

January 15, 2021

Maryland General Assembly House Environment & Transportation Committee Room 251 House Office Building Annapolis, Maryland 21401

Dear Members of the House Environment & Transportation Committee:

I am writing in <u>opposition to HB 367</u> sponsored by Del. Holmes which is scheduled to be considered by this committee on Tuesday, January 19th.

This bill would create a new state regulatory board and mandatory licensure program for managers of community associations. As a professional who has worked in this industry for more than 20 years, I do not see a compelling need for this program.

I run a large community management company which employs Marylanders who assist client communities throughout Maryland. Our company also employs managers who serves clients in Virginia which has a similar licensure system already in place, so I have experienced firsthand the impact of licensure on our profession. I am familiar with all of the arguments made in favor of licensure and they can be superficially compelling; however, the reality is that occupational licensure does little more than restrict competition and raise costs on businesses and consumers. This legislation would also be an additional burden to the taxpayers of Maryland in creating this unnecessary expansion of state government. The most effective consumer protections for community associations result when there is diverse competition and association boards have enhanced choice in whom they select as their community manager/management company. HB 367 is counterproductive to this end.

Our company invests significant resources providing our employees ongoing world class education and training – including achieving industry-recognized designations – as a means of distinguishing ourselves from our competitors. Instituting a costly, state-run licensure program would disincentivize those investments.

Thank you for your attention to my concerns. I respectfully repeat my request that you vote against HB 367.

Sincerely,

Marc B. McCoy President Legum & Norman