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OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

Write 19-15/76-7942 No. Fax: 410-576-7040

January 26, 2023

To: The Honorable Kumar Barve

Chair, Environment and Transportation Committee

From: Karen S. Straughn

Consumer Protection Division

Re: House Bill 29 – Residential Owners in Common Ownership Communities Bill of Rights -

(LETTER OF SUPPORT WITH AMENDMENT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 29 introduced by Delegate Marvin Holmes with the attached amendment. This bill creates a bill of rights for members of a common ownership community. The Consumer Protection Division currently mediates complaints on behalf of association members when those members feel their rights under the acts which regulate common ownership communities have not been honored. In addition, the Division has the authority to take an enforcement action against an association that is in violation of the statutes when it feels that an unfair and deceptive trade practice has taken place.

While this office supports a bill of rights for consumers, this bill also provides a mechanism by which the Office of the Attorney General would take direct enforcement actions on behalf of an association member. This office supports the ability of an association member to file a complaint with the Consumer Protection Division when their rights have been compromised, rather than the right to have the Division file a direct action on behalf of an individual residential owner. The Division does not presently represent individual consumers and only takes actions on behalf of the State of Maryland.

The Division supports the rights of a residential owner to file a complaint with the Division rather than seeking to have the Division file an action on behalf of that individual. Enhancing the role of the Division to enable it to represent owners in a common ownership community, would require, at a minimum, a full-time Assistant Attorney General, 1/2 of an investigator, and 1/2 a Mediation Unit Supervisor. The filing of these individual actions could also increase the costs for the associations and, ultimately, the assessments paid by residents.

For these reasons, the Consumer Protection Division seeks a favorable report on this bill with the attached amendment.

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

AMENDMENT TO HB 29 (2023)

Amendment 1

On page 6, in line 5, strike ":" in line 6 strike "(I)", and in line 7 – after communities, strike beginning with "and" down through "Attorney General" in line 11, inclusive.