

Maryland Legislative Action Committee The Legislative Voice of Maryland Community Association Homeowners

Steven Randol, Chair Charlene Morazzani Hood, MS, CMCA, AMS,PCAM, Vice Chair Vicki Caine, Secretary Marie Fowler, PCAM, Treasurer Susan Rapaport, Esq., Asst. Secretary Kathleen M. Elmore, Esq., Asst. Treasurer

Reese F. Cropper III, CIRMS, Member Julie Dymowski, Esq., Member Ruth Katz, Esq., Member Steven Landsman, PCAM, Member Judyann Lee, Esq., Member Chris Majerle, PCAM, Member Buck Mann, CMCA, Member Robin C. Manougian, CIRMS, Member
Peter Philbin, Esq. Member
Brenda Reiber, Member
Susan Saltsman, Member
Thomas C. Schild, Esq., CCAL, Member
John Taylor, Member
Aimee Winegar, CMCA, LSM, PCAM, Member

February 18, 2020

Honorable Delegate Derek E. Davis, Chairman Economic Matters Committee 231 House Office Building 6 Bladen Street Annapolis, MD 21401

Re: HB 929: State Real Estate Commission - Property Managers - Registration

Hearing Date: February 18, 2020 Position: OPPOSE

Dear Chairman Davis and Committee Members:

This letter is submitted on behalf of the Maryland Legislative Action Committee ("MD-LAC") of the Community Associations Institute ("CAI"). MD-LAC CAI represents community associations, homeowners, as well as, professionals, including property managers, who work with condominiums, homeowners' associations and cooperatives throughout the State of Maryland.

The MD-LAC opposes HB 929, which creates a new registry of property managers under the State Real Estate Commission. Similar legislation was introduced in 2017 as SB 520 and received an unfavorable report by the Senate Education, Health and Environmental Affairs Committee. The issues that existed with the past legislation have not been corrected by HB 929, and this legislation creates even further issues with inconsistent and incomplete language and terms.

Specific issues with HB 929 are set forth below and form the basis for the MD-LAC's opposition:

- The language of HB 929 is not clear, consistent or complete. For example, it states that Property Management Services do not include "participating in a homeowners association". However, it fails to account for participation in other types of community associations, such as condominium associations or cooperative associations. It also fails to define what "participating" means as this term is subject to several interpretations and can cover work as a board member or a manager. In another section it states that a Property Manager is a "person". Yet, a later provision states that a "Property Manager" includes a partnership or corporation. More importantly, nowhere in the bill is "Property" defined. This is a key term that must be clearly defined to fully understand the implication of this legislation, including whether it is aimed at the community associations industry. To correct these issues, a complete review and revision of HB 929's language is needed.
- HB 929 would bring property managers under an existing State Real Estate Commission.
 The MD-LAC opposes registration of Community Association Property Managers under
 any body that does not include at least a majority of those from the Community
 Association Management industry.
- HB 929 does nothing to ensure that the registered managers have any level of
 professional qualifications or competency. There are no educational or certification
 requirements contained in the legislation that would allow the state to establish a
 minimum level of practitioner knowledge and professionalism for registered managers.
- HB 929 contains no provisions requiring registered managers to comply with any standards of professional or ethical conduct.

The concept of registration of property managers without any standards or methods to establish minimum levels of knowledge, training, skills, or certifications accomplishes no public policy benefit. Taken together, the proposed legislation, given the deficiencies, will do little to protect the estimated 1+ million Marylanders who live in common ownership communities or the managers who serve them. As a result, the MD-LAC opposes HB 929.

We are available to answer any questions the Committee Members may have. Please feel free to contact us through Julie Dymowski, Esquire at JDymowski@wtplaw.com, or through our lobbyist, Lisa Harris Jones at 410-366-1500 or lisa.jones@mdlobbyist.com, or Steven K. Randol, Chair of the MD-LAC, at 410-695-2183 or via email at srandol@pineyorchard.com.

Sincerely,

Julie Dymowski, Esquire Member, CAI MD-LAC

Julie Dymowski

Steven Randol Chairman, CAI MD-LAC

Steven K. Randal