

HOUSE BILL 10

N1, C2
HB 576/13 – ENV

(PRE-FILED)

4lr0521

By: **Delegates Beidle and Clagett**

Requested: September 19, 2013

Introduced and read first time: January 8, 2014

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Regulation of Common Ownership Community Managers**

3 FOR the purpose of creating the State Board of Common Ownership Community
4 Managers in the Department of Labor, Licensing, and Regulation; providing for
5 the composition of the Board and the appointment, terms, and expenses of the
6 Board members; providing for the powers, duties, and functions of the Board;
7 providing that certain provisions of this Act do not prohibit certain persons from
8 providing certain services under certain circumstances; requiring an individual
9 to be issued a license by the Board before providing management services for a
10 common ownership community under certain circumstances; specifying the
11 qualifications for a license; providing for the issuance, fees, renewal, and
12 reinstatement of a license; authorizing the Board to deny a license to any
13 applicant, reprimand a licensed manager, or suspend or revoke a license under
14 certain circumstances; requiring an individual to be issued a limited license by
15 the Board before providing management services for a common ownership
16 community under certain circumstances; specifying the qualifications for a
17 limited license; providing for the issuance, fees, renewal, and reinstatement of a
18 limited license; authorizing the Board to deny a limited license to any applicant,
19 reprimand any holder of a limited license, or suspend or revoke a limited license
20 under certain circumstances; requiring a common ownership community to
21 register with the Board under certain circumstances; imposing certain duties on
22 a contracting party concerning a fidelity bond or theft insurance under certain
23 circumstances; imposing certain duties on a licensed manager; requiring a
24 contract to provide management services to include certain provisions under
25 certain circumstances; prohibiting certain acts and imposing certain penalties
26 for a violation of this Act; making certain provisions of this Act subject to the
27 Maryland Program Evaluation Act; establishing the State Board of Common
28 Ownership Community Managers Fund; providing for the purpose,
29 administration, composition, use, and audit of the Fund; requiring that certain
30 investment earnings be credited to the Fund; requiring the Secretary, in

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 consultation with the Board, to calculate certain costs annually; authorizing the
2 Board to set certain fees, based on certain calculations; prohibiting a fee
3 established by the Board from being increased by more than a certain
4 percentage annually; specifying the terms of the initial members of the Board;
5 providing that a certain examination shall satisfy certain examination
6 requirements for a license under certain circumstances; requiring the Board to
7 grant a waiver of certain training and examination requirements for a license
8 under certain circumstances; requiring the Department of Labor, Licensing, and
9 Regulation to report to the General Assembly on the imposition of a registration
10 fee on common ownership communities on or before a certain date; authorizing
11 the Department of Budget and Management to advance certain funds to the
12 Board for certain purposes and requiring the Board to reimburse certain funds
13 under certain circumstances; defining certain terms; and generally relating to
14 the regulation of common ownership community managers.

15 BY renumbering

16 Article – Business Regulation
17 Section 2–108(a)(9) through (33), respectively
18 to be Section 2–108(a)(10) through (34), respectively
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2013 Supplement)

21 BY renumbering

22 Article – State Government
23 Section 8–403(b)(12) through (56), respectively
24 to be Section 8–403(b)(13) through (57), respectively
25 Annotated Code of Maryland
26 (2009 Replacement Volume and 2013 Supplement)

27 BY adding to

28 Article – Business Occupations and Professions
29 Section 22–101 through 22–802 to be under the new title “Title 22. Common
30 Ownership Community Managers”
31 Annotated Code of Maryland
32 (2010 Replacement Volume and 2013 Supplement)

33 BY adding to

34 Article – Business Regulation
35 Section 2–106.9, 2–106.10, and 2–108(a)(9)
36 Annotated Code of Maryland
37 (2010 Replacement Volume and 2013 Supplement)

38 BY adding to

39 Article – Corporations and Associations
40 Section 5–6B–12.1
41 Annotated Code of Maryland
42 (2007 Replacement Volume and 2013 Supplement)

- 1 BY adding to
2 Article – Real Property
3 Section 11–130.1 and 11B–115.2
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2013 Supplement)
- 6 BY repealing and reenacting, without amendments,
7 Article – State Finance and Procurement
8 Section 6–226(a)(2)(i)
9 Annotated Code of Maryland
10 (2009 Replacement Volume and 2013 Supplement)
- 11 BY repealing and reenacting, with amendments,
12 Article – State Finance and Procurement
13 Section 6–226(a)(2)(ii)76. and 77.
14 Annotated Code of Maryland
15 (2009 Replacement Volume and 2013 Supplement)
- 16 BY adding to
17 Article – State Finance and Procurement
18 Section 6–226(a)(2)(ii)78.
19 Annotated Code of Maryland
20 (2009 Replacement Volume and 2013 Supplement)
- 21 BY repealing and reenacting, without amendments,
22 Article – State Government
23 Section 8–403(a)
24 Annotated Code of Maryland
25 (2009 Replacement Volume and 2013 Supplement)
- 26 BY adding to
27 Article – State Government
28 Section 8–403(b)(12)
29 Annotated Code of Maryland
30 (2009 Replacement Volume and 2013 Supplement)

31 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
32 MARYLAND, That Section(s) 2–108(a)(9) through (33), respectively, of Article –
33 Business Regulation of the Annotated Code of Maryland be renumbered to be
34 Section(s) 2–108(a)(10) through (34), respectively.

35 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 8–403(b)(12)
36 through (56), respectively, of Article – State Government of the Annotated Code of
37 Maryland be renumbered to be Section(s) 8–403(b)(13) through (57), respectively.

1 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article – Business Occupations and Professions**

4 **TITLE 22. COMMON OWNERSHIP COMMUNITY MANAGERS.**

5 **SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.**

6 **22-101.**

7 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS
8 INDICATED.

9 (B) “BOARD” MEANS THE STATE BOARD OF COMMON OWNERSHIP
10 COMMUNITY MANAGERS.

11 (C) (1) “COMMON OWNERSHIP COMMUNITY” MEANS:

12 (I) A CONDOMINIUM AS DEFINED IN § 11-101 OF THE REAL
13 PROPERTY ARTICLE THAT IS USED FOR RESIDENTIAL PURPOSES;

14 (II) A COOPERATIVE HOUSING CORPORATION AS DEFINED
15 IN § 5-6B-01 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE; AND

16 (III) A HOMEOWNERS ASSOCIATION AS DEFINED IN §
17 11B-101 OF THE REAL PROPERTY ARTICLE.

18 (2) “COMMON OWNERSHIP COMMUNITY” DOES NOT INCLUDE A
19 TIME-SHARE PROJECT AS DEFINED IN § 11A-101 OF THE REAL PROPERTY
20 ARTICLE.

21 (D) “HOLDER OF A LIMITED LICENSE” MEANS, UNLESS THE CONTEXT
22 REQUIRES OTHERWISE, AN INDIVIDUAL WHO IS ISSUED A LIMITED LICENSE BY
23 THE BOARD UNDER SUBTITLE 4 OF THIS TITLE TO PROVIDE MANAGEMENT
24 SERVICES FOR A COMMON OWNERSHIP COMMUNITY UNDER THE SUPERVISION
25 OF A LICENSED MANAGER.

26 (E) “LICENSE” MEANS, UNLESS THE CONTEXT REQUIRES OTHERWISE, A
27 LICENSE ISSUED BY THE BOARD UNDER SUBTITLE 3 OF THIS TITLE THAT
28 ALLOWS AN INDIVIDUAL TO PROVIDE MANAGEMENT SERVICES FOR A COMMON
29 OWNERSHIP COMMUNITY.

30 (F) “LICENSED MANAGER” MEANS, UNLESS THE CONTEXT REQUIRES
31 OTHERWISE, AN INDIVIDUAL WHO IS ISSUED A LICENSE BY THE BOARD UNDER

1 SUBTITLE 3 OF THIS TITLE TO PROVIDE MANAGEMENT SERVICES FOR A
2 COMMON OWNERSHIP COMMUNITY.

3 (G) "LIMITED LICENSE" MEANS, UNLESS THE CONTEXT REQUIRES
4 OTHERWISE, A LIMITED LICENSE ISSUED BY THE BOARD UNDER SUBTITLE 4 OF
5 THIS TITLE THAT ALLOWS THE INDIVIDUAL TO PROVIDE MANAGEMENT
6 SERVICES FOR A COMMON OWNERSHIP COMMUNITY UNDER THE SUPERVISION
7 OF A LICENSED MANAGER.

