



Senate Bill 633 – Condominiums - Unit Owner Responsibility for Damage or Destruction

Position: Support with Amendments

Maryland REALTORS® supports the intent of SB 633 to promote unit owner accountability when damage originates within a condominium unit. Requiring owners to bear responsibility for damages they cause—rather than shifting those costs to the association’s master insurance policy—helps protect other unit owners from higher premiums, increased deductibles, and special assessments. However, REALTORS® have concerns that the bill does not fully address several common real-world scenarios.

First, the legislation is silent on units occupied by tenants. When damage is caused by tenant actions, the bill does not clarify how responsibility is allocated between the unit owner, the tenant, and their respective insurance coverages. Without clarification, this could create confusion, disputes, and unintended liability for owners and associations.

Second, the bill does not distinguish between damage that originates in a unit due to owner fault and damage that originates in a unit but is not the owner’s responsibility, such as a sprinkler system malfunction or failure of a similar quasi-common element. Automatically assigning costs to the unit owner in these cases may be inequitable and inconsistent with condominium governance practices.

A more effective approach is to require unit owners to maintain sufficient insurance coverage, including coverage for association deductibles and loss assessments, to mitigate impacts on the association and other owners when damage originates in a unit.

For these reasons, Maryland REALTORS® support SB 633 with amendments to clarify tenant-related damages, address no-fault scenarios, and prioritize adequate unit owner insurance coverage as the primary tool for protecting condominium communities.

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