

HOUSE BILL 1077

N1, D5
SB 621/18 – JPR

0lr2536
CF SB 1056

By: Delegates Forbes, Henson, Anderson, Atterbeary, Bartlett, Bhandari, Boteler, Brooks, Carr, Crutchfield, D.M. Davis, Feldmark, W. Fisher, Grammer, Guyton, C. Jackson, Lehman, R. Lewis, Lopez, Metzgar, Ruth, and Williams Williams, Barve, Stein, Anderton, Attar, Boyce, Ciliberti, Clark, Fraser-Hidalgo, Gilchrist, Harrison, Healey, Holmes, Jacobs, Lierman, Love, Otto, Parrott, Stewart, Terrasa, Wells, and Wivell

Introduced and read first time: February 6, 2020

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2020

CHAPTER _____

1 AN ACT concerning

2 **Real Property – Deletion of Unlawful Ownership Restrictions – Exemption From**
3 **Fees and Surcharges**

4 FOR the purpose of providing that certain fees and surcharges on the recordation of
5 instruments among the land records do not apply to the recordation of a certain
6 restrictive covenant modification or an amendment to the common area deeds or
7 other declarations of a homeowners association that deletes a covenant or restriction
8 that restricts ownership based on race, religious belief, or national origin in
9 accordance with certain provisions of law; repealing a certain deadline for the
10 governing body of a homeowners association to delete certain recorded covenants or
11 restrictions from the common area deeds or other declarations of property in the
12 development; and generally relating to the deletion of recorded covenants or
13 restrictions that restrict ownership based on race, religious belief, or national origin
14 from deeds, declarations, and other instruments.

15 BY repealing and reenacting, with amendments,
16 Article – Courts and Judicial Proceedings
17 Section 13–604(c)
18 Annotated Code of Maryland
19 (2013 Replacement Volume and 2019 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.



BY repealing and reenacting, with amendments,
Article – Real Property
Section 3–601(a) and 11B–113.3
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

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

Article – Courts and Judicial Proceedings

13–604.

(c) The surcharge may not be charged [to]:

(1) TO an entity that is exempt from the payment of fees under §
3–603 of the Real Property Article;

**(2) FOR THE RECORDATION OF A RESTRICTIVE COVENANT
MODIFICATION EXECUTED UNDER § 3–112 OF THE REAL PROPERTY ARTICLE; OR**

**(3) FOR THE RECORDATION OF AN AMENDMENT TO THE COMMON
AREA DEEDS OR OTHER DECLARATIONS OF A HOMEOWNERS ASSOCIATION THAT
DELETES A RECORDED COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP
BASED ON RACE, RELIGIOUS BELIEF, OR NATIONAL ORIGIN IN ACCORDANCE WITH §
11B–113.3 OF THE REAL PROPERTY ARTICLE.**

Article – Real Property

3–601.

(a) (1) In this subsection, “page” means one side of a leaf not larger than 8 1/2
inches wide by 14 inches long, or any portion of it.

(2) [Before] **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS
SUBSECTION, BEFORE** recording an instrument among the land or financing records, a
clerk shall collect:

(i) \$10 for a release 9 pages or less in length;

(ii) \$20 for any other instrument 9 pages or less in length;

(iii) Except as provided in item (i) of this paragraph, \$20 for an
instrument, regardless of length, involving solely a principal residence; and

(iv) \$75 for any other instrument 10 pages or more in length.

(3) The recording costs under this subsection shall also apply to instruments required to be recorded in the financing statement records of the State Department of Assessments and Taxation.

(4) A CLERK MAY NOT COLLECT A FEE FOR THE RECORDATION OF:

(I) A RESTRICTIVE COVENANT MODIFICATION EXECUTED UNDER § 3-112 OF THIS TITLE; OR

(II) AN AMENDMENT TO THE COMMON AREA DEEDS OR OTHER DECLARATIONS OF A HOMEOWNERS ASSOCIATION THAT DELETES A RECORDED COVENANT OR RESTRICTION THAT RESTRICTS OWNERSHIP BASED ON RACE, RELIGIOUS BELIEF, OR NATIONAL ORIGIN IN ACCORDANCE WITH § 11B-113.3 OF THIS ARTICLE.

11B-113.3.

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

(b) (1) [On or before September 30, 2019, the] **THE** governing body of a homeowners association shall delete any recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the common area deeds or other declarations of property in the development.

(2) Notwithstanding the provisions of a governing document, the governing body of a homeowners association may delete a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the common area deeds or other declarations of property in the development without approval of the lot owners.

(3) The governing body of the homeowners association shall record with the clerk of the court in the jurisdiction where the development is located an amendment to the common area deeds or other declarations that include the recorded covenant or restriction that provides for the deletion of the recorded covenant or restriction from the common area deeds or declarations of the property in the development.

(c) Beginning on October 1, 2019, within 180 days after receiving a written request from a lot owner, the governing body of a homeowners association shall delete a recorded covenant or restriction that restricts ownership based on race, religious belief, or national origin from the common area deeds or other declarations of property in the development, in accordance with this section.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.