

Re: HB1117 (2025 Session)

Montgomery County – Disputes, Payments, and Elections

This testimony is favorable with the following amendments:

Clarification of Governing Body

11-101

(i) “Governing body” means the council of unit owners, board of directors, or any committee of the council of unit owners or board of directors, SUBJECT TO THE PARTICULAR ENTITY SPECIFIED AS THE GOVERNING BODY IN A DECLARATION.

Election Vendors

The bill's authorization of the use of third party vendors for elections should make clear that vendors shall not own any election data, that data shall remain subject to 11-116 as property of the association, and that a non-disclosure agreement shall not be valid. This would treat election data the same as legal agreements, which existing law 11-109.1(c) also clarifies as open to member inspection.

There should be a requirement that any vendor be a **Maryland domestic corporation** so that owners can more easily hold vendors accountable through Maryland courts and so that foreign entities are not running private local elections. Many communities have two-thirds non-resident owners. Foreign entities don't have an interest in bylaws or elections that approach a **constitutional model** as much as possible.

Owner Deposits – Local Bank Access

Please add a clause requiring physical bank access in the association county. With at least **one local association bank account**, no handling delay can be weaponized and transaction receipts are from a neutral party without needing the payment portal. This would make it easier for homeowners to make payments rather than jump through manager and attorney hoops that may be intentionally delayed, confusing, or predatory. This amendment would increase revenues for Maryland banks. It is questionable why many associations keep much of owner funds out of state. Blocking access to payment portals could be more about chargebacks or more about preventing transaction memos that would be legally binding, especially since collectors attempt to re-assign payments to pay assessments last, after fines that are still in dispute.

Disputes – Please fight for the **due process** improvements of 11-113.1(d) to survive the amendment process.

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