

Board of Directors
Leisure World Community Corporation
3701 Rossmoor Boulevard
Silver Spring, MD 20906

**TESTIMONY OF THE LEISURE WORLD COMMUNITY CORPORATION
ON FEBRUARY 12, 2026
BEFORE THE HOUSE ECONOMIC MATTERS COMMITTEE
HB 469 – CONDOMINIUMS-MANDATORY INSURANCE**

FAVORABLE WITH AMENDMENTS

This testimony is being submitted on behalf of the Leisure World Community Corporation. Leisure World is a senior (55+) adult community in Silver Spring Maryland, including 27 condominiums, one cooperative housing corporation, and one homeowners' association. Leisure World has 5600 units with more than 8500 residents, most of whom would be impacted by this bill. Housing units run the gamut from Sec. 8 subsidized housing to moderately expensive town houses and stand-alone houses. Our residents average 78 years of age, many of which are on fixed or limited incomes.

HB 469 would require mandatory insurance for unit owners of condominiums other than detached units of condominiums. The bill specifies the content of the insurance policy provisions and authorizes the council of unit owners to purchase the policy on behalf of an owner who does not comply and assess the owner for the cost.

Leisure World supports the concept that unit owners have the resources to cover any damage to a condominium for which they might be responsible which currently under section 11-114 of the Maryland Condominium Act is \$10,000. Insurance is a cost-effective method to ensure that unit owners have sufficient resources as this benefits the unit owner causing the damage as well as other unit owners. Consequently, Leisure World supports section 11-114.3 (B)(2)(i).

However, this bill mandates further coverage for individuals in section 11-114.3(B)(2)(ii)-(vi). These sections address such coverage as personal liability, the cost of temporarily vacating a damaged unit, loss assessment, and damage to upgrades and changes made by the unit owner. While this is well intended, these provisions will drive up the cost of the policy. We live in a community mainly of retirees with many living on fixed incomes. Inflation has narrowed their disposable income. These provisions make home ownership less affordable and may force some residents to leave their units as a result of increased housing costs.

In addition, the specific coverage is unclear as to what is required. How much is needed to replace the contents of a unit or how much is needed for living expenses? Who makes those decisions? The provisions required by (B)(2)(ii)-(vi) are similar to coverage under homeowners insurance policies (type HO-6) that cover improvements and betterments, personal property, liability, etc. While we support unit owners purchasing these extra provisions required by (B)(2)(ii)-(vi) through HO-6 policies and selecting the amount of coverage, this should be the choice of the unit owner and not the State. Moreover, we are not aware of any other class of homeowners across Maryland that are required by State law to carry HO-6 type insurance.

It is noteworthy that this bill is inconsistent with the provisions of section 11-114(e)(2) that requires unit owners of detached condominiums to purchase homeowners insurance. The Maryland Insurance Administration's Bulletin 24-22 (September 9, 2024) defines that provision as requiring property insurance. The Administrator noted that it does not include the coverage in (B)(2)(ii)-(vi) such as improvements and betterments, personal property, liability, etc.

Consequently, HB 469 should be amended to remove (B)(2)(ii)-(vi).

For these reasons with **amending the bill to remove section 11-114 (B)(2)(ii)-(vi)** we request a favorable vote.

Respectfully submitted,

Colette Collier Trohan
Chair of the Board of Directors
Leisure World Community Corporation