

Testimony by Thomas Allen, resident of Anne Arundel County

SB633 (2026 Session)

Condominiums - Unit Owner Responsibility for Damage or Destruction

INFORMATION ONLY

Themes:

Individual responsibility

Socialism

Use of Common Funds for Personal Benefit

Double Standards

Accountability

Attorney Fees

I am writing to you about SB633 sponsored by Senator Ready.

SB633 mandates individual responsibility for the damage that homeowners cause, rather than socializing the costs of accidents. In that spirit, I hope you will offer an amendment to the bill so that board members are responsible for the damage they cause, too.

The paid-in-common expense of directors and officers (D&O) liability insurance effectively gives license to violate the governing documents. Directors and officers **avoid personal responsibility**, while the unit owners pay for the protection of the violators. Rather than socialize this insurance, an amendment should establish that D&O insurance shall not be a common expense. Unlike fidelity insurance, D&O insurance is not required by law and is not a common benefit for all unit owners, so it should not be a common expense. Otherwise, legislators support **socialism for elites** and individual responsibility for everyone else.

Under 11-113 and 11-119 of the Real Property Article, *plaintiff* homeowners are not able to recover attorney fees even if they win. Here again, a double standard. Attorney fees are socialized for the ruling class. Section 5-422 of the Courts and Judicial Procedures Article may also have to be amended.

Thank you.