



House Bill 402 – Common Ownership Communities - Ombudsman Unit, Governing Document Database, and Local Commissions

Position: Support

Maryland REALTORS® strongly supports HB 402, to create a Common Ownership Community Ombudsman Unit, among other provisions.

Maryland REALTORS® receives many questions and complaints related to the operations and practices by communities and their management companies. This includes the resale delivery process and associated fees; determining which properties belong to which Common Ownership Community and which association management company; and actions of CoC Boards against their members.

However, these complaints are not typically reported to the state. This is because community residents and purchasers are unaware of assistance offered by the Consumer Protection Division, or don't believe that their complaints rise to the level of formal action by the Office of the Attorney General.

REALTORS® have supported greater legislative oversight in this area for many years through the licensing of association managers, stricter limits on resale fees, and the creation of a statewide registry of communities, though none have passed the General Assembly. The Ombudsman created under this Act would be an important source of information on the number and types of complaints made by consumers and future actions for the General Assembly.

This is an area of real estate in great need of attention, and action is long overdue. Therefore, Maryland REALTORS® recommends a favorable report on HB 402.

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