



Senate Bill 446 – Condominiums - Property Insurance Deductibles - Unit Owner Responsibility

Position: Support with Amendment

Maryland REALTORS® supports SB 446, to increase insurance deductible coverage for unit owners within condominium developments.

We have heard from several condominiums, particularly those with older buildings or that have experienced frequent insurance claims, that they are unable to obtain insurance coverage for their common areas with deductibles at or below \$10,000. To avoid having claims made against all unit owners for the negligence of one, we support raising the unit owner deductible to mitigate master policy liability.

However, we do suggest one amendment to the bill as introduced. The current statute requires the association to notify current unit owners of their insurance deductible requirements at least annually. REALTORS® believe it would be beneficial to also include this information in the condominium resale documents, so that prospective purchasers are aware of their responsibilities and potential liabilities under this act should they choose to purchase in that development.

With the above recommendation, Maryland REALTORS® recommends a favorable report on SB 446.

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