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February 24, 2026

Chair, Delegate Kriselda Valderrama  
[kris.valderrama@house.maryland.gov](mailto:kris.valderrama@house.maryland.gov)

Vice Chair, Delegate Lorig Charkoudian  
[lorig.charkoudian@house.maryland.gov](mailto:lorig.charkoudian@house.maryland.gov)  
231 Taylor House Office Building  
Annapolis, Maryland 21401

**Re: HB 841**

**Real Property - Condominiums and Homeowners Associations - Governing Bodies and Annual Meetings**

**Position: SUPPORT WITH AMENDMENT**

**Hearing Date: February 26, 2026**

Dear Chairperson Valderrama, Vice Chairperson Charkoudian, and Members of the Economic Matters Committee:

This letter is submitted on behalf of the Maryland Legislative Action Committee (“MD-LAC”) of the Community Associations Institute (“CAI”). CAI MD-LAC represents individuals and professionals who reside in or work with condominiums, homeowners’ associations, and cooperatives throughout the State of Maryland. MD-LAC is writing today to voice our support with amendment for HB841. The attached amendments were included in prior versions of this Bill, and they add to and strengthen the intent of this Bill – that is more transparency and open government during developer control of the association.

The Bill addresses several areas of community association governance while the community is under developer control. The Bill requires the developer to convene open meetings; it requires that unit or lot owners have an opportunity to comment during certain meetings convened by the

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developer-controlled Board of Directors; it requires that the developer of a condominium appoint a unit or lot owner, not otherwise affiliated with the developer, to the Board of Directors within 30 days after the date on which units representing 25% of the votes have been conveyed to homeowners. This Bill also requires the developer to provide the unit or lot owner Board member with certain information about the community. Many of these measures are required once control of the association has been turned over to the homeowners. This Bill ensures that these same post turnover measures are utilized and followed by the developer/builder pre turnover.

Developers and builders are in the business of building houses and installing infrastructure and complying with local, county and state subdivision and building regulations. They are not typically well skilled at community governance (although like every industry, there are some that are better at governance than others.) Developers/builders also tend to shun homeowner participation due to concerns over high number of complaints (which are usually building related and not community association related) and by our society's litigious penchant. Some developer builders may already follow the procedures that are being proposed in recognition of the fact that the minute the condominium is created and/or the articles of incorporation are filed, the community association comes into being and should be following these best practice governance procedures.

Community associations that start off with good governance procedures often continue with those good governance procedures. Homeowners who are brought up through the ranks, i.e., are brought onto a Board position while the association is under developer control, will be informed and educated as to what is going on and will be able to voice opinions that will affect the community after the developer/builder is gone. Involving homeowners in the process will foster volunteerism. In addition, developers and builders should look at this involvement as a mechanism to foster customer satisfaction and to quell disputes before they spiral out of control.

MD LAC also advocates for amendments (see attached) to the Bill to include the bond notice provisions that were in prior versions of this Bill in 2024 and 2025. These provisions are necessary for future financial planning for the community. Often the bonds are released, and the community does not know the government unit has signed off. The community is then left with infrastructure that is incomplete or in need of costly repairs. If the homeowner Board member is given this information and the infrastructure is incomplete, the Board member can discern if the completion is a developer/ builder obligation. Sometimes the repair is due to a lack of maintenance by the developer during developer control. Sometimes the obligation is and/or remains with the association. The Bill allows for an opportunity for this conversation to occur before the bonds are released. Having this knowledge before the infrastructure is transferred ensures that the community can avail itself of useful information so that it will not be blind-sided and potentially left with a large financial obligation for completing the infrastructure or for performing costly repairs.

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The Bill involves minimal if not zero-dollar investment by the state, involves no cost to developers/builders already utilizing best practices, and will involve very little cost to the developers/builders who are not presently doing so. These measures will assure more transparency and open governance of condominiums and homeowners' associations that are still under developer control.

We respectfully request that the Committee give HB841 an **favorable report with the recommended amendments**. We are available to answer any questions the Committee Members may have. Please feel free to contact Lisa Harris Jones, lobbyist for the MD-LAC, at 410-366-1500, or by e-mail at [lisa.jones@mdlobbyist.com](mailto:lisa.jones@mdlobbyist.com), Igor Conev, Chair of the MD-LAC at 443 614 2787, or by e-mail at to [igor@ocmannproperties.com](mailto:igor@ocmannproperties.com), or Cynthia Hitt Kent, Esquire, Assistant Secretary, MD-LAC at 443 695 1981, or by e-mail at [ckent@hittkentlaw.com](mailto:ckent@hittkentlaw.com).