8 (H) "PROVIDE MANAGEMENT SERVICES" MEANS TO:

9 (1) ACT WITH THE AUTHORITY OF THE COMMON OWNERSHIP
10 COMMUNITY IN ITS BUSINESS, LEGAL, FINANCIAL, OR OTHER TRANSACTIONS
11 WITH MEMBERS AND NONMEMBERS OF THE COMMON OWNERSHIP COMMUNITY;

12 (2) EXECUTE THE RESOLUTIONS AND DECISIONS OF A COMMON
13 OWNERSHIP COMMUNITY OR, WITH THE AUTHORITY OF THE COMMON
14 OWNERSHIP COMMUNITY, TO ENFORCE THE RIGHTS OF THE COMMON
15 OWNERSHIP COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE,
16 OR BYLAW;

17 (3) NEGOTIATE CONTRACTS OR OTHERWISE COORDINATE OR
18 ARRANGE FOR SERVICES OR THE PURCHASE OF PROPERTY AND GOODS FOR OR
19 ON BEHALF OF A COMMON OWNERSHIP COMMUNITY;

20 (4) COLLECT, DISBURSE, OR OTHERWISE EXERCISE DOMINION OR
21 CONTROL OVER MONEY OR OTHER PROPERTY BELONGING TO A COMMON
22 OWNERSHIP COMMUNITY;

23 (5) PREPARE BUDGETS, FINANCIAL STATEMENTS, OR OTHER
24 FINANCIAL REPORTS FOR A COMMON OWNERSHIP COMMUNITY;

25 (6) ARRANGE, CONDUCT, OR COORDINATE MEETINGS OF A
26 COMMON OWNERSHIP COMMUNITY OR THE GOVERNING BODY OF A COMMON
27 OWNERSHIP COMMUNITY; OR

28 (7) OFFER OR SOLICIT TO PERFORM ANY OF THE ACTS OR
29 SERVICES LISTED IN ITEMS (1) THROUGH (6) OF THIS SUBSECTION ON BEHALF
30 OF A COMMON OWNERSHIP COMMUNITY.

31 (I) "RESPONSIBLE MANAGER" MEANS A LICENSED MANAGER WHO HAS
32 PRIMARY RESPONSIBILITY FOR PROVIDING MANAGEMENT SERVICES TO A
33 COMMON OWNERSHIP COMMUNITY UNDER THE TERMS OF A CONTRACT
34 ENTERED INTO BY THE COMMON OWNERSHIP COMMUNITY.

1 **22-102.**

2 **THE PROVISIONS OF THIS TITLE THAT REQUIRE AN INDIVIDUAL TO BE**
3 **ISSUED A LICENSE OR LIMITED LICENSE DO NOT PROHIBIT:**

4 **(1) AN INDIVIDUAL WHO IS A REGULAR, SALARIED EMPLOYEE OF**
5 **A LICENSED MANAGER OR A SINGLE COMMON OWNERSHIP COMMUNITY FROM**
6 **PERFORMING ADMINISTRATIVE, INTERNAL, BOOKKEEPING, OR MINISTERIAL**
7 **FUNCTIONS IN SUPPORT OF THE LICENSED MANAGER OR THE SINGLE COMMON**
8 **OWNERSHIP COMMUNITY;**

9 **(2) AN INDIVIDUAL WHO IS ADMINISTRATIVE SUPPORT STAFF OR**
10 **AN ASSISTANT OF A LICENSED MANAGER FROM INCIDENTALLY PROVIDING**
11 **MANAGEMENT SERVICES IF THE INDIVIDUAL IS SUPERVISED BY A LICENSED**
12 **MANAGER;**

13 **(3) A RESIDENT OF A COMMON OWNERSHIP COMMUNITY WHO**
14 **ACTS WITHOUT COMPENSATION FROM PROVIDING MANAGEMENT SERVICES FOR**
15 **THAT COMMON OWNERSHIP COMMUNITY;**

16 **(4) A MEMBER OF THE GOVERNING BODY OF A COMMON**
17 **OWNERSHIP COMMUNITY, WHO ACTS WITHOUT COMPENSATION, FROM**
18 **PROVIDING MANAGEMENT SERVICES FOR THAT COMMON OWNERSHIP**
19 **COMMUNITY;**

20 **(5) AN ATTORNEY AT LAW FROM REPRESENTING A COMMON**
21 **OWNERSHIP COMMUNITY, A LICENSED MANAGER, OR A HOLDER OF A LIMITED**
22 **LICENSE IN ANY BUSINESS THAT CONSTITUTES THE PRACTICE OF LAW;**

23 **(6) AN INDIVIDUAL LICENSED UNDER THIS ARTICLE AS A**
24 **LICENSED CERTIFIED PUBLIC ACCOUNTANT, A LICENSED REAL ESTATE**
25 **BROKER, OR A LICENSED ASSOCIATE REAL ESTATE BROKER FROM PROVIDING**
26 **TO A COMMON OWNERSHIP COMMUNITY THE SERVICES FOR WHICH THE**
27 **INDIVIDUAL IS LICENSED;**

28 **(7) A PERSON WHO ACTS AS A RECEIVER OR TRUSTEE IN**
29 **BANKRUPTCY IN THE PERFORMANCE OF DUTIES OR A PERSON WHO ACTS**
30 **UNDER A COURT ORDER FROM PROVIDING MANAGEMENT SERVICES FOR A**
31 **COMMON OWNERSHIP COMMUNITY; OR**

32 **(8) AN EMPLOYEE OF THE COLUMBIA ASSOCIATION IN HOWARD**
33 **COUNTY FROM PROVIDING MANAGEMENT SERVICES ONLY TO THE COLUMBIA**

1 ASSOCIATION OR THE AFFILIATED VILLAGE ASSOCIATIONS IN HOWARD
2 COUNTY.

3 **SUBTITLE 2. STATE BOARD OF COMMON OWNERSHIP COMMUNITY MANAGERS.**

4 **22-201.**

5 **THERE IS A STATE BOARD OF COMMON OWNERSHIP COMMUNITY**
6 **MANAGERS IN THE DEPARTMENT.**

7 **22-202.**

8 **(A) (1) THE BOARD CONSISTS OF NINE MEMBERS.**

9 **(2) OF THE NINE MEMBERS OF THE BOARD:**

10 **(I) FIVE SHALL BE LICENSED MANAGERS;**

11 **(II) ONE SHALL BE A LAWYER, AS DEFINED IN § 10-101 OF**
12 **THIS ARTICLE, WHOSE PRIMARY PRACTICE INCLUDES THE REPRESENTATION OF**
13 **COMMON OWNERSHIP COMMUNITIES; AND**

14 **(III) THREE SHALL BE RESIDENT OWNERS IN A COMMON**
15 **OWNERSHIP COMMUNITY.**

16 **(3) THE GOVERNOR SHALL APPOINT THE MEMBERS WITH THE**
17 **ADVICE OF THE SECRETARY AND THE ADVICE AND CONSENT OF THE SENATE.**

18 **(B) EACH MEMBER OF THE BOARD SHALL BE A RESIDENT OF THE**
19 **STATE.**

20 **(C) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE BOARD SHALL**
21 **TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE MARYLAND**
22 **CONSTITUTION.**

23 **(D) (1) THE TERM OF A MEMBER IS 4 YEARS AND BEGINS ON**
24 **OCTOBER 1.**

25 **(2) THE TERMS OF THE MEMBERS ARE STAGGERED AS REQUIRED**
26 **BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON OCTOBER 1, 2014.**

27 **(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE**
28 **UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

1 **(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN**
2 **SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS**
3 **APPOINTED AND QUALIFIES.**

4 **(5) A MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE**
5 **TERMS.**

6 **22-203.**

7 **FROM AMONG THE MEMBERS OF THE BOARD, THE GOVERNOR SHALL**
8 **APPOINT A CHAIR AND VICE CHAIR.**

9 **22-204.**

10 **(A) A MAJORITY OF THE MEMBERS THEN SERVING ON THE BOARD IS A**
11 **QUORUM.**

12 **(B) THE BOARD SHALL DETERMINE THE TIMES AND PLACES OF ITS**
13 **MEETINGS.**

14 **(C) A MEMBER OF THE BOARD:**

15 **(1) MAY NOT RECEIVE COMPENSATION; BUT**

16 **(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE**
17 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE**
18 **BUDGET.**

19 **(D) THE BOARD MAY EMPLOY STAFF IN ACCORDANCE WITH THE STATE**
20 **BUDGET.**

21 **22-205.**

22 **(A) IN ADDITION TO ANY POWERS SET FORTH ELSEWHERE, THE BOARD**
23 **MAY:**

24 **(1) ADOPT BYLAWS AS NECESSARY TO DO THE BUSINESS OF THE**
25 **BOARD; AND**

26 **(2) ADOPT ANY REGULATIONS TO CARRY OUT THIS TITLE.**

27 **(B) IN ADDITION TO ANY DUTIES SET FORTH ELSEWHERE, THE BOARD**
28 **SHALL:**

1 **(1) ADOPT RULES OF PROFESSIONAL CONDUCT AS APPROPRIATE**
2 **FOR INDIVIDUALS ISSUED A LICENSE OR LIMITED LICENSE UNDER THIS TITLE;**

3 **(2) ESTABLISH CRITERIA AND A PROCESS FOR CERTIFICATION OF**
4 **A VARIETY OF EDUCATIONAL OFFERINGS AND TRAINING PROGRAMS FOR**
5 **ISSUING LICENSES OR LIMITED LICENSES UNDER THIS TITLE;**

