proof of notice shall be deemed adequate if a copy of
26 the notice, together with a statement of the date and manner of providing the notice, is
27 entered in the minutes by the officer or director who provided the notice.

28 C. The notice requirement shall be deemed satisfied if the
29 alleged violator appears at the meeting.

30 4. The minutes of the meeting shall contain a written
31 statement of the results of the hearing and the sanction, if any, imposed.

32 (5) If the alleged violator does not request a hearing within the period of
33 time specified in the notice provided under paragraph (3) of this subsection, the board, at

the next meeting, shall deliberate as to whether the violation occurred and decide whether a sanction is appropriate for the violation.

(6) A decision made in accordance with these procedures shall be appealable to the courts of Maryland.

(c) (1) If any lot owner fails to comply with this title, the declaration, or bylaws, or a decision rendered in accordance with this section, the lot owner may be sued for damages caused by the failure or for injunctive relief, or both, by the homeowners association or by any other lot owner.

(2) The prevailing party in any proceeding under this subsection is entitled to an award for counsel fees as determined by the court.

(d) The failure of the board of directors or other governing body of the homeowners association to enforce a provision of this title, the declaration, or bylaws on any occasion is not a waiver of the right to enforce the provision on any other occasion.

(e) This section does not apply to the Columbia Association or the village community associations for the villages of Columbia in Howard County.

11B-111.11.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) (1) A HOMEOWNERS ASSOCIATION OR ITS AGENT MAY NOT TAKE ADVERSE ACTION AGAINST A UNIT OWNER WITHOUT PROVIDING NOTICE REQUIRED UNDER § 11B-111.10 OF THIS TITLE.

(2) IF A HOMEOWNERS ASSOCIATION HAS REASON TO BELIEVE THAT A LOT OWNER DOES NOT RESIDE AT THEIR LOT, THE HOMEOWNERS ASSOCIATION SHALL PROVIDE NOTICE REQUIRED UNDER § 11B-111.10 OF THIS TITLE TO THE LOT OWNER AT THE LOT OWNER'S LOT AND ANY KNOWN ALTERNATE ADDRESS OF THE LOT OWNER AND, IF APPLICABLE, TO ANY REPRESENTATIVE OF THE LOT OWNER.

(C) (1) THE PERIOD OF TIME FOR A LOT OWNER TO REQUEST A HEARING UNDER § 11B-111.10 OF THIS TITLE MAY NOT BE LESS THAN 30 DAYS AFTER THE BOARD PROVIDES NOTICE TO THE LOT OWNER.

(2) IF A LOT OWNER REQUESTS A HEARING UNDER § 11B-111.10 OF THIS TITLE, THE HEARING MAY NOT BE HELD LESS THAN 30 DAYS AFTER THE DATE THE REQUEST FOR A HEARING WAS PROVIDED BY THE LOT OWNER.

(D) DURING A DISPUTE, IF A LOT OWNER CONTINUES TO REMIT TO THE HOMEOWNERS ASSOCIATION ALL DUES AND FEES REGULARLY REQUIRED OF ALL

1 LOT OWNERS UNDER THE GOVERNING DOCUMENTS, RULES, OR REGULATIONS OF
2 THE HOMEOWNERS ASSOCIATION, THE HOMEOWNERS ASSOCIATION MAY NOT:

3 (1) RESTRICT ACCESS TO OR USE OF AMENITIES AVAILABLE TO ALL
4 OTHER LOT OWNERS BY THE LOT OWNER, MEMBERS OF THE LOT OWNER'S
5 HOUSEHOLD, OR A TENANT OF THE LOT OWNER;

6 (2) CHARGE ADDITIONAL FEES OR FINES BEYOND STANDARD DUES
7 AND FEES CHARGED TO ALL LOT OWNERS;

8 (3) REASSIGN PAYMENTS REMITTED BY THE LOT OWNER FOR
9 REGULAR DUES AND FEES TO ANY OTHER ALLEGED DEBTS;

10 (4) ACCELERATE ANY PAYMENTS BY THE MEMBER FOR DUES, FEES,
11 PENALTIES, INTEREST, COSTS, OR ANY OTHER MONEY ALLEGEDLY DUE TO THE
12 HOMEOWNERS ASSOCIATION;

13 (5) CHARGE INTEREST ON FEES OR FINES THAT ARE CLAIMED TO
14 HAVE ACCRUED AS THE RESULT OF THE DISPUTED ACTIONS OR FAILURES TO ACT OF
15 THE LOT OWNER; OR

16 (6) RECORD A LIEN ON THE LOT OWNER'S PROPERTY IN THE
17 DEVELOPMENT.

18 (E) (1) (I) IN ADDITION TO ANY COUNSEL FEES AWARDED UNDER §
19 11B-111.10 OF THIS TITLE, THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO
20 CONDUCT DISPUTE RESOLUTION MAY AWARD COSTS AND EXPENSES RELATING TO
21 THE DISPUTE TO A HOMEOWNERS ASSOCIATION THAT IS THE PREVAILING PARTY.

