HB833 CAI Letter in Support - 3-28.pdf Uploaded by: Grason Wiggins

Position: FAV



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

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March 28, 2023

Hon. Senator William Smith, Chair Hon. Senator Jeff Waldstreicher, Vice-Chair Hon. Delegate Marvin E. Holmes, Sponsor Judicial Proceedings Committee 2 East Miller Senate Office Building Annapolis, MD 21401

Re: HB833 - Homeowners Associations - Recorded Liens - Voting Prohibition

Hearing: March 28, 2023 Position: SUPPORT

Dear Chair Smith, Vice-Chair Waldstreicher, Delegate Holmes and Committee Members:

This letter is submitted on behalf of the Maryland Legislative Action Committee ("MD-LAC") of the Community Associations Institute ("CAI"). CAI MD-LAC represents individuals and professionals who reside in or work with condominiums, homeowners' associations, and cooperatives throughout the State of Maryland.

MD-LAC is writing today to voice our support for HB833. This bill allows a homeowners association to have, in its governing documents, a provision that prohibits a lot owner from voting at homeowners association meetings when that lot owner's lot is subject to an unsatisfied statement of lien for unpaid homeowners association assessments. This bill gives homeowners association another tool to help collect assessments, which pay for expenses which benefit the entire association, without depriving lot owners of any other rights of privileges. The bill promotes statutory consistency by aligning the Maryland Homeowners Association Act with Section 11-104 of the Condominium Act.

We respectfully request that the Committee give HB833 a favorable report. We are available to answer any questions which you may have. Please feel free to contact any of the individuals listed: Lisa Harris Jones, CAI MD-LAC lobbyist, at 410-366-1500 or lisa.jones@mdlobbyist.com; or Steven F. Dunn, CAI MD-LAC, at 301-347-1276 or sfdunn@lerchearly.com; or Steven Randol, Chair, at 410-695-2183 or srandol@pineyorchard.com.

Sincerely,

Steven F. Dunn MD-LAC for CAL

Steven Randol Chairman

Steven Randol

CAI is a national organization dedicated to fostering vibrant, competent, harmonious community associations for more than thirty years. Its members include community association volunteer leaders, professional managers, community management firms, and other professionals and companies that provide products and services to common interest associations. As part of its mission, CAI advocates for legislative and regulatory policies that support responsible governance and effective management. As part of this purpose state Legislative Action Committees represent CAI members before state legislatures and agencies on issues such as governance, assessments collection, insurance and construction defects.

HB 833 Crossover Support Letter.pdf Uploaded by: Karen Straughn Position: FAV

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March 28, 2023

The Honorable William C. Smith, Jr. To: Chair, Judicial Proceedings Committee

From: Karen S. Straughn

Consumer Protection Division

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

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

200 Saint Paul Place ♦ Baltimore, Maryland, 21202-2021

For these reasons, we ask that the Judicial Proceedings Committee return a favorable report on this bill.

cc: The Honorable Marvin E. Holmes, Jr. Members, Judicial Proceedings Committee