



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

Position: Support

Maryland REALTORS® strongly supports HB 402, as amended, as a major step toward improving transparency and accountability in the governance and management of common ownership communities across the state.

Our members regularly receive questions and complaints from consumers regarding the operations and practices of these communities and their management companies. These concerns frequently involve the resale certificate delivery process and associated fees, confusion about which properties are part of specific common ownership communities and which management companies are responsible for them, and actions taken by community association boards affecting individual members.

For many years, REALTORS® have supported greater legislative oversight in this area, including the licensing of association managers, stronger limitations on resale-related fees, and the establishment of a statewide registry of common ownership communities. Unfortunately, these efforts have not been enacted by the General Assembly.

HB 402 assigns an important implementation role to the Maryland Department of Housing and Community Development (DHCD) by requiring common ownership communities to submit governing documents to the Department, which must then create and maintain a publicly accessible statewide database.

DHCD's involvement is critical to improving transparency and accessibility of information, as it will serve as the central repository for community governance documents—helping homeowners, purchasers, and practitioners more easily identify applicable communities, understand governing rules, and navigate association structures.

By improving visibility into community operations and strengthening consumer awareness, this legislation will better equip homeowners, purchasers, and stakeholders with the tools and information they need. For these reasons, Maryland REALTORS® respectfully urges a favorable report on HB 402, as amended.

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