6 **(3) ESTABLISH CONTINUING EDUCATION REQUIREMENTS FOR**
7 **INDIVIDUALS WHO HAVE BEEN ISSUED A LICENSE OR LIMITED LICENSE UNDER**
8 **THIS TITLE; AND**

9 **(4) KEEP A RECORD OF PROCEEDINGS.**

10 **(C) THE BOARD MAY ESTABLISH BY REGULATION:**

11 **(1) THE PROCESS OF RESOLVING DISCIPLINARY MATTERS**
12 **PENDING BEFORE THE BOARD THROUGH NONJUDICIAL DISPUTE RESOLUTION**
13 **PROCESSES;**

14 **(2) EDUCATION AND TRAINING OPPORTUNITIES FOR GOVERNING**
15 **BODIES OF COMMON OWNERSHIP COMMUNITIES; AND**

16 **(3) ANY OTHER PROCEDURES OR STANDARDS CONSISTENT WITH**
17 **THE MISSION OF THE BOARD.**

18 **22-206.**

19 **(A) THE BOARD SHALL MAINTAIN A PUBLIC LIST OF THE NAMES AND**
20 **MAILING ADDRESSES OF ALL INDIVIDUALS ISSUED A LICENSE OR LIMITED**
21 **LICENSE UNDER THIS TITLE.**

22 **(B) EACH INDIVIDUAL ISSUED A LICENSE OR LIMITED LICENSE UNDER**
23 **THIS TITLE SHALL:**

24 **(1) DESIGNATE A MAILING ADDRESS AT THE TIME OF ISSUANCE**
25 **OF THE ORIGINAL LICENSE OR LIMITED LICENSE AND ON RENEWAL OF THE**
26 **LICENSE OR LIMITED LICENSE; AND**

27 **(2) NOTIFY THE BOARD OF A CHANGE OF ADDRESS WITHIN 30**
28 **DAYS AFTER THE CHANGE.**

29 **22-207.**

1 **(A) (1) THE BOARD MAY SET BY REGULATION REASONABLE FEES FOR**
2 **SERVICES PROVIDED BY THE BOARD.**

3 **(2) THE FEES CHARGED SHALL BE:**

4 **(I) SET TO PRODUCE FUNDS TO APPROXIMATE THE COST**
5 **OF MAINTAINING THE BOARD; AND**

6 **(II) BASED ON THE CALCULATIONS PERFORMED BY THE**
7 **SECRETARY UNDER § 2-106.10 OF THE BUSINESS REGULATION ARTICLE.**

8 **(B) THE BOARD SHALL PUBLISH THE FEE SCHEDULE SET BY THE**
9 **BOARD.**

10 **(C) (1) THE BOARD SHALL PAY ALL FEES COLLECTED UNDER THIS**
11 **TITLE TO THE COMPTROLLER.**

12 **(2) THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE**
13 **STATE BOARD OF COMMON OWNERSHIP COMMUNITY MANAGERS FUND**
14 **ESTABLISHED UNDER § 2-106.9 OF THE BUSINESS REGULATION ARTICLE.**

15 **22-208.**

16 **THE BOARD EXERCISES THE POWERS, DUTIES, AND FUNCTIONS OF THE**
17 **BOARD SUBJECT TO THE AUTHORITY OF THE SECRETARY.**

18 **22-209.**

19 **(A) IN ADDITION TO ANY OTHER REMEDY AUTHORIZED UNDER THIS**
20 **TITLE, THE BOARD, WITH THE APPROVAL OF THE ATTORNEY GENERAL, MAY**
21 **SUE IN THE NAME OF THE STATE TO ENJOIN ANY ACT THAT IS PROHIBITED**
22 **UNDER SUBTITLE 7 OF THIS TITLE.**

23 **(B) THE BOARD MAY TAKE APPROPRIATE ACTIONS TO:**

24 **(1) ASSIST A COMMON OWNERSHIP COMMUNITY IN EXERCISING**
25 **ANY RIGHTS OF THE COMMON OWNERSHIP COMMUNITY UNDER THIS TITLE; OR**

26 **(2) ENTER INTO COOPERATIVE AND INFORMATION-SHARING**
27 **AGREEMENTS WITH ANY UNIT OF LAW ENFORCEMENT AS ALLOWED BY LAW.**

28 **SUBTITLE 3. LICENSED MANAGERS.**

29 **22-301.**

1 (A) AN INDIVIDUAL SHALL BE ISSUED A LICENSE BY THE BOARD
2 BEFORE THE INDIVIDUAL MAY PROVIDE MANAGEMENT SERVICES FOR A
3 COMMON OWNERSHIP COMMUNITY IN THE STATE.

4 (B) A LICENSED MANAGER MAY PROVIDE MANAGEMENT SERVICES FOR
5 A COMMON OWNERSHIP COMMUNITY ONLY UNDER THE TERMS OF A CONTRACT
6 ENTERED INTO BY THE COMMON OWNERSHIP COMMUNITY.

7 **22-302.**

8 (A) TO QUALIFY FOR A LICENSE, AN APPLICANT SHALL BE AN
9 INDIVIDUAL WHO:

10 (1) MEETS THE REQUIREMENTS OF THIS SECTION; AND

11 (2) MEETS ANY OTHER QUALIFICATION AS REQUIRED BY
12 REGULATION OF THE BOARD.

13 (B) AN APPLICANT SHALL BE A HOLDER OF A LIMITED LICENSE.

14 (C) AN APPLICANT SHALL:

15 (1) COMPLETE A TRAINING PROGRAM APPROVED BY THE BOARD;
16 AND

17 (2) PASS AN EXAMINATION APPROVED BY THE BOARD THAT
18 INCLUDES TESTING OF KNOWLEDGE OF STATE LAWS AND REGULATIONS
19 CONCERNING COMMON OWNERSHIP COMMUNITIES.

20 (D) AN APPLICANT SHALL:

21 (1) BE ACTIVELY ENGAGED IN PROVIDING MANAGEMENT
22 SERVICES FOR AT LEAST 12 MONTHS BEFORE APPLYING FOR A LICENSE; OR

23 (2) HOLD AN ACTIVE PROFESSIONAL DESIGNATION AS APPROVED
24 BY THE BOARD.

25 **22-303.**

26 AN APPLICANT FOR A LICENSE SHALL:

27 (1) SUBMIT TO THE BOARD AN APPLICATION ON THE FORM THAT
28 THE BOARD PROVIDES; AND

29 (2) PAY TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.

1 **22-304.**

2 (A) IF AN APPLICANT QUALIFIES FOR A LICENSE UNDER THIS SUBTITLE,
3 THE BOARD SHALL SEND THE APPLICANT A NOTICE THAT STATES:

4 (1) THE APPLICANT HAS QUALIFIED FOR A LICENSE; AND

5 (2) ON RECEIPT OF A LICENSE FEE, THE BOARD WILL ISSUE A
6 LICENSE TO THE APPLICANT.

7 (B) ON PAYMENT OF THE LICENSE FEE, THE BOARD SHALL ISSUE A
8 LICENSE TO EACH APPLICANT WHO MEETS THE REQUIREMENTS OF THIS
9 SUBTITLE.

10 **22-305.**

11 WHILE IN EFFECT, A LICENSE AUTHORIZES THE LICENSED MANAGER TO
12 PROVIDE MANAGEMENT SERVICES FOR A COMMON OWNERSHIP COMMUNITY.

13 **22-306.**

14 (A) THE TERM OF A LICENSE IS 2 YEARS.

15 (B) AT LEAST 2 MONTHS BEFORE A LICENSE EXPIRES, THE BOARD
16 SHALL SEND TO THE LICENSED MANAGER, AT THE LAST KNOWN ADDRESS OF
17 THE LICENSED MANAGER:

18 (1) A RENEWAL APPLICATION FORM; AND

19 (2) A NOTICE THAT STATES:

20 (I) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES;

21 (II) THE DATE BY WHICH THE BOARD MUST RECEIVE THE
22 RENEWAL APPLICATION FOR THE RENEWAL TO BE ISSUED AND MAILED BEFORE
23 THE LICENSE EXPIRES; AND

24 (III) THE AMOUNT OF THE RENEWAL FEE.

25 (C) (1) THE BOARD SHALL RENEW THE LICENSE OF AND ISSUE A
26 RENEWAL CERTIFICATE TO EACH LICENSED MANAGER WHO MEETS THE
27 REQUIREMENTS OF THIS SECTION.

