



House Bill 433

Date: February 11, 2026
Committee: Economic Matters
Position: Favorable

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

Property managers currently operate under Maryland's strict landlord tenant laws. House Bill 433 (HB 433) makes a simple statutory fix to allow property managers to collect rent payments without the need to be licensed as a debt collector. Under Maryland law, property managers are already subject to strict regulations regarding tenant relations, maintenance, leasing, and daily operations, all of which are governed by the Real Property Article.

A well-reasoned Montgomery County Circuit Court case (*Smith v. Bozzuto*, Case No. C-15-CV-25-000340) has already established that property managers are not "debt collection agencies" under the Maryland Collection Agency Licensing Act (MCALA). In that case, Judge Rachel McGuckian ruled that the legislative history of the MCALA makes clear that its purpose was and remains to regulate debt collectors within the collection agency industry, not property managers who incidentally collect consumer debt.

The court's decision was based on a thorough analysis of the MCALA's legislative history, which showed the General Assembly intended to regulate debt collectors, not professional property managers who collect rent as part of their management duties. The court also noted that the General Assembly provided substantial and specific protections for residential tenants in Title 8 of the Real Property Article.

HB 433 does not weaken tenant protections or consumer safeguards. To be clear, the numerous existing requirements related to notice, court oversight, eviction procedures, and protections against unfair or deceptive practices remain fully intact. In sum, HB 433 simply ensures that property managers are regulated appropriately as housing professionals — not misclassified as debt collectors. For these reasons, the Chamber respectfully requests a **favorable report** on **HB 433**.