Sincerely,

*Cynthia Hitt Kent*  
Assistant Secretary, CAI MD-LAC

*Igor Conev*  
Chair, CAI MD-LAC

cc: Delegate Marvin Holmes

CAI is a national organization dedicated to fostering vibrant, competent, harmonious community associations for more than fifty years. Its members include community association volunteer leaders, professional managers, community management firms, and other professionals and companies that provide products and services to common interest associations. As part of its mission, CAI advocates for legislative and regulatory policies that support responsible governance and effective management. As part of this purpose, state Legislative Action Committees represent CAI members before state legislatures and agencies on issues such as governance, assessments collection, insurance, and construction defects.

## **RECOMMENDED AMENDMENTS**

### **MD CONDOMINIUM ACT 11-109(c)(18)(iv)**

1. WITHIN 15 DAYS AFTER THE DATE OF THE MEETING HELD UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE DEVELOPER SHALL DELIVER BY FIRST-CLASS MAIL TO EACH MEMBER OF THE BOARD OF DIRECTORS FOR THE COUNCIL OF UNIT OWNERS WHO IS A UNIT OWNER AND WHO IS NOT AFFILIATED WITH THE DEVELOPER NOTICE OF:

A. ANY BOND PROVIDED BY THE DEVELOPER TO A GOVERNMENTAL UNIT IN CONNECTION WITH THE DEVELOPMENT; AND

B. THE NAME, ADDRESS, AND PHONE NUMBER OF THE GOVERNMENTAL UNIT THAT SERVES AS THE BOND HOLDER.

2. AT LEAST 30 DAYS BEFORE A DEVELOPER REQUESTS TO BE RELEASED FROM A BOND PROVIDED BY THE DEVELOPER TO A GOVERNMENTAL UNIT, THE DEVELOPER SHALL DELIVER BY FIRST-CLASS MAIL TO EACH MEMBER OF THE BOARD OF DIRECTORS FOR THE COUNCIL OF UNIT OWNERS WHO IS A UNIT OWNER AND WHO IS NOT AFFILIATED WITH THE DEVELOPER NOTICE OF:

A. THE INTENTION TO BE RELEASED FROM THE BOND; AND

B. THE NAME, ADDRESS, AND PHONE NUMBER OF THE GOVERNMENTAL UNIT THAT SERVES AS THE BOND HOLDER.

### **MD HOMEOWNERS ASSOCIATION ACT 11B-106.1**

(H) (1) WITHIN 15 DAYS AFTER THE DATE OF THE MEETING HELD UNDER SUBSECTION (B) OF THIS SECTION, THE DECLARANT SHALL DELIVER BY FIRST-CLASS MAIL TO EACH MEMBER OF THE BOARD OF DIRECTORS WHO IS A LOT OWNER AND WHO IS NOT AFFILIATED WITH THE DECLARANT NOTICE OF:

(I) ANY BOND PROVIDED BY THE DECLARANT TO A GOVERNMENTAL UNIT IN CONNECTION WITH THE DEVELOPMENT; AND

(II) THE NAME, ADDRESS, AND PHONE NUMBER OF THE GOVERNMENTAL UNIT THAT SERVES AS THE BOND HOLDER.

(2) AT LEAST 30 DAYS BEFORE A DECLARANT REQUESTS TO BE RELEASED FROM A BOND PROVIDED BY THE DECLARANT TO A GOVERNMENTAL UNIT, THE DECLARANT SHALL DELIVER BY FIRST-CLASS MAIL TO EACH MEMBER OF THE BOARD OF DIRECTORS WHO IS A LOT OWNER AND WHO IS NOT AFFILIATED WITH THE DECLARANT NOTICE OF:

(I) THE INTENTION TO BE RELEASED FROM THE BOND; AND

(II) THE NAME, ADDRESS, AND PHONE NUMBER OF THE GOVERNMENTAL UNIT THAT SERVES AS THE BOND HOLDER.