1 **(2) THE BOARD SHALL INCLUDE ON EACH RENEWAL**
2 **CERTIFICATE THE DATE ON WHICH THE CURRENT LICENSE EXPIRES.**

3 **22-307.**

4 **(A) THE BOARD SHALL REINSTATE THE LICENSE OF AN INDIVIDUAL**
5 **WHO HAS FAILED TO RENEW THE LICENSE IF THE INDIVIDUAL:**

6 **(1) APPLIES TO THE BOARD FOR REINSTATEMENT WITHIN 2**
7 **YEARS AFTER THE LICENSE EXPIRES;**

8 **(2) MEETS THE RENEWAL REQUIREMENTS OF § 22-306 OF THIS**
9 **SUBTITLE; AND**

10 **(3) PAYS TO THE BOARD A REINSTATEMENT FEE SET BY THE**
11 **BOARD.**

12 **(B) (1) IF AN INDIVIDUAL HAS FAILED TO RENEW A LICENSE AND**
13 **THEN APPLIES TO THE BOARD FOR REINSTATEMENT MORE THAN 2 YEARS**
14 **AFTER THE LICENSE HAS EXPIRED, THE BOARD:**

15 **(I) MAY REQUIRE THE INDIVIDUAL TO REAPPLY FOR A**
16 **LICENSE IN THE SAME MANNER AS AN APPLICANT APPLIES FOR AN ORIGINAL**
17 **LICENSE UNDER THIS SUBTITLE; OR**

18 **(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, MAY**
19 **REINSTATE THE LICENSE.**

20 **(2) THE BOARD MAY REINSTATE A LICENSE UNDER PARAGRAPH**
21 **(1)(II) OF THIS SUBSECTION ONLY IF THE INDIVIDUAL:**

22 **(I) MEETS THE RENEWAL REQUIREMENTS OF § 22-306 OF**
23 **THIS SUBTITLE;**

24 **(II) IF REQUIRED BY THE BOARD, STATES REASONS WHY**
25 **REINSTATEMENT SHOULD BE GRANTED; AND**

26 **(III) PAYS TO THE BOARD A REINSTATEMENT FEE SET BY**
27 **THE BOARD.**

28 **22-308.**

29 **(A) SUBJECT TO THE PROVISIONS OF THIS SECTION, THE BOARD MAY**
30 **ISSUE BY RECIPROCITY A LICENSE TO AN INDIVIDUAL WHO HAS THE**

1 EQUIVALENT LICENSE IN ANOTHER STATE OR TERRITORY OF THE UNITED
2 STATES.

3 (B) THE BOARD MAY ISSUE A LICENSE UNDER THIS SECTION ONLY IF
4 THE APPLICANT:

5 (1) PAYS TO THE BOARD A LICENSE FEE SET BY THE BOARD; AND

6 (2) PROVIDES ADEQUATE EVIDENCE THAT AT THE TIME OF
7 APPLICATION FOR LICENSURE UNDER THIS SECTION, THE APPLICANT HAS MET
8 REQUIREMENTS THAT ARE SUBSTANTIALLY EQUIVALENT TO THE
9 REQUIREMENTS OF THIS STATE.

10 (C) THE BOARD SHALL ESTABLISH STANDARDS FOR THE ISSUANCE OF
11 A LICENSE UNDER THIS SECTION.

12 22-309.

13 (A) SUBJECT TO THE HEARING PROVISIONS OF § 22-311 OF THIS
14 SUBTITLE, THE BOARD MAY DENY A LICENSE TO ANY APPLICANT, REPRIMAND
15 ANY LICENSED MANAGER, OR SUSPEND OR REVOKE A LICENSE IF THE
16 APPLICANT OR LICENSED MANAGER:

17 (1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO
18 OBTAIN A LICENSE FOR THE APPLICANT OR LICENSED MANAGER OR FOR
19 ANOTHER;

20 (2) FRAUDULENTLY OR DECEPTIVELY USES A LICENSE;

21 (3) UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE,
22 IS CONVICTED OF:

23 (I) A FELONY; OR

24 (II) A MISDEMEANOR THAT IS DIRECTLY RELATED TO THE
25 FITNESS AND QUALIFICATIONS OF THE APPLICANT OR LICENSED MANAGER TO
26 PROVIDE MANAGEMENT SERVICES;

27 (4) ENGAGES IN CONDUCT THAT DEMONSTRATES BAD FAITH,
28 INCOMPETENCY, OR UNTRUSTWORTHINESS OR THAT CONSTITUTES DISHONEST,
29 FRAUDULENT, OR IMPROPER DEALINGS;

30 (5) FAILS TO HANDLE THE FUNDS OF A COMMON OWNERSHIP
31 COMMUNITY IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE;

1 **(6) FAILS TO ACCOUNT IN A TIMELY MANNER FOR ALL MONEY**
2 **AND PROPERTY RECEIVED ON BEHALF OF A COMMON OWNERSHIP COMMUNITY;**

3 **(7) WILLFULLY FAILS TO DISCLOSE TO A COMMON OWNERSHIP**
4 **COMMUNITY MATERIAL FACTS THAT RELATE TO THE PROPERTY OF THE**
5 **COMMON OWNERSHIP COMMUNITY OR CONCERN MANAGEMENT SERVICES OF**
6 **WHICH THE LICENSED MANAGER HAS ACTUAL KNOWLEDGE;**

7 **(8) IS GUILTY OF GROSS NEGLIGENCE, INCOMPETENCE, OR**
8 **MISCONDUCT IN PROVIDING MANAGEMENT SERVICES;**

9 **(9) HAS BEEN SANCTIONED IN ANOTHER STATE IN A MATTER**
10 **RELATING TO PROVIDING MANAGEMENT SERVICES;**

11 **(10) VIOLATES ANY OTHER PROVISION OF THIS TITLE; OR**

12 **(11) VIOLATES ANY REGULATION ADOPTED BY THE BOARD UNDER**
13 **THIS TITLE.**

14 **(B) (1) INSTEAD OF OR IN ADDITION TO REPRIMANDING THE**
15 **LICENSED MANAGER OR SUSPENDING OR REVOKING A LICENSE UNDER THIS**
16 **SECTION, THE BOARD MAY IMPOSE A PENALTY NOT EXCEEDING \$5,000 FOR**
17 **EACH VIOLATION.**

18 **(2) TO DETERMINE THE AMOUNT OF THE PENALTY IMPOSED**
19 **UNDER THIS SUBSECTION, THE BOARD SHALL CONSIDER:**

20 **(I) THE SERIOUSNESS OF THE VIOLATION;**

21 **(II) THE HARM CAUSED BY THE VIOLATION;**

22 **(III) THE GOOD FAITH OF THE LICENSED MANAGER; AND**

23 **(IV) ANY HISTORY OF PREVIOUS VIOLATIONS BY THE**
24 **LICENSED MANAGER.**

25 **(3) THE BOARD SHALL PAY ANY PENALTY COLLECTED UNDER**
26 **THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.**

27 **(C) THE BOARD SHALL CONSIDER THE FOLLOWING FACTS IN THE**
28 **GRANTING, DENIAL, RENEWAL, SUSPENSION, OR REVOCATION OF A LICENSE OR**
29 **THE REPRIMAND OF A LICENSED MANAGER WHEN AN APPLICANT OR A**

1 LICENSED MANAGER IS CONVICTED OF A FELONY OR MISDEMEANOR DESCRIBED
2 IN SUBSECTION (A)(3) OF THIS SECTION:

3 (1) THE NATURE OF THE CRIME;

4 (2) THE RELATIONSHIP OF THE CRIME TO THE ACTIVITIES
5 AUTHORIZED BY THE LICENSE;

6 (3) WITH RESPECT TO A FELONY, THE RELEVANCE OF THE
7 CONVICTION TO THE FITNESS AND QUALIFICATION OF THE APPLICANT OR
8 LICENSED MANAGER TO PROVIDE MANAGEMENT SERVICES;

9 (4) THE LENGTH OF TIME SINCE THE CONVICTION; AND

10 (5) THE BEHAVIOR AND ACTIVITIES OF THE APPLICANT OR
11 LICENSED MANAGER BEFORE AND AFTER THE CONVICTION.

12 **22-310.**

13 ON ITS OWN INITIATIVE OR ON A WRITTEN COMPLAINT MADE TO THE
14 BOARD BY ANY PERSON, THE BOARD MAY COMMENCE PROCEEDINGS UNDER §
15 22-311 OF THIS SUBTITLE.

16 **22-311.**

17 (A) EXCEPT AS OTHERWISE PROVIDED IN § 10-226 OF THE STATE
18 GOVERNMENT ARTICLE, BEFORE THE BOARD TAKES ANY FINAL ACTION UNDER
19 § 22-309 OF THIS SUBTITLE, THE BOARD SHALL GIVE THE INDIVIDUAL AGAINST
20 WHOM THE ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING
21 BEFORE THE BOARD.

22 (B) THE BOARD SHALL GIVE NOTICE AND HOLD THE HEARING IN
23 ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT
24 ARTICLE.

25 (C) THE BOARD MAY ADMINISTER OATHS IN CONNECTION WITH ANY
26 PROCEEDING UNDER THIS SECTION.

27 (D) (1) THE BOARD MAY ISSUE A SUBPOENA FOR THE ATTENDANCE
28 OF A WITNESS TO TESTIFY OR THE PRODUCTION OF EVIDENCE IN CONNECTION
29 WITH ANY PROCEEDING UNDER THIS SECTION.

