

(E) A HOMEOWNERS ASSOCIATION MAY INCLUDE IN ITS DECLARATION, BYLAWS, RULES, OR RECORDED COVENANTS AND RESTRICTIONS A PROVISION THAT:

(1) REGULATES THE NUMBER OR PERCENTAGE OF FAMILY DAY CARE HOMES OPERATING IN THE HOMEOWNERS ASSOCIATION, PROVIDED THAT THE PERCENTAGE OF FAMILY DAY CARE HOMES PERMITTED MAY NOT BE LESS THAN 7.5 PERCENT OF THE TOTAL RESIDENCES OF THE HOMEOWNERS ASSOCIATION.

(2) REQUIRES DAY CARE PROVIDERS TO PAY ON A PRO RATA BASIS BASED ON THE TOTAL NUMBER OF FAMILY DAY CARE HOMES OPERATING IN THE HOMEOWNERS ASSOCIATION ANY INCREASE IN INSURANCE COSTS OF THE HOMEOWNERS ASSOCIATION THAT ARE SOLELY AND DIRECTLY ATTRIBUTABLE TO THE OPERATION OF FAMILY DAY CARE HOMES IN THE HOMEOWNERS ASSOCIATION; AND

(3) IMPOSES A FEE FOR USE OF COMMON AREAS IN A REASONABLE AMOUNT NOT TO EXCEED \$50 PER YEAR ON EACH FAMILY DAY CARE HOME WHICH IS REGISTERED AND OPERATING IN THE HOMEOWNERS ASSOCIATION.

(F) IF THE HOMEOWNERS ASSOCIATION REGULATES THE NUMBER OR PERCENTAGE OF FAMILY DAY CARE HOMES UNDER SUBSECTION (E)(1) OF THIS SECTION, IN ORDER TO ASSURE COMPLIANCE WITH THIS REGULATION, THE HOMEOWNERS ASSOCIATION MAY REQUIRE RESIDENTS TO NOTIFY THE HOMEOWNERS ASSOCIATION BEFORE OPENING A FAMILY DAY CARE HOME.

(G) (1) A DAY CARE PROVIDER IN A HOMEOWNERS ASSOCIATION:

(I) SHALL OBTAIN THE LIABILITY INSURANCE DESCRIBED UNDER ARTICLE 48A, § 481D OF THE CODE IN AT LEAST THE MINIMUM AMOUNT DESCRIBED UNDER THAT STATUTE; AND

(II) MAY NOT OPERATE WITHOUT THE LIABILITY INSURANCE DESCRIBED UNDER ITEM (I) OF THIS PARAGRAPH.

(2) A HOMEOWNERS ASSOCIATION MAY NOT REQUIRE A DAY CARE PROVIDER TO OBTAIN INSURANCE IN AN AMOUNT GREATER THAN THE MINIMUM AMOUNT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.