



**House Bill 534 – Cooperative Housing Corporations, Condominiums, and Homeowners Associations – Funding of Reserve Accounts**

**Position: Support**

Maryland REALTORS® supports HB 534, which extends the deadline for Common Interest Communities to fully fund their reserve accounts.

Last year, the General Assembly passed a statewide requirement that all condo and homeowner’s associations regularly conduct a reserve study, which evaluates the association’s ability to pay for future financial obligations like maintenance and repairs. If the study determines that an association’s financial reserves are insufficient, the unit owners may face increases in their monthly fees or special assessments to recapitalize the accounts.

After passage of the reserve study requirement in 2022’s HB 107, REALTORS® have heard of some associations which have imposed sharp increases in fee amounts charged to homeowners. These fee amounts can be difficult for those on fixed incomes to absorb, especially during this time of higher-than-average inflation.

Giving associations additional time to fully fund their reserve accounts will moderate these increases on residents while still ensuring that the communities remain financially and structurally sound. REALTORS® recommend a favorable report on HB 534.

**For more information contact [lisa.may@mdrealtor.org](mailto:lisa.may@mdrealtor.org) or  
[christa.mcgee@mdrealtor.org](mailto:christa.mcgee@mdrealtor.org)**