

CANDACE McLAREN LANHAM
Chief Deputy Attorney General

CAROLYN A. QUATTROCKI
Deputy Attorney General

LEONARD J. HOWIE III
Deputy Attorney General

CHRISTIAN E. BARRERA
Chief Operating Officer

ZENITA WICKHAM HURLEY
Chief, Equity, Policy, and Engagement

PETER V. BERNS
General Counsel



ANTHONY G. BROWN
Attorney General

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

WILLIAM D. GRUHN
Chief
Consumer Protection Division

Writer's Direct Dial No.

410-576-7942
kstraughn@oag.state.md.us
Fax: 410-576-7040

February 6, 2024

To: The Honorable Marc Korman
Chair, Environment and Transportation Committee

From: Karen S. Straughn
Consumer Protection Division

Re: House Bill 266 - 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 266 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.

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, a full time 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 266 (2024)

Amendment 1

On page 6, in line 2, strike “(I)”, and in line 3- after communities, strike beginning with “and” down through “Attorney General” in line 7, inclusive.