

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

**TESTIMONY OF THE LEISURE WORLD COMMUNITY CORPORATION OF MARYLAND ON  
MARCH 13, 2026  
BEFORE THE HOUSE ECONOMIC MATTERS COMMITTEE  
HB 1577 – COMMON OWNERSHIP COMMUNITIES – COMMON AREA – APPROVAL OF  
ALTERATIONS**

**UNFAVORABLE**

Honorable Chair Kriselda Valderrama, Vice-Chair Lorig Charkoudian, and Members of the House Economic Matters Committee:

This testimony is being submitted on behalf of the Leisure World Community Corporation. Leisure World is a master homeowners association consisting of 27 condominiums, one cooperative housing corporation, and one homeowners association. Leisure World is a senior (55+) residential community in Silver Spring, Maryland and includes 5660 units with more than 8500 residents located on 610 acres.

Leisure World wholeheartedly supports the participation of unit owners in making decisions that affect the common areas of their units. However, in our experience, this bill is based on an unrealistic expectation regarding the willingness of unit owners to actively participate in their residence's decision-making processes.

**This proposal would turn every project into a referendum, delaying what may be extremely important upgrades that, while in the best interest of the community, are not popular with certain owners. In fact, there is the potential for some unit owners to block necessary projects by refusing to answer the ballot. Residents would have what amounts to a conflict of interest if they were to think only of their maintenance fees. The fiduciary responsibility of the board is thus undermined or negated entirely. The owners always have the option to remove board members if they feel that duty is not being exercised in their best interest. The owners also approve the annual budget where such projects would be included already.**

In our community, **most residents realize the importance of delegating the day-to-day management** of their buildings and the community's finances to their professional property managers and elected Board representatives

A recent example from one of our condominiums with 300 units is illustrative. Residents of the buildings strongly supported amending the buildings' bylaws to prohibit smoking in the buildings. Such amendment required a majority vote of the unit owners. Despite overwhelming support for the amendment, and virtually no opposition, it took two years to gather the votes necessary to pass the amendment due to lack of participation of the unit owners in the voting process.

In many cases, communities have had to make an all-out effort to gather votes, including setting up tables at the building's front door and imploring people to stop by and cast their ballots. To attempt to gather a majority vote of unit owners, there is the need to engage in huge get-out-the vote efforts such as calling by phone, emailing, and knocking on doors that go beyond the efforts needed to elect members of our community boards of directors. This is simply not practical to do regarding repairs and changes to common elements.

In our community, there are many factors that contribute to the lack of participation in voting by unit owners. Some unit owners are "snowbirds" who only live in their residences for part of the year. Also, in our senior community, there are some unit owners who may not be capable of voting due to mental impairments such as dementia or health limitations such as those caused by strokes. We also have unit owners who are still working, taking care of family members, or for other reasons, do not have the time or energy to pay attention to building votes of this nature. **It's for these reasons that they elect a board of directors.**

Moreover, it is unclear to us what problem this bill is attempting to address. A comprehensive legislative scheme already exists under which Board members owe a fiduciary duty to the unit owners who elect them. Government regulations such as those in Montgomery County, where our community is located, have specific requirements for a budget process that provides for input from unit owners. Mandated reserve studies cover the planning for repairs and alterations in building's common areas. They are all conducted in a transparent manner, and there are established processes for input from residents. Bylaws address expenses outside the budget or reserve process. Thus, this bill is an unnecessary interference with the fiduciary responsibilities of individuals elected to represent unit owners' interests in the residences in which they themselves reside.

A number of aspects of this bill appear vague and do not offer sufficient guidance as to when exceptions from the majority vote requirement are available. The bill's majority vote requirement does not apply to "ordinary maintenance" or "necessary repair or replacement of a common element." The lack of clear guidance as to the meaning of those terms means

that anyone who dislikes a particular alteration or replacement could file a costly CCOC complaint or lawsuit alleging that the bill's exception did not apply, and that a favorable majority vote was needed.

It is also not clear what a majority vote means. Is it the majority of all owners which as indicated above is very difficult to achieve? Or is it a majority of owners present at a noticed meeting similar to the standards for adopting a rule under 11-111(a)(iii) of the Maryland Condominium Act?

In either case, at current prices few repairs or replacements in common areas will fall below the \$1,000 threshold for the exemption from a majority vote, so that in essence unit owners would be required to vote on almost every contract or issue in place of their elected Board members. This will clearly have an adverse impact on the business affairs of our communities. It will also make it very difficult to obtain future Board members for our communities; who would want to be on a board where so many decisions will be subject to second guessing by unit owners?

If the \$1,000 exemption was intended to provide meaningful relief from the voting requirement, it does not.

It is further not clear if the requirements of this bill apply to maintenance, repairs, or replacements that alter common areas which have previously been approved as part of the budget process.

For the above reasons, Leisure World objects to this bill, and it should not be given a favorable vote.

Respectfully submitted,

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