1 **(2) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED**
2 **UNDER THIS SUBSECTION, ON PETITION OF THE BOARD, A CIRCUIT COURT MAY**
3 **COMPEL COMPLIANCE WITH THE SUBPOENA.**

4 **(E) IF, AFTER DUE NOTICE, THE INDIVIDUAL AGAINST WHOM THE**
5 **ACTION IS CONTEMPLATED FAILS OR REFUSES TO APPEAR, THE BOARD MAY**
6 **HEAR AND DETERMINE THE MATTER.**

7 **22-312.**

8 **ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE BOARD IN A**
9 **CONTESTED CASE, AS DEFINED IN § 10-202 OF THE STATE GOVERNMENT**
10 **ARTICLE, IS ENTITLED TO JUDICIAL REVIEW AS PROVIDED IN §§ 10-222 AND**
11 **10-223 OF THE STATE GOVERNMENT ARTICLE.**

12 **22-313.**

13 **THE BOARD MAY REINSTATE, IN ACCORDANCE WITH THE PROCEDURES**
14 **OF THE BOARD:**

15 **(1) A LICENSE THAT HAS BEEN REVOKED; OR**

16 **(2) BEFORE FULFILLMENT OF THE CONDITIONS OF THE**
17 **SUSPENSION, ANY LICENSE THAT HAS BEEN SUSPENDED.**

18 **SUBTITLE 4. HOLDERS OF A LIMITED LICENSE.**

19 **22-401.**

20 **(A) AN INDIVIDUAL SHALL BE ISSUED A LIMITED LICENSE BY THE**
21 **BOARD BEFORE THE INDIVIDUAL MAY PROVIDE MANAGEMENT SERVICES FOR A**
22 **COMMON OWNERSHIP COMMUNITY IN THE STATE.**

23 **(B) THE HOLDER OF A LIMITED LICENSE ISSUED UNDER THIS SUBTITLE**
24 **MAY PROVIDE MANAGEMENT SERVICES ONLY WHILE UNDER THE GENERAL**
25 **SUPERVISION OF A LICENSED MANAGER.**

26 **22-402.**

27 **(A) TO QUALIFY FOR A LIMITED LICENSE, AN APPLICANT SHALL BE AN**
28 **INDIVIDUAL WHO:**

29 **(1) MEETS THE REQUIREMENTS OF THIS SECTION; AND**

1 **(2) MEETS ANY OTHER QUALIFICATION AS REQUIRED BY**
2 **REGULATION OF THE BOARD.**

3 **(B) AN APPLICANT SHALL BE AT LEAST 18 YEARS OLD.**

4 **(C) AN APPLICANT SHALL:**

5 **(1) COMPLETE A TRAINING PROGRAM APPROVED BY THE BOARD;**
6 **AND**

7 **(2) PASS AN EXAMINATION APPROVED BY THE BOARD.**

8 **22-403.**

9 **AN APPLICANT FOR A LIMITED LICENSE SHALL:**

10 **(1) SUBMIT TO THE BOARD AN APPLICATION ON THE FORM THAT**
11 **THE BOARD PROVIDES; AND**

12 **(2) PAY TO THE BOARD AN APPLICATION FEE SET BY THE BOARD.**

13 **22-404.**

14 **(A) IF AN APPLICANT QUALIFIES FOR A LIMITED LICENSE UNDER THIS**
15 **SUBTITLE, THE BOARD SHALL SEND THE APPLICANT A NOTICE THAT STATES:**

16 **(1) THE APPLICANT HAS QUALIFIED FOR A LIMITED LICENSE; AND**

17 **(2) ON RECEIPT OF THE FEE SET BY THE BOARD, THE BOARD**
18 **WILL ISSUE A LIMITED LICENSE TO THE APPLICANT.**

19 **(B) ON PAYMENT OF THE LIMITED LICENSE FEE, THE BOARD SHALL**
20 **ISSUE A LIMITED LICENSE TO EACH APPLICANT WHO MEETS THE**
21 **REQUIREMENTS OF THIS SUBTITLE.**

22 **22-405.**

23 **WHILE IN EFFECT, A LIMITED LICENSE AUTHORIZES THE HOLDER OF A**
24 **LIMITED LICENSE TO PROVIDE MANAGEMENT SERVICES FOR A COMMON**
25 **OWNERSHIP COMMUNITY UNDER THE GENERAL SUPERVISION OF A LICENSED**
26 **MANAGER.**

27 **22-406.**

28 **(A) THE TERM OF A LIMITED LICENSE IS 2 YEARS.**

1 **(B) AT LEAST 2 MONTHS BEFORE A LIMITED LICENSE EXPIRES, THE**
2 **BOARD SHALL SEND TO THE HOLDER OF A LIMITED LICENSE, AT THE LAST**
3 **KNOWN ADDRESS OF THE HOLDER OF A LIMITED LICENSE:**

4 **(1) A RENEWAL APPLICATION FORM; AND**

5 **(2) A NOTICE THAT STATES:**

6 **(I) THE DATE ON WHICH THE CURRENT LIMITED LICENSE**
7 **EXPIRES;**

8 **(II) THE DATE BY WHICH THE BOARD MUST RECEIVE THE**
9 **RENEWAL APPLICATION FOR THE RENEWAL TO BE ISSUED AND MAILED BEFORE**
10 **THE LIMITED LICENSE EXPIRES; AND**

11 **(III) THE AMOUNT OF THE RENEWAL FEE.**

12 **(C) (1) THE BOARD SHALL RENEW AND ISSUE A RENEWAL**
13 **CERTIFICATE TO EACH HOLDER OF A LIMITED LICENSE WHO MEETS THE**
14 **REQUIREMENTS OF THIS SECTION.**

15 **(2) THE BOARD SHALL INCLUDE ON EACH RENEWAL**
16 **CERTIFICATE THE DATE ON WHICH THE CURRENT LIMITED LICENSE EXPIRES.**

17 **22-407.**

18 **(A) THE BOARD SHALL REINSTATE THE LIMITED LICENSE OF AN**
19 **INDIVIDUAL WHO HAS FAILED TO RENEW THE LIMITED LICENSE IF THE**
20 **INDIVIDUAL:**

21 **(1) APPLIES TO THE BOARD FOR REINSTATEMENT WITHIN 2**
22 **YEARS AFTER THE LIMITED LICENSE EXPIRES;**

23 **(2) MEETS THE RENEWAL REQUIREMENTS OF § 22-406 OF THIS**
24 **SUBTITLE; AND**

25 **(3) PAYS TO THE BOARD A REINSTATEMENT FEE SET BY THE**
26 **BOARD.**

27 **(B) (1) IF AN INDIVIDUAL HAS FAILED TO RENEW A LIMITED LICENSE**
28 **AND THEN APPLIES TO THE BOARD FOR REINSTATEMENT MORE THAN 2 YEARS**
29 **AFTER THE LIMITED LICENSE HAS EXPIRED, THE BOARD:**

1 **(I) MAY REQUIRE THE INDIVIDUAL TO REAPPLY FOR A**
2 **LIMITED LICENSE IN THE SAME MANNER AS AN APPLICANT APPLIES FOR AN**
3 **ORIGINAL LIMITED LICENSE UNDER THIS SUBTITLE; OR**

4 **(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, MAY**
5 **REINSTATE THE LIMITED LICENSE.**

6 **(2) THE BOARD MAY REINSTATE A LIMITED LICENSE UNDER**
7 **PARAGRAPH (1)(II) OF THIS SUBSECTION ONLY IF THE INDIVIDUAL:**

8 **(I) MEETS THE RENEWAL REQUIREMENTS OF § 22-406 OF**
9 **THIS SUBTITLE;**

10 **(II) IF REQUIRED BY THE BOARD, STATES REASONS WHY**
11 **REINSTATEMENT SHOULD BE GRANTED; AND**

12 **(III) PAYS TO THE BOARD A REINSTATEMENT FEE SET BY**
13 **THE BOARD.**

14 **22-408.**

15 **(A) SUBJECT TO THE HEARING PROVISIONS OF § 22-410 OF THIS**
16 **SUBTITLE, THE BOARD MAY DENY A LIMITED LICENSE TO ANY APPLICANT,**
17 **REPRIMAND ANY HOLDER OF A LIMITED LICENSE, OR SUSPEND OR REVOKE A**
18 **LIMITED LICENSE IF THE APPLICANT OR HOLDER OF A LIMITED LICENSE:**

19 **(1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO**
20 **OBTAIN A LIMITED LICENSE FOR THE APPLICANT OR HOLDER OF A LIMITED**
21 **LICENSE OR FOR ANOTHER;**

22 **(2) FRAUDULENTLY OR DECEPTIVELY USES A LIMITED LICENSE;**

23 **(3) UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE,**
24 **IS CONVICTED OF:**

25 **(I) A FELONY; OR**

26 **(II) A MISDEMEANOR THAT IS DIRECTLY RELATED TO THE**
27 **FITNESS AND QUALIFICATIONS OF THE APPLICANT OR HOLDER OF A LIMITED**
28 **LICENSE TO PROVIDE MANAGEMENT SERVICES;**

29 **(4) ENGAGES IN CONDUCT THAT DEMONSTRATES BAD FAITH,**
30 **INCOMPETENCY, OR UNTRUSTWORTHINESS OR THAT CONSTITUTES DISHONEST,**
31 **FRAUDULENT, OR IMPROPER DEALINGS;**

