Testimony of Bruce Romer, President Sumner Village Community Association Before the Senate Judicial Proceedings Committee In Support of Senate Bill 293 January 28, 2020

Chair Smith and members of the Judicial Proceedings Committee...Good afternoon.

I am Bruce Romer, President of the Sumner Village Community Association, or SVCA. I'm here to ask for your approval of Senate Bill 293.

I am joined by John Harbeson, former President of SVCA, and a member of our governing documents review committee.

You have our written testimony. So, you know that Sumner Village is a 395-unit residential community in Bethesda. Our approximately 800 residents are active and attuned to community affairs.

Sumner Village is jointly governed by the SVCA which is incorporated under the Maryland Homeowners Association Act and two independent condominium associations incorporated under the Maryland Condominium Act.

Our governing documents are 45 years old and badly in need of updating. Our Board and legal counsel have identified numerous changes to the documents that are needed to eliminate inconsistencies, remove redundant and unenforceable provisions, and generally modernize the documents. Doing so will allow us to more effectively govern within our complex organizational structure.

This badly needed update to our governing documents will be done with full transparency and the involvement of our unit owners.

Our problem is we have a requirement in our antiquated by-laws that any proposed amendments require the prior written consent of all holders of a first mortgage or deed of trust on any of our units. As you can imagine, this is an impossible requirement to satisfy.

Senate Bill 293 solves this problem by providing for a 60-day notice to mortgage holders and, absent their objection, they are deemed to have consented to the amendments. This will bring the Homeowners Association Act into conformity with the Condominium Act which has had this provision for many years with no adverse impacts.

This Bill does not impair the exercise of any rights to which mortgage holders are entitled.

On behalf of our unit owners, I ask for your favorable consideration of Senate Bill 293.

Thank you.