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February 16, 2024

To: The Honorable William C. Smith, Jr.

Chair, Judicial Proceedings Committee

From: Karen S. Straughn

Consumer Protection Division

Re: Senate Bill 665 – Maryland Condominium Act – Amendments to the Declaration

(SUPPORT)_

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of Senate Bill 665 sponsored by Senator Nick Charles. This bill reduces the percentage of unit owners needed to amend a declaration from 80% to 66 2/3%. This bill would not apply when the association is still under developer control.

The declaration for a condominium association is written by the developer at the inception of development. Many times, there are provisions in a declaration which are purposefully intended to support the developer. However, once the developer turns over control of the association to the unit owners, these provisions remain in place, even though they may not be in the best interest of the community. Despite this, it is often difficult for the association members to obtain the percentage support needed to revise these provisions due to apathy, lack of understanding or even mere difficulty reaching unit owners about the vote. By reducing the necessary percentage from 80% to 66 2/3%, it ensures that any changes made are still acceptable to the substantial majority of the association members, but that the threshold to remove or change the provisions is not prohibitive.

The Consumer Protection Division receives complaints from common ownership community members who feel the provisions in their declaration are unjust, but advise they are unable to obtain the necessary votes to make a change. Often these provisions give special treatment to developers in the handling of the association even after control has been transferred. This bill would more easily enable association members to control their own communities and make changes that are in the best interest of the community.

For these reasons, we ask that the Judicial Proceedings Committee return a favorable report on this bill.

cc: The Honorable Nick Charles
Members, Judicial Proceedings Committee