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February 28, 2023

To: The Honorable Kumar Barve

Chair, Environment and Transportation Committee

From: Karen S. Straughn

Consumer Protection Division

Re: House Bill 833 – Homeowners Associations – Recorded Liens – Voting Prohibitions

(SUPPORT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 833 submitted by Delegate Marvin E. Holmes, Jr. This bill would place a restriction in the Homeowners Act that is similar to the one that presently exists in the Condominium Act providing that an association may not prevent voting by a member of the association unless the association has first filed a lien against the homeowner.

Our office receives many complaints from owners in homeowners and condominium associations advising that members have been denied the right to vote because they were behind in their assessments or owed some other fee or fine. When this occurs in a condominium association, based on the statutory language (Real Prop. § 11-104(d)), our office advises the association that voting may only be prohibited if a lien has been filed against the member. There are often disputes about the amount of assessments due or the violations leading to a fee and the requirements of this bill not only provide notice to a homeowner, but also would prevent homeowners from losing their right to vote without being able to challenge the alleged money due.

This Division has received complaints from members of homeowners associations who assert that they have paid assessments that have not been credited by the association or have been credited against fines or fees that they have challenged. If an association prohibits voting without actually filing a lien, members run the risk of losing their right to vote without a fair

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opportunity to challenge the alleged money owed before an unbiased party.

For these reasons, we ask that the Environment and Transportation Committee return a favorable report on this bill.

cc: The Honorable Marvin E. Holmes, Jr.
Members, Environment and Transportation Committee