



March 27, 2025

The Honorable William C. Smith, Jr., Chair
Judicial Proceedings Committee
2 East Miller Senate Office Building
Annapolis, Maryland 21401

Dear Chair Smith, Vice-Chair Waldstreicher, and Members of the Committee:

On behalf of Associa and our hundreds of Maryland-based employees, I am writing to respectfully oppose **HB 303, the Regulation of Common Ownership Community Managers**.

The legislation seeks to create an entirely new state regulatory board to license managers of community associations. The effect of this would be to raise housing costs for the nearly 1.1 million Marylanders who live in an association of one form or the other.¹ The last thing we should be doing is raising the costs for homeowners and finding ways to make it harder for people to stay in their homes, or to find housing in the first place. Unintentionally, that is exactly what will happen if this bill becomes law.

The numerous fees and budgetary appropriations called for in the legislation will be passed on to residents throughout Maryland. Just as important, the intended benefits have been shown, time and again, to be absent from regulation like this. That is exactly why only 8 states currently regulate community association managers and why Colorado recently repealed its licensing requirements. Similarly, in Virginia, a 2018 report from the Joint Legislative Audit and Review Commission found that "Community managers...pose little risk to the public if left unregulated."² The report went on to recommend repealing the licensure requirements for community association managers.

On the national level, the Obama administration examined this issue and found that the data does not support the claim that occupational licensure improves the services of the regulated profession. It also concluded that public health and safety were not improved by licensure, the main argument used to justify licensure in the first place.³

As with previous iterations of this legislation, we appreciate that the proposed makeup of the contemplated board is well-balanced and would be filled with professionals experienced in our industry. We appreciate Delegate Holmes' commitment to working with our industry and we welcome the opportunity to continue to work collaboratively with him and the other members of the committee.

¹ Community Associations Institute 2020-2021 U.S. National and State Statistical Review.
https://foundation.caionline.org/wp-content/uploads/2021/07/2021StatsReview_Web.pdf

² Report to the Governor and General Assembly: Operations and Performance of the Department of Professional and Occupational Regulation. 2018. <http://jlarc.virginia.gov/pdfs/reports/Rpt509.pdf>

³ Occupational Licensing: A Framework for Policymakers. The White House (prepared by the Department of the Treasury Office of Economic Policy, the Council of Economic Advisors, and the Department of Labor). July 2015.
https://obamawhitehouse.archives.gov/sites/default/files/docs/licensing_report_final_nonembargo.pdf

Associa has been working in the community association management space in Maryland for over 3 decades, managing nearly 85,000 units in more than 200 communities across the state. The market here is vibrant and the last thing we should be doing, especially at this precarious moment, is enacting barriers that will raise housing costs for the state's 1+ million association residents. Given all of this, **we respectfully ask that you oppose HB 303 and issue an unfavorable report.**

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