

HOUSE BILL 1066

N1

8lr0631

By: **Delegates West and Lafferty**

Introduced and read first time: February 7, 2018

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Homeowners Associations – Recorded Covenants or Restrictions – Deletion of**
3 **Restrictions Based on Race, Religious Belief, or National Origin**

4 FOR the purpose of altering the process by which certain persons in a homeowners
5 association may agree to delete a recorded covenant or restriction that restricts
6 ownership based on race, religious belief, or national origin; requiring the governing
7 body of a homeowners association, in order to accomplish the deletion of a recorded
8 covenant or restriction that restricts ownership based on race, religious belief, or
9 national origin, to record a certain amendment to the deed or declaration that
10 includes the recorded covenant or restriction and a certain statement, under certain
11 circumstances; altering a certain definition; making stylistic changes; and generally
12 relating to the deletion of recorded covenants and restrictions that restrict ownership
13 based on race, religious belief, or national origin in homeowners associations.

14 BY repealing and reenacting, without amendments,
15 Article – Real Property
16 Section 11B–101(a), (d), (i), and (l)
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2017 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Real Property
21 Section 11B–113.3
22 Annotated Code of Maryland
23 (2015 Replacement Volume and 2017 Supplement)

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

26 **Article – Real Property**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 11B-101.

2 (a) In this title the following words have the meanings indicated, unless the
3 context requires otherwise.

4 (d) (1) "Declaration" means an instrument, however denominated, recorded
5 among the land records of the county in which the property of the declarant is located, that
6 creates the authority for a homeowners association to impose on lots, or on the owners or
7 occupants of lots, or on another homeowners association, condominium, or cooperative
8 housing corporation any mandatory fee in connection with the provision of services or
9 otherwise for the benefit of some or all of the lots, the owners or occupants of lots, or the
10 common areas.

11 (2) "Declaration" includes any amendment or supplement to the
12 instruments described in paragraph (1) of this subsection.

13 (3) "Declaration" does not include a private right-of-way or similar
14 agreement unless it requires a mandatory fee payable annually or at more frequent
15 intervals.

16 (i) (1) "Homeowners association" means a person having the authority to
17 enforce the provisions of a declaration.

18 (2) "Homeowners association" includes an incorporated or unincorporated
19 association.

20 (l) "Recorded covenants and restrictions" means any instrument of writing which
21 is recorded in the land records of the jurisdiction within which a lot is located, and which
22 instrument governs or otherwise legally restricts the use of such lot.

23 11B-113.3.

24 **(A) IN THIS SECTION, "HOMEOWNERS ASSOCIATION" INCLUDES A PERSON**
25 **WITH THE AUTHORITY TO ENFORCE RECORDED COVENANTS AND RESTRICTIONS**
26 **LIMITING ARCHITECTURAL ALTERATIONS, RENOVATIONS, LANDSCAPING**
27 **ELEMENTS, AND OTHER MODIFICATIONS TO A LOT OR BUILDING LOCATED ON A LOT**
28 **REGARDLESS OF THE ABILITY OF THE PERSON TO IMPOSE A FEE ON A LOT OR A LOT**
29 **OWNER.**

30 **[(a)] (B)** This section applies to any recorded covenant or restriction that
31 restricts ownership based on race, religious belief, or national origin, including a covenant
32 or restriction that is part of a uniform general scheme or plan of development.

33 **[(b)] (C)** Except as provided in subsection **[(c)] (D)** of this section, a homeowners
34 association may delete a recorded covenant or restriction that restricts ownership based on
35 race, religious belief, or national origin from the deeds or other declarations of property in

1 the development if at least [85% of the lot owners in] **A MAJORITY OF THE GOVERNING**
2 **BODY OF THE HOMEOWNERS ASSOCIATION OF** the development [agree] **AGREES** to the
3 deletion of the recorded covenant or restriction from the deeds or other declarations.

4 [(c)] **(D)** If the deeds or other declarations of property in the development
5 expressly provide for a method of amendment or deletion of a recorded covenant or
6 restriction, a recorded covenant or restriction that restricts ownership based on race,
7 religious belief, or national origin may be deleted as provided for in the deeds or
8 declarations or in accordance with subsection [(b)] **(C)** of this section.

9 [(d)] **(E)** [After the lot owners in the development agree to the deletion of] **IN**
10 **ORDER TO ACCOMPLISH THE DELETION OF** a recorded covenant or restriction that
11 restricts ownership based on race, religious belief, or national origin as provided in
12 subsection [(a)] **(B)** of this section, the governing body of the homeowners association shall
13 record with the clerk of the court in the jurisdiction where the development is located [an]:

14 **(1)** **AN** amendment to, **OR AN AMENDMENT AND RESTATEMENT OF**, the
15 deeds or other declarations that include the recorded covenant or restriction, executed by
16 [at least 85% of the lot owners in the development] **AN AUTHORIZED REPRESENTATIVE**
17 **OF THE HOMEOWNERS ASSOCIATION**, that provides for the deletion of the recorded
18 covenant or restriction from the deeds or declarations of the property in the development;
19 **AND**

20 **(2)** **A STATEMENT THAT A MAJORITY OF THE GOVERNING BODY OF**
21 **THE HOMEOWNERS ASSOCIATION HAS AGREED TO THE DELETION.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2018.