22 (II) THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO
23 CONDUCT DISPUTE RESOLUTION MAY AWARD REASONABLE COSTS AND EXPENSES
24 UNDER THIS PARAGRAPH ONLY IF THE COURT OR ENTITY AUTHORIZED BY THE
25 COUNTY TO CONDUCT DISPUTE RESOLUTION ISSUES A WRITTEN RULING
26 SPECIFYING THE AMOUNT OF THE AWARD.

27 (III) A HOMEOWNERS ASSOCIATION MAY NOT, THROUGH ANY
28 MEANS, REQUIRE A LOT OWNER TO PAY FOR ANY COUNSEL FEES, COSTS, OR
29 EXPENSES RELATED TO A DISPUTE UNLESS AWARDED TO THE HOMEOWNERS
30 ASSOCIATION BY A COURT UNDER THIS SUBSECTION.

31 (2) IN ADDITION TO ANY COUNSEL FEES AWARDED UNDER §
32 11B-111.10 OF THIS TITLE, THE COURT OR ENTITY AUTHORIZED BY THE COUNTY TO
33 CONDUCT DISPUTE RESOLUTION MAY:

(I) AWARD TO A LOT OWNER WHO IS A PREVAILING PARTY:

1. REASONABLE COSTS AND EXPENSES RELATING TO THE DISPUTE;

2. COMPENSATORY DAMAGES; AND

3. FOR WILLFUL OR INTENTIONAL VIOLATIONS BY A HOMEOWNERS ASSOCIATION, TREBLE DAMAGES; AND

(II) GRANT INJUNCTIVE RELIEF AGAINST THE HOMEOWNERS ASSOCIATION AND ITS AGENTS.

(3) COUNSEL FEES UNDER § 11B-111.10 OF THIS TITLE AND COSTS, EXPENSES, AND DAMAGES UNDER THIS SUBSECTION MAY BE AWARDED ONLY AFTER ALL APPEALS BY THE PARTIES HAVE BEEN EXHAUSTED.

(F) AN INDIVIDUAL SERVING AS A MEMBER OF THE GOVERNING BODY OF A HOMEOWNERS ASSOCIATION, OR A REPRESENTATIVE OF THE PROPERTY MANAGER OF THE HOMEOWNERS ASSOCIATION, MAY NOT SERVE AS AN ADJUDICATOR FOR A DISPUTE PROCEEDING IN WHICH THE HOMEOWNERS ASSOCIATION, THE GOVERNING BODY OF THE HOMEOWNERS ASSOCIATION, OR THE PROPERTY MANAGER IS ALSO A PARTY.

(G) NOTHING IN THIS SECTION MAY BE INTERPRETED TO:

(1) PROHIBIT A HOMEOWNERS ASSOCIATION FROM:

(I) COLLECTING DUES, FEES, FINES, AND REASONABLE INTEREST UNRELATED TO A DISPUTE;

(II) COLLECTING FEES, FINES, AND ASSESSMENTS, AND REASONABLE INTEREST ON ANY FEES, FINES, OR ASSESSMENTS, IF THE HOMEOWNERS ASSOCIATION IS GRANTED A JUDGMENT FOR SUCH AMOUNTS; OR

(III) ENFORCING ANY JUDGMENT AGAINST A LOT OWNER OTHERWISE PERMITTED BY LAW; OR

(2) LIMIT THE RIGHTS OF A LOT OWNER OTHERWISE PROVIDED UNDER LAW OR UNDER THE GOVERNING DOCUMENTS, RULES, OR REGULATIONS OF THE HOMEOWNERS ASSOCIATION.

(H) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, ANY PROVISION OF A GOVERNING DOCUMENT, RULE, OR REGULATION OF A HOMEOWNERS ASSOCIATION THAT CONFLICTS WITH THIS SECTION IS VOID AND UNENFORCEABLE.

11B-113.7.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) FOR THE COLLECTION OF REGULAR DUES, FINES, FEES, INCLUDING ADMINISTRATIVE FEES FOR PROVIDING COPIES OF RECORDS, AND OTHER ASSESSMENTS, A HOMEOWNERS ASSOCIATION MAY NOT:

(1) UNREASONABLY RESTRICT THE METHOD OR FORM OF PAYMENT, OR THE PROCEDURES FOR REMITTING PAYMENT FROM LOT OWNERS; OR

(2) DISCRIMINATE AGAINST LOT OWNERS IN:

(I) THE LEVEL OF ACCESS TO ONLINE PAYMENT PORTALS;

(II) THE ACCEPTED METHODS OF PAYMENT; OR

(III) THE TIME TAKEN TO PROCESS PAYMENTS.

(C) A HOMEOWNERS ASSOCIATION MAY NOT ASSESS A FINE, FEE, LATE CHARGE, OR OTHER PENALTY FOR A DELAY IN PAYMENT CAUSED BY THE HOMEOWNERS ASSOCIATION OR ITS AGENT IN PROCESSING AND APPLYING A PAYMENT BY A LOT OWNER.

