

March 2, 2023

The Honorable Kumar P. Barve  
Environment & Transportation Committee  
House Office Building, Room 251,  
6 Bladen St., Annapolis, MD, 21401

**RE: Letter of Support HB1056 Real Property – Warranties – Duration of Warranties and Repair of Defects**

Dear Chairman Barve:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB1056 Real Property – Warranties – Duration of Warranties and Repair of Defects**. MBIA **opposes** the Act in its current version.

This proposed bill extends the existing 1- or 2-year warranty period to 10 years for major structural defects, as defined in the legislation and each of these warranty periods comes with a 2-year limitations period thereafter. This is a significant change in timing for warranties that would be applicable to home builders and condo developers. Also, there is a reference to Maryland Building Performance Standards, as they may be amended by each local jurisdiction. We are looking for more clarity on these standards, as there is no specific citation to any regulations.

Another concern we have is the connection to condos under 11-131, which provides that these subtitle 2 warranties are also applicable to condos. We agree that there are issues as to whether the structural aspect applies to units, but (d) of 11-131 states with respect to common elements, “(d) Warranty on common elements. (1) In addition to the implied warranties set forth in § 10-203 of this article there shall be an implied warranty on common elements from a developer to the council of unit owners. The warranty shall apply to: the roof, foundation, external and supporting walls, mechanical, electrical, and plumbing systems, and other structural elements.” The title 10-203 implied warranties are applicable to the common elements per this provision. While we dispute this noting that the title 10 warranties only apply to the dwelling units, this language is very concerning to our industry.

For these reasons, MBIA respectfully requests the Committee adopt the proposed amendment and give this measure an **unfavorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: Members of the House Environment & Transportation Committee