

HB 3059 A STAFF MEASURE SUMMARY

Carrier: Sen. Dembrow

Senate Committee On Judiciary

Action Date: 05/04/17

Action: Do pass the A-Eng bill.

Vote: 5-0-0-0

Yeas: 5 - Dembrow, Linthicum, Manning Jr, Prozanski, Thatcher

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Josh Nasbe, Counsel

WHAT THE MEASURE DOES:

Provides that special declarant right, created under condominium or homeowners association declaration, is extinguished upon transfer.

ISSUES DISCUSSED:

- Special declarant rights
- Recent litigation

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A person or entity that creates a homeowners or condominium association is known as a declarant. The declarant has the ability to create special declarant rights that are in addition to the regular rights of property owners subject to the association bylaws. These special declarant rights may include weighted or special voting rights or the ability to add or withdraw property from the association. House Bill 3059-A provides that when these special declarant rights are transferred, they cannot be automatically revived, instead requiring a subsequent purchase before they may be exercised by the transferor.