(D) IN ADDITION TO ELECTRONIC PAYMENT FEES AUTHORIZED UNDER § 11B-114 OF THIS TITLE, A HOMEOWNERS ASSOCIATION MAY ASSESS AGAINST A LOT OWNER ACTUAL COSTS INCURRED BY THE HOMEOWNERS ASSOCIATION FOR PROCESSING PAYMENTS MADE BY WIRE TRANSFER.

(E) (1) ON REQUEST BY A LOT OWNER, A HOMEOWNERS ASSOCIATION SHALL PROMPTLY PROVIDE TO THE LOT OWNER AN ITEMIZED, WRITTEN STATEMENT CONFIRMING RECEIPT OF ANY PAYMENT MADE BY THE LOT OWNER AND DETAILING THE APPLICATION OF PAYMENT FUNDS, INCLUDING FUNDS APPLIED TO:

(I) MONTHLY OR ANNUAL DUES;

(II) PRINCIPAL OR INTEREST ON ANY OUTSTANDING DEBT;

(III) FINES, PENALTIES, AND OTHER ACCOUNTS RECEIVABLE;

AND

(IV) ANY OTHER AMOUNTS THAT THE HOMEOWNERS ASSOCIATION CLAIMS WERE OWED.

(2) AT LEAST ANNUALLY, A HOMEOWNERS ASSOCIATION SHALL PROVIDE EACH LOT OWNER WITH A WRITTEN STATEMENT:

(I) ITEMIZING ALL PAYMENTS MADE BY THE LOT OWNER TO THE HOMEOWNERS ASSOCIATION DURING THE PERIOD SINCE THE LAST STATEMENT;

(II) EXPLAINING HOW PAYMENT FUNDS WERE APPLIED; AND

(III) LISTING ANY REMAINING DEBTS OWED TO THE HOMEOWNERS ASSOCIATION BY THE LOT OWNER.

(3) UNLESS A LOT OWNER REQUESTS A PRINTED STATEMENT, A STATEMENT REQUIRED UNDER THIS SUBSECTION MAY BE DELIVERED ELECTRONICALLY.

11B-118.

(A) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(B) (1) ELECTIONS FOR THE GOVERNING BODY OF A HOMEOWNERS ASSOCIATION, INCLUDING THE COLLECTION AND COUNTING OF BALLOTS AND THE CERTIFYING OF RESULTS, SHALL BE CONDUCTED BY INDEPENDENT PARTIES WHO:

(I) ARE NOT CANDIDATES FOR POSITIONS ON THE GOVERNING BODY OF THE HOMEOWNERS ASSOCIATION IN THAT ELECTION; AND

(II) DO NOT HAVE A CONFLICT OF INTEREST REGARDING ANY CANDIDATE IN THE ELECTION.

(2) (I) REPRESENTATIVES OF THE HOMEOWNERS ASSOCIATION'S PROPERTY MANAGEMENT ARE NOT INDEPENDENT PARTIES.

(II) A LOT OWNER MAY BE DEEMED AN INDEPENDENT PARTY IF THE LOT OWNER:

1 1. COMPLIES WITH THE REQUIREMENTS OF THIS
2 SUBSECTION;

3 2. DOES NOT ELECTIONEER FOR ANY CANDIDATE; AND

4 3. IS NOT SUBJECT TO AN OBJECTION BY MORE THAN
5 25% OF THE ELIGIBLE VOTING MEMBERS OF THE HOMEOWNERS ASSOCIATION.

6 (III) THE HOMEOWNERS ASSOCIATION MAY RETAIN A
7 THIRD-PARTY VENDOR OR EMPLOY A COMMERCIAL TECHNOLOGY PLATFORM TO
8 CONDUCT THE ELECTION.

9 (C) INDIVIDUALS CONDUCTING AN ELECTION SHALL MAKE REASONABLE
10 EFFORTS TO ENSURE THAT THE ELECTION IS FAIR AND THAT THERE IS
11 ACCOUNTABILITY FOR THE PROCESS AND THE RESULTS OF THE ELECTION.

12 (D) A LOT OWNER DESIGNATED TO CONDUCT AN ELECTION WHO ACTS IN
13 GOOD FAITH HAS NO PERSONAL LIABILITY IN CONNECTION WITH THE CONDUCT OF
14 AN ELECTION.

15 (E) PROVISIONS OF THE GOVERNING DOCUMENTS, RULES, OR
16 REGULATIONS OF A HOMEOWNERS ASSOCIATION RELATING TO THE CONDUCT OF
17 ELECTIONS THAT ARE INCONSISTENT WITH THE REQUIREMENTS OF THIS SECTION
18 ARE VOID AND UNENFORCEABLE.

19 SECTION 3. AND BE IT FURTHER ENACTED, That a presently existing obligation
20 or contract right may not be impaired in any way by this Act.

21 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2025.