

Real Property Section

To: Environment and Transportation Committee (House)

From: Legislative Committee of the Real Property Section Counsel

Date: February 16, 2024 [Hearing Date February 20, 2024]

Subject: HB 793 – Real Property - Governing Bodies of Common Ownership

Communities - Member Training

Position: Technical Comments

The Real Property Section Counsel of the Maryland State Bar Association (MSBA) **offers** technical comments to HB 793 – Real Property - Governing Bodies of Common Ownership Communities - Member Training.

This bill as proposed, would require that directors and officers of a condominium association complete a prescribed training curriculum. It appears to be in the nature of consumer protection legislation that should only apply to condominiums with residential units that are sold to consumer homeowners. It should not apply to any commercial condominiums, including condominiums that have residential rental apartment buildings, which should be exempt from such homeowner director and officer training requirements.

To avoid similar problems as in other sections of the Condominium Act, exemption language for this bill should **NOT** be drafted as to condominiums that are occupied and used solely for nonresidential purposes or similar language. Such language has the unintended consequence of potentially applying to a condominium regime that includes a residential apartment building in which the dwellings are all rented rather than owned by consumers. Since it is intended to apply to consumer unit owners and residential homeowner condominium boards, the exemption language should be that HB793 applies only to a condominium in which any residential units therein are sold to consumer home buyers.

While it would be nice if the board members were educated, enforcing such a law may prove difficult. In addition, it may discourage homeowners from participating on such boards.

Thank you for your consideration.