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Legislative District 13  
Howard County

Government, Labor, and  
Elections Committee

*Subcommittees*

Election Law

Labor

Oversight Committee on Personnel



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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

March 5, 2026

To: The Honorable Kriselda Valderrama  
Chair, Economic Matters Committee

From: Delegate Jen Terrasa  
District 13, Howard County

Re: Sponsor Testimony in Support of HB 1132 Condominiums and Homeowners  
Associations - Resale Contracts - Notice Requirements (Keeping Affordable  
Housing Affordable Act)

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

Thank you for the opportunity to present HB 1132, which addresses several provisions in the Condo and HOA resale process.

Condominiums and townhomes are often the first point of entry into the real estate market for first-time buyers, young families, and Marylanders seeking attainable homeownership. However, escalating condominium and homeowners association resale fees are making these homes more expensive—and, in some cases, harder to purchase—than they need to be.

A resale package is a collection of documents that buyers receive from the seller when purchasing a home in a condo or HOA. The package notifies the potential buyer of important information about both the individual home being purchased and the financial standing of the association. It provides an important level of transparency and includes the governing documents of an association, information about potential litigation, upcoming special assessments, and other important information that may affect a potential buyer's purchase decision.

Note, these are **only** required for homes in HOAs and condos and, not typically for single family homes unless they are in one of these communities. Therefore, the added associated costs **mostly affect our most affordable for-sale homes**.

This information required to be part of the resale package is generally maintained by the property management company, but does have to be updated when a resale package is requested. While some property management companies process their own resale packages, what typically happens is that they contract out to third party companies.

Maryland's current law puts a maximum cap on the amount that can be charged for providing the resale package, and restricts the charge to what it costs to provide that information. However, in practice, a lot more than what is enumerated in statute is being charged - for example, expediting documents so that they are delivered in the time frame required by law. All these fees can really add up to hundreds of dollars and contribute to making housing less affordable.

HB 1132 addresses these concerns by modernizing and harmonizing Maryland's resale disclosure laws under the Condominium Act and the Homeowners Association Act.

The bill makes three key improvements:

- **It limits and clarifies resale package fees.** In the years since the current fee caps were established, technology has helped bring down the actual costs of package delivery. Yet, our laws allow fees to increase every two years, even before the add-on fees that are commonly charged outside of statutory authority. This bill prevents excessive or duplicative charges that increase closing costs for buyers and sellers.
- **It updates processing timelines and notice requirements to reflect modern practice.** The current law was written for an earlier era when hard-copy delivery was standard. That is not the case today. Many resale packages are delivered in a PDF or other electronic format and prepared in a matter of hours rather than days.
- **It conforms inconsistent provisions between the Condo and HOA Acts,** creating clearer, more predictable standards for purchasers.

Resale packages purchases are mandatory. Buyers cannot complete a purchase without them and they are available from exactly one provider, which means there is no ability to shop around or negotiate fees. When those fees become inflated or inconsistent, as they are now, they directly undermine housing affordability for the very units intended to be at a more accessible price point.

HB 1132 does not prevent associations from recouping the costs of providing resale packages. However, it does prevent the package delivery process from becoming a profit center often on the backs of home buyers and sellers, while helping ensure that condominiums and townhomes remain an attainable entry into homeownership.

I respectfully request a favorable report on House Bill 1132.