RYAN SPIEGEL

Legislative District 17

Montgomery County

Appropriations Committee

Subcommittees

Oversight Committee on Pensions

Transportation and the Environment



The Maryland House of Delegates 6 Bladen Street, Room 223 Annapolis, Maryland 21401 410-841-3792 800-492-7122 Ext. 3792 Ryan.Spiegel@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Montgomery County - Common Ownership Communities - Disputes, Payments, and Elections – HB1117 (MC 11-25) - 2025

<u>Testimony of Delegate Ryan Spiegel - Favorable</u>

Hon. Chair Korman, Vice-Chair Boyce, and Members of the Environment and Transportation Committee,

HB1117 (MC 11-25), which passed unanimously in the Montgomery County House Delegation, seeks to address recurring issues in Common Ownership Communities (COCs) by strengthening governance, improving conflict resolution, and balancing power dynamics to better support residents—with a focus on curtailing some of the most egregious abuses while acknowledging the general authority of associations and the fact that may are well run.

This bill was introduced as a local measure because Montgomery County has the largest number of COCs in the state. Unfortunately, the county's Commission on Common Ownership Communities (CCOC) has been largely ineffective in resolving disputes for unit owners. Without a significant reorganization or increased county funding, many pressing concerns remain unaddressed.

HB1117 introduces the following key reforms:

- Improved Transparency: Ensures access to COC meeting materials and minutes.
- **Fair Elections:** Requires board elections to be conducted by a disinterested party, whether an independent COC member, a third-party facilitator, or a commercial voting software, to prevent conflicts of interest and enhance integrity.
- **Protection Against Retaliation:** Mandates that COCs provide common space for resident meetings and prohibits retaliation against homeowners organizing to address concerns.
- Fair Payment Practices: Prevents boards and management from imposing unreasonable restrictions on payment methods, delaying payment processing, or withholding of receipts and itemized bills—tactics sometimes used to claim late payments or force waivers of homeowner rights.
- Safeguards During Disputes: Prohibits COCs from taking adverse action against unit
 owners during formal dispute proceedings, provided dues and HOA fees continue to be
 paid. This ensures that access to amenities such as playgrounds, gyms, and pools
 cannot be revoked prematurely, and legal fees can only be collected if an actual ruling
 by a court or arbitrator confirms the COC's entitlement to them.
- **Enhanced Notice Requirements:** Strengthens notification procedures to ensure unit owners are properly informed of claims against them.
- **Legal Remedies:** Clarifies that judges or arbitrators can grant injunctive relief or damages, including a unit owner's legal fees, against a COC when warranted. In rare

cases of willful or intentional violations, additional damages may be imposed if the intent can be proven.

Moreover, I have met with representatives of COCs who reached out to my office and am coordinating with stakeholders to suggest to the Committee some amendments to address their specific concerns.

The measures in this bill will improve fairness, transparency, and accountability in COCs, ensuring better protection for residents. For these reasons, I urge a favorable report on HB1117. Thank you for your time and consideration.