

CITIZEN-DRAFTED BILL CB-610

Requested: January 12, 2026

Suggested assignment to: Economic Matters

AN ACT concerning

Common ownership – Directors and officers liability insurance

FOR the purpose of consumer protection, ending the practice of forcing homeowners to pay for the protections and breaches of bad actors, and requiring directors and officers who are purchasing D&O liability insurance to do so without the use of condominium or association funds since the insurance does not benefit the council of unit owners (in contrast to fidelity insurance of 11-114.1) and is therefore a personal expense.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Bold indicates matters for general awareness, usually existing law that provides key context for the bill.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Real Property

11-114.3

(a) DIRECTORS AND OFFICERS LIABILITY INSURANCE SHALL NOT BE A COMMON EXPENSE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.