

February 18, 2020

The Honorable Kumar Barve
Chairman, House Environment and Transportation Committee
House Office Building, Room 251
6 Bladen Street
Annapolis, MD 21401

RE: Support of House Bill 556 (Condominiums and Homeowners Associations - Amendment of Governing Documents)

Dear Chairman Barve:

The Maryland Building Industry Association (MBIA), representing 100,000 employees of the building industry across the State of Maryland, supports House Bill 556 (Condominiums and Homeowners Associations - Amendment of Governing Documents).

This bill clarifies the circumstances under which unit owners may vote to amend the bylaws of a condominium, and lot owners may vote to amend specified governing documents of a homeowners association (HOA). For both entities, changes may be made by the affirmative vote of at least 60% of unit or lot owners *in good standing*, or by a lower percentage if required in the bylaws or governing document.

Current law allows for changes to be made by the affirmative vote of at least 60% of the votes *in the council or development*. This measure restricts voting to only the owners who are meeting their financial responsibilities. Maintaining elements of condominium associations and subdivisions can be expensive, and it is imperative that community residents pay their share. Restricting important decisions to community members who are the most invested is fair. This restriction may even provide an incentive for residents to timely pay assessments or charges so that they may participate in community decision-making.

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: House Environment and Transportation Committee Members