1 **(5) FAILS TO HANDLE THE FUNDS OF A COMMON OWNERSHIP**
2 **COMMUNITY IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE;**

3 **(6) FAILS TO ACCOUNT IN A TIMELY MANNER FOR ALL MONEY**
4 **AND PROPERTY RECEIVED ON BEHALF OF A COMMON OWNERSHIP COMMUNITY;**

5 **(7) WILLFULLY FAILS TO DISCLOSE TO A COMMON OWNERSHIP**
6 **COMMUNITY MATERIAL FACTS THAT RELATE TO THE PROPERTY OF THE**
7 **COMMON OWNERSHIP COMMUNITY OR CONCERN MANAGEMENT SERVICES OF**
8 **WHICH THE HOLDER OF A LIMITED LICENSE HAS ACTUAL KNOWLEDGE;**

9 **(8) IS GUILTY OF GROSS NEGLIGENCE, INCOMPETENCE, OR**
10 **MISCONDUCT IN PROVIDING MANAGEMENT SERVICES;**

11 **(9) HAS BEEN SANCTIONED IN ANOTHER STATE IN A MATTER**
12 **RELATING TO PROVIDING MANAGEMENT SERVICES;**

13 **(10) VIOLATES ANY OTHER PROVISION OF THIS TITLE; OR**

14 **(11) VIOLATES ANY REGULATION ADOPTED BY THE BOARD UNDER**
15 **THIS TITLE.**

16 **(B) (1) INSTEAD OF OR IN ADDITION TO REPRIMANDING THE HOLDER**
17 **OF A LIMITED LICENSE OR SUSPENDING OR REVOKING A LIMITED LICENSE**
18 **UNDER THIS SECTION, THE BOARD MAY IMPOSE A PENALTY NOT EXCEEDING**
19 **\$5,000 FOR EACH VIOLATION.**

20 **(2) TO DETERMINE THE AMOUNT OF THE PENALTY IMPOSED**
21 **UNDER THIS SUBSECTION, THE BOARD SHALL CONSIDER:**

22 **(I) THE SERIOUSNESS OF THE VIOLATION;**

23 **(II) THE HARM CAUSED BY THE VIOLATION;**

24 **(III) THE GOOD FAITH OF THE HOLDER OF A LIMITED**
25 **LICENSE; AND**

26 **(IV) ANY HISTORY OF PREVIOUS VIOLATIONS BY THE**
27 **HOLDER OF A LIMITED LICENSE.**

28 **(3) THE BOARD SHALL PAY ANY PENALTY COLLECTED UNDER**
29 **THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.**

1 **(C) THE BOARD SHALL CONSIDER THE FOLLOWING FACTS IN THE**
2 **GRANTING, DENIAL, RENEWAL, SUSPENSION, OR REVOCATION OF A LIMITED**
3 **LICENSE OR THE REPRIMAND OF A HOLDER OF A LIMITED LICENSE WHEN AN**
4 **APPLICANT OR HOLDER OF A LIMITED LICENSE IS CONVICTED OF A FELONY OR**
5 **MISDEMEANOR DESCRIBED IN SUBSECTION (A)(3) OF THIS SECTION:**

6 **(1) THE NATURE OF THE CRIME;**

7 **(2) THE RELATIONSHIP OF THE CRIME TO THE ACTIVITIES**
8 **AUTHORIZED BY THE LIMITED LICENSE;**

9 **(3) WITH RESPECT TO A FELONY, THE RELEVANCE OF THE**
10 **CONVICTION TO THE FITNESS AND QUALIFICATION OF THE APPLICANT OR**
11 **HOLDER OF A LIMITED LICENSE TO PROVIDE MANAGEMENT SERVICES;**

12 **(4) THE LENGTH OF TIME SINCE THE CONVICTION; AND**

13 **(5) THE BEHAVIOR AND ACTIVITIES OF THE APPLICANT OR**
14 **HOLDER OF A LIMITED LICENSE BEFORE AND AFTER THE CONVICTION.**

15 **22-409.**

16 **ON THE INITIATIVE OF THE BOARD OR ON A WRITTEN COMPLAINT MADE**
17 **BY ANY PERSON TO THE BOARD, THE BOARD MAY COMMENCE PROCEEDINGS**
18 **UNDER § 22-410 OF THIS SUBTITLE.**

19 **22-410.**

20 **(A) EXCEPT AS OTHERWISE PROVIDED IN § 10-226 OF THE STATE**
21 **GOVERNMENT ARTICLE, BEFORE THE BOARD TAKES ANY FINAL ACTION UNDER**
22 **§ 22-408 OF THIS SUBTITLE, THE BOARD SHALL GIVE THE INDIVIDUAL AGAINST**
23 **WHOM THE ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING**
24 **BEFORE THE BOARD.**

25 **(B) THE BOARD SHALL GIVE NOTICE AND HOLD THE HEARING IN**
26 **ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT**
27 **ARTICLE.**

28 **(C) THE BOARD MAY ADMINISTER OATHS IN CONNECTION WITH ANY**
29 **PROCEEDING UNDER THIS SECTION.**

30 **(D) (1) THE BOARD MAY ISSUE A SUBPOENA FOR THE ATTENDANCE**
31 **OF A WITNESS TO TESTIFY OR THE PRODUCTION OF EVIDENCE IN CONNECTION**
32 **WITH ANY PROCEEDING UNDER THIS SECTION.**

1 **(2) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED**
2 **UNDER THIS SUBSECTION, ON PETITION OF THE BOARD, A CIRCUIT COURT MAY**
3 **COMPEL COMPLIANCE WITH THE SUBPOENA.**

4 **(E) IF, AFTER DUE NOTICE, THE INDIVIDUAL AGAINST WHOM THE**
5 **ACTION IS CONTEMPLATED FAILS OR REFUSES TO APPEAR, THE BOARD MAY**
6 **HEAR AND DETERMINE THE MATTER.**

7 **22-411.**

8 **ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE BOARD IN A**
9 **CONTESTED CASE, AS DEFINED IN § 10-202 OF THE STATE GOVERNMENT**
10 **ARTICLE, IS ENTITLED TO JUDICIAL REVIEW AS PROVIDED IN §§ 10-222 AND**
11 **10-223 OF THE STATE GOVERNMENT ARTICLE.**

12 **22-412.**

13 **THE BOARD MAY REINSTATE, IN ACCORDANCE WITH THE PROCEDURES**
14 **OF THE BOARD:**

15 **(1) A LIMITED LICENSE THAT HAS BEEN REVOKED; OR**

16 **(2) BEFORE FULFILLMENT OF THE CONDITIONS OF THE**
17 **SUSPENSION, ANY LIMITED LICENSE THAT HAS BEEN SUSPENDED.**

18 **SUBTITLE 5. REGISTRATION OF COMMON OWNERSHIP COMMUNITIES.**

19 **22-501.**

20 **(A) ON OR BEFORE JANUARY 1 OF EACH YEAR, A COMMON OWNERSHIP**
21 **COMMUNITY SHALL REGISTER WITH THE BOARD.**

22 **(B) IF A COMMON OWNERSHIP COMMUNITY CONTRACTS FOR**
23 **MANAGEMENT SERVICES, THE RESPONSIBLE MANAGER SHALL BE RESPONSIBLE**
24 **FOR THE REGISTRATION OF THE COMMON OWNERSHIP COMMUNITY.**

25 **22-502.**

26 **EACH COMMON OWNERSHIP COMMUNITY SHALL PROVIDE THE BOARD**
27 **THE FOLLOWING INFORMATION:**

28 **(1) THE NAME AND ADDRESS OF THE COMMON OWNERSHIP**
29 **COMMUNITY;**

1 **(2) THE COUNTY IN WHICH THE COMMON OWNERSHIP**
2 **COMMUNITY IS LOCATED;**

3 **(3) THE NAME AND CONTACT INFORMATION OF EACH OFFICER OR**
4 **MEMBER OF THE BOARD OF DIRECTORS OR GOVERNING BODY OF THE COMMON**
5 **OWNERSHIP COMMUNITY;**

6 **(4) THE NAME AND ADDRESS OF THE LICENSED MANAGER, IF ANY,**
7 **FOR THE COMMON OWNERSHIP COMMUNITY; AND**

8 **(5) ANY OTHER INFORMATION REQUIRED BY THE BOARD.**

9 **SUBTITLE 6. MISCELLANEOUS PROVISIONS.**

10 **22-601.**

11 **(A) IN THIS SECTION, “CONTRACTING PARTY” MEANS A PERSON WHO**
12 **CONTRACTS TO PROVIDE MANAGEMENT SERVICES FOR A COMMON OWNERSHIP**
13 **COMMUNITY.**

14 **(B) A CONTRACTING PARTY SHALL FILE WITH THE SECRETARY PROOF**
15 **AS REQUIRED BY THE BOARD OF A FIDELITY BOND OR THEFT INSURANCE, OR**
16 **OTHER COMPARABLE WRITTEN INSURANCE AS REQUIRED BY THE BOARD, THAT**
17 **COVERS:**

