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January 24, 2025

To: The Honorable Marc Korman

Chair, Environment & Transportation Committee

From: Karen S. Straughn

**Consumer Protection Division** 

Re: House Bill 294 – Task Force on Common Ownership Communities (SUPPORT WITH

AMENDMENTS)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony in support of House Bill 294 submitted by Delegate Marvin E. Holmes, Jr. with amendments. 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 the task force because the bill recommends study of providing classes and brochures on the subject by this state agency. In addition, we advise that the bill requires staffing by the Office of the Attorney General which would require the addition of a full-time Administrator.

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 whether this state agency should provide classes and brochures for common ownership communities. In addition, the bill currently requires the Office of the Attorney General to staff this task force, however, we do not currently have the resources to be able to staff this taskforce for a 2-year period and would require a full-time administrator be added to be able to staff this task force for its duration.

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

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