

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 955
Economic Matters

(Delegate Holmes)

Real Property - Condominiums and Homeowners Associations - Elections

This bill establishes that certain statutory provisions requiring independent parties to conduct elections for condominiums and homeowners associations (HOAs) apply only when the number of candidates exceeds the number of seats contested.

Fiscal Summary

State Effect: The bill does not affect State operations or finances.

Local Effect: The bill does not affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: Generally, State statute includes the Maryland Condominium Act, the Maryland Homeowners Association Act, and the Maryland Cooperative Housing Corporation Act, all of which regulate various aspects of common ownership community (COC) operations, including elections.

Elections, including the collection and counting of ballots and the certifying of results for officers or members of the governing body of a condominium or HOA (except for the full membership of the council of unit owners) must be conducted by independent parties who are not candidates in the election and do not have a conflict of interest regarding any candidate.

A lot/unit owner is considered an independent party if the owner (1) complies with the requirements above; (2) does not electioneer for any candidate; and (3) is not subject to an objection by more than 25% of the eligible voting members of the council of unit owners/HOA. Unless the property management for a condominium or HOA is owned by the community (or a parent association of the community), representatives of the condominium's or HOA's property management are not considered independent parties.

For more information on condominiums and HOAs, which are commonly referred to as COCs, see the **Appendix – Common Ownership Communities**.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 955 (Senator Kagan) - Rules.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Department of Legislative Services

Fiscal Note History: First Reader - February 20, 2026
jg/jkb

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Appendix – Common Ownership Communities

When a person purchases a single-family home, condominium, or an interest in a cooperative housing corporation, the person may also be required to join an association of owners, which is intended to act in the common interests of all the homeowners, condominium unit owners, or cooperative owners in the community. Collectively, these associations are often referred to as common ownership communities (COCs). In Maryland, a growing number of newly constructed or newly converted residences are located in some form of a COC. Because registration of the various COCs is not required statewide, the exact number of COCs in Maryland is unknown. However, the Foundation for Community Association Research estimated that there were 7,200 community associations with an estimated 1.1 million residents in these associations in the State in 2024.

The affairs of a condominium are governed by a council of unit owners, which comprises all unit owners. Among other powers, the council of unit owners has the power to impose assessments on the unit owners to pay common expenses. A council of unit owners may delegate its powers to a board of directors, officers, or a managing agent. Condominiums are governed under Title 11 of the Real Property Article.

Many new housing developments are subject to a homeowner's association (HOA) that is created by a governing document and has the authority to impose mandatory fees on lots in the development in connection with the provision of services or for the benefit of the lots, the lot owners, or the common areas. HOAs are governed under Title 11B of the Real Property Article.

A cooperative housing corporation or "cooperative" is a corporation that owns real property. A resident of a cooperative does not own an individual unit; instead, the person owns an interest in the corporation, which leases the unit to the person for residential use. Cooperatives are governed by the laws in Title 5, Subtitle 6B of the Corporations and Associations Article.

Condominiums and HOAs may be authorized by their governing documents to impose liens on units or lots to collect unpaid assessments or fees. In a cooperative, the governing documents usually provide for the collection of delinquent fees, and evictions for outstanding fees are generally pursued by way of a landlord-tenant action.