18 **(1) ANY PERSON WHO PROVIDES MANAGEMENT SERVICES FOR A**
19 **COMMON OWNERSHIP COMMUNITY UNDER THE TERMS OF A CONTRACT; AND**

20 **(2) ANY INDIVIDUAL WORKING UNDER THE DIRECTION OF A**
21 **PERSON DESCRIBED IN ITEM (1) OF THIS SUBSECTION.**

22 **(C) (1) A FIDELITY BOND OR INSURANCE FOR WHICH PROOF IS FILED**
23 **UNDER THIS SECTION SHALL PROVIDE COVERAGE IN AN AMOUNT EQUAL TO THE**
24 **LESSER OF:**

25 **(I) \$2,000,000; OR**

26 **(II) THE HIGHEST AGGREGATE AMOUNT OF THE OPERATING**
27 **AND RESERVE BALANCES OF ALL COMMON OWNERSHIP COMMUNITIES UNDER**
28 **CONTRACT WITH THE CONTRACTING PARTY IN THE PRIOR 3 MONTHS.**

29 **(2) THE TOTAL LIABILITY OF THE INSURANCE TO ALL INSURED**
30 **PERSONS UNDER A FIDELITY BOND OR INSURANCE MAY NOT EXCEED THE SUM**
31 **OF THE FIDELITY BOND OR INSURANCE.**

1 **(3) THE SECRETARY, OR THE SECRETARY'S DESIGNEE, SHALL BE**
2 **NAMED AS A CERTIFICATE HOLDER FOR ANY FIDELITY BOND OR INSURANCE**
3 **REQUIRED UNDER THIS SECTION.**

4 **(D) IF THE FIDELITY BOND OR INSURANCE IS CANCELED, FORFEITED,**
5 **OR TERMINATED, THE CONTRACTING PARTY SHALL IMMEDIATELY NOTIFY THE**
6 **SECRETARY.**

7 **(E) IF THE FIDELITY BOND OR INSURANCE IS CANCELED, FORFEITED,**
8 **OR TERMINATED, OR THE CONTRACTING PARTY FAILS TO NOTIFY THE**
9 **SECRETARY OF ANY CHANGES TO THE FIDELITY BOND OR INSURANCE, THE**
10 **SECRETARY:**

11 **(1) SHALL SUSPEND ANY LICENSE OR LIMITED LICENSE OF ANY**
12 **INDIVIDUAL PROVIDING MANAGEMENT SERVICES COVERED BY THE FIDELITY**
13 **BOND OR INSURANCE; AND**

14 **(2) MAY NOT REINSTATE A LICENSE OR LIMITED LICENSE UNTIL**
15 **PROOF OF COMPLIANCE WITH THIS SECTION IS PROVIDED TO THE SECRETARY.**

16 **22-602.**

17 **(A) A LICENSED MANAGER SHALL DEPOSIT ALL MONEY RECEIVED IN**
18 **CONNECTION WITH THE PROVISION OF MANAGEMENT SERVICES IN ONE OR**
19 **MORE OF THE FINANCIAL INSTITUTION ACCOUNTS OF A COMMON OWNERSHIP**
20 **COMMUNITY.**

21 **(B) A LICENSED MANAGER WHO PROVIDES MANAGEMENT SERVICES**
22 **FOR MORE THAN ONE COMMON OWNERSHIP COMMUNITY SHALL MAINTAIN**
23 **SEPARATE FINANCIAL INSTITUTION ACCOUNTS FOR EACH COMMON OWNERSHIP**
24 **COMMUNITY.**

25 **(C) THE FUNDS IN EACH FINANCIAL INSTITUTION ACCOUNT OF A**
26 **COMMON OWNERSHIP COMMUNITY MAY NOT BE COMMINGLED WITH THE FUNDS**
27 **OF THE LICENSED MANAGER OR ANOTHER COMMON OWNERSHIP COMMUNITY.**

28 **(D) THE MAINTENANCE OF FINANCIAL INSTITUTION ACCOUNTS BY A**
29 **LICENSED MANAGER SHALL BE CUSTODIAL AND PROVIDED IN THE NAME OF THE**
30 **COMMON OWNERSHIP COMMUNITY.**

31 **(E) THE RECORDS OF EACH FINANCIAL INSTITUTION ACCOUNT OF A**
32 **COMMON OWNERSHIP COMMUNITY SHALL BE ACCESSIBLE FOR REVIEW**

1 DIRECTLY FROM THE FINANCIAL INSTITUTION BY THE GOVERNING BODY OF
2 THE COMMON OWNERSHIP COMMUNITY.

3 (F) A LICENSED MANAGER WHO WILLFULLY VIOLATES ANY PROVISION
4 OF THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS
5 SUBJECT TO A FINE NOT EXCEEDING \$25,000 OR IMPRISONMENT NOT
6 EXCEEDING 5 YEARS OR BOTH.

7 **22-603.**

8 IF A COMMON OWNERSHIP COMMUNITY CONTRACTS WITH A PERSON
9 OTHER THAN A LICENSED MANAGER TO PROVIDE MANAGEMENT SERVICES, THE
10 CONTRACT SHALL REQUIRE THAT ONLY A LICENSED MANAGER PROVIDE THE
11 MANAGEMENT SERVICES FOR THE COMMON OWNERSHIP COMMUNITY.

12 **SUBTITLE 7. PROHIBITED ACTS; PENALTIES.**

13 **22-701.**

14 EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, A PERSON MAY NOT
15 PROVIDE, ATTEMPT TO PROVIDE, OR OFFER TO PROVIDE MANAGEMENT
16 SERVICES FOR A COMMON OWNERSHIP COMMUNITY IN THE STATE UNLESS
17 ISSUED A LICENSE OR LIMITED LICENSE BY THE BOARD.

18 **22-702.**

19 UNLESS AUTHORIZED UNDER THIS TITLE TO PROVIDE MANAGEMENT
20 SERVICES FOR A COMMON OWNERSHIP COMMUNITY, A PERSON MAY NOT
21 REPRESENT TO THE PUBLIC BY USE OF A TITLE, INCLUDING "LICENSED
22 MANAGER", "HOLDER OF A LIMITED LICENSE", OR "COMMON OWNERSHIP
23 COMMUNITY MANAGEMENT" BY USE OF AN ABBREVIATION, BY DESCRIPTION OF
24 SERVICES, METHODS, OR PROCEDURES, OR OTHERWISE THAT THE PERSON IS
25 AUTHORIZED TO PROVIDE MANAGEMENT SERVICES FOR A COMMON OWNERSHIP
26 COMMUNITY IN THE STATE.

27 **22-703.**

28 **AN INDIVIDUAL MAY NOT:**

29 (1) USE OR ATTEMPT TO USE THE LICENSE OR LIMITED LICENSE
30 OF ANOTHER INDIVIDUAL; OR

31 (2) IMPERSONATE ANOTHER INDIVIDUAL WHO HOLDS A LICENSE
32 OR LIMITED LICENSE.

1 **22-704.**

2 AN INDIVIDUAL MAY NOT GIVE FALSE INFORMATION TO THE BOARD IN AN
3 ATTEMPT TO OBTAIN A LICENSE OR LIMITED LICENSE.

4 **22-705.**

5 AN INDIVIDUAL WHOSE LICENSE OR LIMITED LICENSE HAS BEEN
6 SUSPENDED OR REVOKED UNDER THIS TITLE MAY NOT PROVIDE MANAGEMENT
7 SERVICES FOR A COMMON OWNERSHIP COMMUNITY IN ANY MANNER AS:

8 (1) AN ASSOCIATE, AGENT, EMPLOYEE, OR ANY OTHER
9 SUBORDINATE OF A LICENSED MANAGER; OR

10 (2) A PRINCIPAL, AN ASSOCIATE, AN AGENT, AN EMPLOYEE, OR
11 ANY OTHER SUBORDINATE OF A CORPORATION, PARTNERSHIP, OR LIMITED
12 LIABILITY COMPANY THAT PROVIDES MANAGEMENT SERVICES.

13 **22-706.**

14 (A) A PERSON WHO VIOLATES ANY PROVISION OF THIS TITLE IS GUILTY
15 OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT
16 EXCEEDING \$5,000 OR IMPRISONMENT NOT EXCEEDING 3 YEARS OR BOTH.

17 (B) (1) THE BOARD MAY IMPOSE ON A PERSON WHO VIOLATES ANY
18 PROVISION OF THIS TITLE A PENALTY NOT EXCEEDING \$5,000 FOR EACH
19 VIOLATION.

20 (2) IN SETTING THE AMOUNT OF THE PENALTY, THE BOARD
21 SHALL CONSIDER:

22 (I) THE SERIOUSNESS OF THE VIOLATION;

23 (II) THE HARM CAUSED BY THE VIOLATION;

24 (III) THE GOOD FAITH OF THE VIOLATOR;

25 (IV) ANY HISTORY OF PREVIOUS VIOLATIONS BY THE
26 VIOLATOR; AND

27 (V) ANY OTHER RELEVANT FACTORS.

