
To: Members of The House Environment and Transportation Committee

From: William A. O'Connell, Real Property Section Legislative Chair

Date: February 10, 2020

Subject: HB25 - Condominiums and Homeowners Associations - Amendments to Declarations and Governing Documents

Position: Support

The Maryland State Bar Association (MSBA) Real Property Section Council **supports House Bill #25** - Condominiums and Homeowners Associations - Amendments to Declarations and Governing Documents.

HB25 would amend the Maryland Condominium Act and the Maryland Homeowners Association Act to provide a procedure for written notice to mortgagees of pending amendments to a condominium declaration or to the governing documents of an HOA and deemed consent to such amendments by the mortgagee if the mortgagee fails to provide a written objection thereto within 60 days of receipt of the proposed amendment. HB25 includes substantively the same language that currently exists in Sections 11-104(e)(3)-(4) of the Maryland Condominium Act as to deemed mortgagee consent to amendments to condominium bylaws. HB25 would extend current law so that the same mortgagee consent process that currently exists only for amendments to condominium bylaws would also apply to amendments to a condominium declaration and to amendments to an HOA's governing documents (e.g., an HOA's declaration and bylaws). The MSBA RP Legislative Committee is in favor of HB25 as a logical fix and clarification to current law to extend the mortgagee consent process more broadly to all governing documents of condominiums and HOAs and not just to amendments to condominium bylaws. Not including other governing documents within the mortgagee consent process seems to have been an oversight when the current statute that applies to condominium bylaws was adopted.

For these reasons the MSBA Real Property Section Council supports House Bill #25 and asks that the Committee issue a **favorable report**.

Should you have any questions, please contact The MSBA's Legislative Office at (410)-269-6464 / (410)-685-7878 ext: 3066 or at Richard@MSBA.org and Parker@MSBA.org