

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

**Article - Real Property**

**11B-111.1.**

(a) (1) In this section, the following words have the meanings indicated.

(2) "Day care provider" means the adult who has primary responsibility for the operation of a family day care home.

(3) "Family day care home" means a unit registered under Title 5, Subtitle 5 of the Family Law Article.

(4) "No-impact home-based business" means a business that:

(i) Is consistent with the residential character of the dwelling unit;

(ii) Is subordinate to the use of the dwelling unit for residential purposes and requires no external modifications that detract from the residential appearance of the dwelling unit;

(iii) Uses no equipment or process that creates noise, vibration, glare, fumes, odors, or electrical or electronic interference detectable by neighbors or that causes an increase of common expenses that can be solely and directly attributable to a no-impact home-based business; and

(iv) Does not involve use, storage, or disposal of any grouping or classification of materials that the United States Secretary of Transportation or the State or any local governing body designates as a hazardous material.

(b) (1) The provisions of this section relating to family day care homes do not apply to a homeowners association that is limited to housing for older persons, as defined under the federal Fair Housing Act.

(2) The provisions of this section relating to no-impact home-based businesses do not apply to a homeowners association that has adopted, prior to July 1, 1999, procedures in accordance with its covenants, declaration, or bylaws for the prohibition or regulation of no-impact home-based businesses.

(c) (1) Subject to the provisions of subsections (d) and (e)(1) of this section, a recorded covenant or restriction, a provision in a declaration, or a provision of the bylaws or rules of a homeowners association that prohibits or restricts commercial or business activity in general, but does not expressly apply to family day care homes or no-impact home-based businesses, may not be construed to prohibit or restrict:

(i) The establishment and operation of family day care homes or no-impact home-based businesses; or

(ii) Use of the roads, sidewalks, and other common areas of the homeowners association by users of the family day care home.