28 (C) THE BOARD SHALL PAY ANY PENALTY COLLECTED UNDER THIS
29 SECTION INTO THE GENERAL FUND OF THE STATE.

1 **SUBTITLE 8. SHORT TITLE; TERMINATION OF TITLE.**

2 **22-801.**

3 **THIS TITLE MAY BE CITED AS THE MARYLAND COMMON OWNERSHIP**
4 **COMMUNITY MANAGERS ACT.**

5 **22-802.**

6 **SUBJECT TO THE EVALUATION AND REESTABLISHMENT PROVISIONS OF**
7 **THE MARYLAND PROGRAM EVALUATION ACT, THIS TITLE AND ALL**
8 **REGULATIONS ADOPTED UNDER THIS TITLE SHALL TERMINATE AND BE OF NO**
9 **EFFECT AFTER OCTOBER 1, 2024.**

10 **Article – Business Regulation**

11 **2-106.9.**

12 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
13 **MEANINGS INDICATED.**

14 **(2) “BOARD” MEANS THE STATE BOARD OF COMMON**
15 **OWNERSHIP COMMUNITY MANAGERS.**

16 **(3) “FUND” MEANS THE STATE BOARD OF COMMON OWNERSHIP**
17 **COMMUNITY MANAGERS FUND.**

18 **(B) THERE IS A STATE BOARD OF COMMON OWNERSHIP COMMUNITY**
19 **MANAGERS FUND IN THE DEPARTMENT.**

20 **(C) THE PURPOSE OF THE FUND IS TO COVER THE ACTUAL**
21 **DOCUMENTED DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY**
22 **AND REGULATORY DUTIES OF THE BOARD.**

23 **(D) THE SECRETARY OR THE SECRETARY’S DESIGNEE SHALL**
24 **ADMINISTER THE FUND.**

25 **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
26 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

27 **(2) THE STATE TREASURER SHALL HOLD THE FUND**
28 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

29 **(F) THE FUND CONSISTS OF:**

1 (1) FEES COLLECTED BY THE BOARD AND DISTRIBUTED TO THE
2 FUND UNDER § 22-207 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS
3 ARTICLE;

4 (2) INVESTMENT EARNINGS OF THE FUND;

5 (3) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
6 AND

7 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
8 THE BENEFIT OF THE FUND.

9 (G) THE FUND MAY BE USED ONLY TO COVER THE ACTUAL
10 DOCUMENTED DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY
11 AND REGULATORY DUTIES OF THE BOARD.

12 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
13 FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

14 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE
15 CREDITED TO THE FUND.

16 (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
17 ACCORDANCE WITH THE STATE BUDGET.

18 (J) THE LEGISLATIVE AUDITOR SHALL AUDIT THE ACCOUNTS AND
19 TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE
20 GOVERNMENT ARTICLE.

21 **2-106.10.**

22 (A) IN THIS SECTION, "BOARD" MEANS THE STATE BOARD OF COMMON
23 OWNERSHIP COMMUNITY MANAGERS.

24 (B) IN CONSULTATION WITH THE BOARD, THE SECRETARY SHALL
25 CALCULATE ANNUALLY THE DIRECT AND INDIRECT COSTS ATTRIBUTABLE TO
26 THE BOARD.

27 (C) THE BOARD SHALL ESTABLISH FEES BASED ON THE CALCULATIONS
28 PROVIDED BY THE SECRETARY UNDER THIS SECTION.

1 **(D) EACH FEE ESTABLISHED BY THE BOARD MAY NOT BE INCREASED**
2 **ANNUALLY BY MORE THAN 12.5% OF THE EXISTING AND CORRESPONDING FEE**
3 **OF THE BOARD.**

4 2-108.

5 (a) The following units are in the Department:

6 **(9) THE STATE BOARD OF COMMON OWNERSHIP COMMUNITY**
7 **MANAGERS.**

8 **Article – Corporations and Associations**

9 **5-6B-12.1.**

10 **A COOPERATIVE HOUSING CORPORATION SHALL REGISTER ANNUALLY**
11 **WITH THE STATE BOARD OF COMMON OWNERSHIP COMMUNITY MANAGERS IN**
12 **THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION AS REQUIRED**
13 **UNDER TITLE 22, SUBTITLE 5 OF THE BUSINESS OCCUPATIONS AND**
14 **PROFESSIONS ARTICLE.**

15 **Article – Real Property**

16 **11-130.1.**

17 **A CONDOMINIUM THAT IS USED FOR RESIDENTIAL PURPOSES SHALL**
18 **REGISTER ANNUALLY WITH THE STATE BOARD OF COMMON OWNERSHIP**
19 **COMMUNITY MANAGERS IN THE DEPARTMENT OF LABOR, LICENSING, AND**
20 **REGULATION AS REQUIRED UNDER TITLE 22, SUBTITLE 5 OF THE BUSINESS**
21 **OCCUPATIONS AND PROFESSIONS ARTICLE.**

22 **11B-115.2.**

23 **A HOMEOWNERS ASSOCIATION SHALL REGISTER ANNUALLY WITH THE**
24 **STATE BOARD OF COMMON OWNERSHIP COMMUNITY MANAGERS IN THE**
25 **DEPARTMENT OF LABOR, LICENSING, AND REGULATION AS REQUIRED UNDER**
26 **TITLE 22, SUBTITLE 5 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS**
27 **ARTICLE.**

28 **Article – State Finance and Procurement**

29 6-226.

30 (a) (2) (i) Notwithstanding any other provision of law, and unless
31 inconsistent with a federal law, grant agreement, or other federal requirement or with

1 the terms of a gift or settlement agreement, net interest on all State money allocated
 2 by the State Treasurer under this section to special funds or accounts, and otherwise
 3 entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue
 4 to the General Fund of the State.

5 (ii) The provisions of subparagraph (i) of this paragraph do not
 6 apply to the following funds:

7 76. the Baltimore City Public School Construction
 8 Financing Fund; [and]

9 77. the Spay/Neuter Fund; AND

10 78. STATE BOARD OF COMMON OWNERSHIP
 11 COMMUNITY MANAGERS FUND.

12 Article – State Government

13 8–403.

14 (a) On or before December 15 of the evaluation year specified, the
 15 Department shall:

16 (1) conduct a preliminary evaluation of each governmental activity or
 17 unit to be evaluated under this section; and

18 (2) prepare a report on each preliminary evaluation conducted.

19 (b) Each of the following governmental activities or units and the statutes
 20 and regulations that relate to the governmental activities or units are subject to
 21 preliminary evaluation in the evaluation year specified:

22 (12) COMMON OWNERSHIP COMMUNITY MANAGERS, STATE
 23 BOARD OF (§ 22–201 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS
 24 ARTICLE: 2021);

25 SECTION 4. AND BE IT FURTHER ENACTED, That the terms of the initial
 26 members of the State Board of Common Ownership Community Managers shall expire
 27 as follows:

28 (a) three members in 2017;

29 (b) three members in 2018; and

30 (c) three members in 2019.

1 SECTION 5. AND BE IT FURTHER ENACTED, That:

2 (a) Until the State Board of Common Ownership Community Managers
3 adopts regulations concerning the examination requirements for applicants for a
4 license under this Act, passing an examination that meets the requirements listed in
5 subsection (b) of this section shall be deemed adequate for satisfying the requirements
6 of § 22–302(c)(2) of the Business Occupations and Professions Article, as enacted
7 under Section 3 of this Act.

8 (b) The examination specified under subsection (a) of this section shall be:

9 (1) a nationally prepared and administered standardized examination
10 for the community association management profession; and

11 (2) developed according to the basic principles of professional testing
12 standards that utilize psychometric measurement.

13 SECTION 6. AND BE IT FURTHER ENACTED, That the State Board of
14 Common Ownership Community Managers shall grant a waiver of the training and
15 examination requirements for a license issued under § 22–304 of the Business
16 Occupations and Professions Article, as enacted under Section 3 of this Act, to any
17 applicant who presents to the Board no later than October 1, 2016, satisfactory
18 evidence that the applicant provided management services in the State for the 2 years
19 immediately before the date of application.

20 SECTION 7. AND BE IT FURTHER ENACTED, That, on or before December 1,
21 2014, the Department of Labor, Licensing, and Regulation shall report to the General
22 Assembly, in accordance with § 2–1246 of the State Government Article, on the
23 imposition of a registration fee on common ownership communities, including the
24 necessity for and amount of a registration fee on common ownership communities in
25 relation to the license and limited license fees required under this Act and the size of a
26 common ownership community to which a registration fee would apply.

27 SECTION 8. AND BE IT FURTHER ENACTED, That the Department of
28 Budget and Management, by budget amendment, may advance sufficient funds to the
29 State Board of Common Ownership Community Managers to allow the Board to
30 commence operations on October 1, 2014, so that the functions of issuing licenses and
31 limited licenses and registering common ownership communities can be in place prior
32 to October 1, 2015. The Board shall reimburse any funds that have been advanced
33 after the license and limited license fees have been received and deposited in the State
34 Board of Common Ownership Community Managers Fund.

35 SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect
36 October 1, 2014.