**Enforcement of Collection Judgments**

This new law takes away an important tool from a community association’s ability to enforce judgments under $5,000 against delinquent owners. This law prohibits a court from ordering a debtor in a small claims action (under $5,000) to answer interrogatories or appear for a deposition about their income and assets, actions which were previously authorized to aid creditors in the enforcement of their judgments.

**For the specifics**: Please see the text of bill numbers [HB 349](https://mgaleg.maryland.gov/2022RS/bills/hb/hb0349E.pdf)/[SB 452](https://mgaleg.maryland.gov/2022RS/bills/sb/sb0452E.pdf), which amend § 11-704 of the Courts and Judicial Proceedings Article of the Maryland Code.

**Statewide Reserves**

In response to the 2021 Surfside, Florida condominium collapse, the existing reserve study law, which applied only to Montgomery County and Prince George’s County, has been expanded to Maryland community associations statewide with some new changes. The new law will require all condominium associations, cooperatives, and homeowners’ associations to obtain a reserve study and budget for reserves in the amount recommended in the most recent reserve study.

Maryland community associations in counties other than Prince George’s County or Montgomery County that do not have reserve studies, or have reserve studies conducted prior to October 1, 2018, must obtain a reserve study by October 1, 2023. Thereafter, an updated reserve study must be conducted/updated every five years.

Each community association will also be required to budget for reserves in accordance with the annual reserve funding amounts recommended in their current reserve study. A community association obtaining an initial reserve study under this law will have three fiscal years to attain the annual reserve funding level recommended in the study.

The board of directors has the power to increase assessments to cover the reserve study funding recommendations regardless of any provision of the governing documents restricting or capping assessment increases in a fiscal year.

**For the specifics**: Please see the text of bill number [HB 107](https://mgaleg.maryland.gov/2022RS/bills/hb/hb0107E.pdf), which amends §§ 11-109, 11-109.2, 11-109.4, and 11-110 of the Maryland Condominium Act; §§ 11B-106.1, 11B-112.2, 11B-112.3, and 11B-117 of the Maryland Homeowners Association Act; and § 5–6B–26.1 of the Corporations and Associations Article of the Maryland Code.