COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2025, Legislative Day No. 1

Resolution No. 5-25

Councilmembers Marks & Jones

By the County Council, January 7, 2025

A RESOLUTION of the Baltimore County Council encouraging the Maryland General Assembly to support and pass legislation to amend the reserve fund mandates for Maryland condominium associations and homeowners' associations.

WHEREAS, in its 2022 legislative session, the General Assembly passed H.B. 107, which expanded state-wide a Montgomery and Prince George's County requirement that condominium associations complete a reserve study at least once every five years that; (1) states the remaining useful life of each structural, electrical, mechanical, and plumbing component of all common elements; (2) estimates the total repair or replacement cost for all such elements; and (3) sets an annual financial reserve for the Condominium association to afford all future major repairs or replacements of those common elements; and

WHEREAS, H.B. 107 also imposed a substantially similar reserve study requirement on homeowners' associations ("HOA"), with the only difference being an exemption for any HOA common area or component for which the total initial purchase and installation is less than $10,000; and

WHEREAS, many condominium associations are now facing looming deadlines to collect unaffordable fees and assessments from unit owners – including low-income owners and seniors on fixed incomes; and

WHEREAS, in its 2024 legislative session, several members of the General Assembly proposed adequate reforms that would alleviate this financial burden; and

WHEREAS, for example, H.B. 1035 and H.B. 1187 respectively proposed the creation of a low-income unit owner grant fund and a disabled and senior reserve assistance program to subsidize the fee increases caused by reserve studies; H.B. 968 proposed an exemption whereby a condominium association may approve by an 80% vote an alternative assessment structure from the fees required under their most recent reserve study; H.B. 1262 extended initial reserve funding deadlines from three to five years and exempted condominiums with less than seven units; and S.B. 1157 (cross-filed with H.B. 281) allowed updated reserve studies to give credit for maintenance costs already spent and ongoing maintenance contracts, exempted replacement costs under $10,000 for capital components, and allowed condominium associations to create a flexible and customized funding plan, so long as it fully funds the reserves identified by their most recent reserve study; and

WHEREAS, other concepts proposed during the 2024 legislative session included permitting local governments to set up condominium reserve review commissions and re-forming the 2005 Task Force on Common Ownership Communities; and

WHEREAS, while some of these legislative proposals also addressed the unaffordable HOA aspects imposed by H.B. 107, none recognized that the common area and component responsibilities of HOAs – and the reserve funds needed to maintain them – varies much more widely than for condominium associations; and

WHEREAS, while it is appropriate to apply reserve study requirements to HOAs that own and maintain a building, private roads, or other infrastructure, like a swimming pool, such requirements are too costly for an HOA that merely maintains a small amount of green space or a

simple neighborhood identification sign; and

WHEREAS, while the General Assembly may explore different paths, the Baltimore County Council requests that the end-result be the alleviation of unaffordable condominium unit assessments or fees on owners that are already financially stressed and greater flexibility for HOAs to accommodate their wider variation of responsibilities; now therefore

BE IT RESOLVED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND, that the Baltimore County Council encourages the Maryland General Assembly to pass legislation to amend the reserve fund mandates for Maryland condominium associations and HOAs; and

BE IT FURTHER RESOLVED, that copies of this resolution shall be sent to the Governor of Maryland; the Baltimore County delegation to the Maryland General Assembly; ~~and~~ the Baltimore County Executive, and the Maryland Association of Counties; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect from the date of its passage by the County Council.

LEGISLATION DETAIL

LEGISLATION	RESOLUTION 5-25
DISPOSITION	PASSED AS AMENDED
ENACTED	N/A
EFFECTIVE	N/A
AMENDMENTS	YES (1)

ROLL CALL - BILL

MOTION MARKS SECOND YOUNG

AYE	NAY	
☑	☐	Councilman Young
☑	☐	Councilman Patoka
☑	☐	Councilman Kach
☑	☐	Councilman Jones
☑	☐	Councilman Marks
☑	☐	Councilman Ertel
☑	☐	Councilman Crandell

ROLL CALL - AMENDMENTS

MOTION MARKS SECOND JONES

AYE	NAY	
☑	☐	Councilman Young
☑	☐	Councilman Patoka
☑	☐	Councilman Kach
☑	☐	Councilman Jones
☑	☐	Councilman Marks
☑	☐	Councilman Ertel
☑	☐	Councilman Crandell

ROLL CALL - AMENDMENTS

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