



## Ocean City, Maryland Chamber of Commerce

410-213-0144 info@oceancity.org  
oceancity.org 12320 Ocean Gateway, Ocean City, MD 21842

### **TESTIMONY OFFERED ON BEHALF OF THE GREATER OCEAN CITY MARYLAND CHAMBER OF COMMERCE**

#### **FAVORABLE WITH AMENDMENTS TO: HB0523 – Real Property – Residential Foreclosures – Commencement Restrictions**

**Before:  
House Economic Matters Committee  
Hearing: 2/19/2026 at 1:00 PM**

The Greater Ocean City Chamber of Commerce, representing more than 700 regional businesses and job creators, **SUPPORTS HB0523 – Real Property - Residential Foreclosures - Commencement Restrictions** with targeted amendments to ensure consistency in Maryland law and to protect the economic stability of communities that drive our local economy.

Ocean City's economics are tied directly to condominium and homeowners' associations. A significant percentage of our lodging inventory consists of condominium units and planned communities that serve as vacation rentals, second homes, and seasonal residences. These properties generate substantial local tax revenue, sustain hospitality jobs, and support small businesses throughout Worcester County.

When foreclosure timelines are unclear or prolonged, the impact extends well beyond individual property owners. Delayed resolution of distressed properties can result in:

- Deterioration of buildings and common areas
- Deferred maintenance and capital improvements
- Increased financial burdens on compliant property owners
- Reduced property values
- A diminished visitor experience in a tourism-driven market

Community associations depend on enforceable and predictable lien rights to maintain infrastructure, ensure safety, and preserve the quality of properties that serve Ocean City's tourism economy.

This legislation intends to establish a defined statute of limitations for residential foreclosures, which is sound policy. However, as drafted, the bill creates a conflict with existing Maryland law by imposing a 10-year limitations period, while current law provides 12-years for statutory lien foreclosures.

For association-governed communities in Ocean City, this discrepancy creates legal uncertainty that may lead to additional litigation, increased costs, and further financial strain on associations already managing delinquent accounts. Those costs are ultimately borne by other property owners and, indirectly, by the local business community.

To avoid unintended economic consequences, we respectfully request:

- ***Alignment of HB0523 with the existing 12-year limitations period under Maryland law; and***
- ***Clarifying language to ensure consistency in how foreclosure timelines are triggered and applied.***

These amendments will provide legal clarity, protect community associations, and support the continued stability of Ocean City's tourism-dependent economy.

The Greater Ocean City Chamber respectfully requests a **FAVORABLE REPORT, WITH AMENDMENTS to HB0523**. Please feel free to contact the Chamber directly on 410-213-0144 should you have any questions.

Respectfully submitted,

*Amy Thompson*

Amy Thompson  
Executive Director  
[amy@oceancity.org](mailto:amy@oceancity.org)

*Bob Thompson*

Bob Thompson  
Legislative Committee Chair  
[bob@t1built.com](mailto:bob@t1built.com)