

## **Maryland LAC Stands Up for Associations & Residents**

The Maryland Legislative Action Committee has hit the ground running in the 2010 state legislative session. The LAC is supporting legislation to advance the interests of community associations and their residents and also taking a tough-line with legislators on particularly onerous or silly legislative proposals.

The number one priority of the LAC continues to be addressing the current economic crisis by helping ensure associations can collect past due assessments from units in foreclosure. The LAC has been integral in the drafting of and call for passage of [HB 842](#), the Community Association Sustainability Act. This legislation would put in place a 6 month priority lien for past due association assessments in the event of a foreclosure. The current economic climate makes this issue all the more urgent for association residents in Maryland. First, if passed, this bill would ensure that associations could recover a portion of assessments owed from delinquent homeowners, helping to mitigate the need to raise assessments to meet association costs. Second, such legislation helps ensure that all homes in a community association can continue to qualify for mortgages as lender guidelines issued by Fannie Mae and FHA require that no more than 15% of units in a condominium association be 30 days delinquent in their assessments. Passage of this legislation would benefit all residents of associations in Maryland.

In addition to supporting the Solvency Act, the MD-LAC is also supporting [SB 345](#), which would require community associations to undertake a reserve study and to have it updated at least once every five years. It would also require that an association's annual budget address specific items such as utilities, administration, general expenses and reserves. The LAC submitted [testimony](#) in support of the bill.

The LAC is also taking a tough stand on politically motivated, onerous bills to second guess association boards and the preferences of their members. By far the most intrusive of these measures is SB 212, which would, according to its sponsor, "prohibit restrictions on the exercise of free speech in community associations." Interestingly, the actual impact of the bill would be to require community associations, including secured condominium buildings and gated communities, to allow access to association property provided that their purpose was noncommercial. This would mean that a condo tower would, for example, have to allow political candidates, proselytizers and any other person on the property for 'non-commercial purposes.' In addition to creating access and security concerns, the bill would also strip associations from regulating any non-commercial activity or display in the association. The LAC used the hearing on SB 212 to set the record straight on community associations and freedom of expression, to address issues of resident rights and to oppose the provisions of this bill through written and oral [testimony](#). The LAC also submitted [testimony](#) opposing a legislative override of association's ability to regulate clotheslines.