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February 13, 2024

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

From: Karen S. Straughn Consumer Protection Division

Re: House Bill 286 – Task Force on Common Ownership Communities (SUPPORT WITH AMENDMENT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 286 submitted by Delegates Holmes, Guyton and Pasteur with amendment. This bill establishes a task force on Common Ownership Communities to study the education and training needs of boards and new owners, as well as issues impacting common ownership communities. We recommend an amendment to consider adding a designee of the Maryland Higher Education Commission to staff the task force because the bill recommends study of providing classes and brochures on the subject by this state agency.

Common ownership communities have been in existence for decades, but the concerns and issues facing them continue to grow. In 2006, a task force was established to define the key issues which impacted the health and viability of common ownership communities, analyze six areas of significant problems at that time, and build consensus regarding balanced and affordable reforms for recommendation. Since that time, there have been numerous laws passed to assist these communities, but the complexity of common ownership communities requires further study to be able to meet the growing needs.

This bill would consider training and education for governing boards, conflict management processes, the collection of assessments, resources to assist the communities and the transfer from developers to associations, among many others. This would aid in developing new laws to

assist communities to ensure that they remain viable and responsive to the needs of their members.

The Office of the Attorney General recommends considering adding a designee of the Maryland Higher Education Commission to the task force due to the fact that the bill requires the task force to study requesting this state agency to provide classes and brochures for common ownership communities.

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

cc: The Honorable Marvin E. Holmes, Jr.
The Honorable Michele Guyton
The Honorable Cheryl E. Pasteur
Members, Environment and Transportation Committee