

Board of Directors
Leisure World Community Corporation
3701 Rossmoor Boulevard
Silver Spring, MD 20906

**TESTIMONY OF THE LEISURE WORLD COMMUNITY CORPORATION OF MARYLAND
ON APRIL 2, 2026
BEFORE THE SENATE JUDICIAL PROCEEDINGS COMMITTEE
HB 402 – COMMON OWNERSHIP COMMUNITIES – OMBUDSMAN UNIT, GOVERNING
DOCUMENT DATABASE, AND LOCAL COMMISSIONS**

FAVORABLE WITH AMENDMENTS

Honorable Chair Senator William C. Smith, Jr., Vice-Chair Senator Jeff Waldstreicher, and Members of the Senate Judicial Proceedings Committee:

This testimony is being submitted on behalf of the Leisure World Community Corporation. Leisure World is a senior (55+) adult community in Silver Spring Maryland, including 27 condominiums, one cooperative housing corporation, and one homeowners' association. Leisure World communities have 5600 units with more than 8000 residents impacted by this bill.

Leisure World being in Montgomery County is subject to the Montgomery County Commission on Common Ownership Communities. With 29 common ownership communities, we have had experiences with disputes. Leisure World has found that for the most, the Montgomery County Commission on Common Ownership Communities has been effective and already functions in a way that is substantially equivalent to these proposed requirements and standards. Leisure World is concerned that requiring the County to adopt new procedures that are completely identical with the provisions of this bill – solely to meet these new technical requirements – would place “form over substance” and result in additional costs without clear advantages to common ownership communities and their members in Montgomery County.

It is noteworthy that the testimony of Montgomery County before the House Economic Matters Committee sought to exempt the County from the bill. Their testimony noted that its Commission on Common Ownership Communities:

currently aligns closely, but not exactly, with the requirements of the bill. Aligning completely with the provisions in House Bill 402 would be costly without clear advantages to COCs and their members. Montgomery County Department of Housing and Community Affairs, which houses the County's Commission on COCs, respectfully requests an amendment to House Bill 402 to exempt existing local commissions from the requirements of the bill to reflect the leadership and long history of administration of conflict resolution in these counties for COCs and their members.

For these reasons, Leisure World supports amending HB402 to exempt communities with Commissions on Common Ownership Communities from this legislation.

If this amendment is not passed, **Sections 11C-202 and 11C-204** need to be changed to make it

clear that the Common Ownership Community Oversight Division may not investigate and conduct hearings on complaints involving common ownership communities in jurisdictions with a Commission on Common Ownership Communities. In addition, **11C-103(B)(1)(I)(2) and 11C-204(B)(3)(II)** need to delete the term “licensed” from the phrase “licensed common ownership community manager” as there is no licensing process in the State of Maryland.

Leisure World recognizes that **11C-203(B)** exempts common ownership communities from the registration requirement if located in a county that has a local Commission on Common Ownership Communities. However, such communities still must submit their governing documents to the Division pursuant to **11C-203(A)(1)**. Governing documents for common ownership communities are already available to all members of those communities (either online or in paper form). Leisure World objects to this provision especially for communities who are not required to register pursuant to **11C-203 (B)**.

Leisure World is also concerned with **11C-108(C)(2)** as it prohibits a governing body from enforcing or implementing its decision for fourteen days after notification that a dispute has been filed. Under section (D), there is an automatic stay of the governing body’s decision, subject to filing a civil action. There is an exception under section 11C-109 under which the governing body may seek relief from the stay in the case of undue harm to the common ownership community, without similar consequences for the opposing party. This appears to be an appropriate exception; however, a party served with notice of a request for relief from a stay would have ten days to respond. **This should be amended to allow a much shorter period of time to resolve urgent requests for relief from a stay, such as imminent or ongoing risk of harm to life, health or property of the common ownership community or its members.**

Without the above amendments and changes for this bill, Leisure World would have an unfavorable view on this bill.

Respectfully submitted,

Colette Collier Trohan
Chair of the Board of Directors
Leisure World Community Corporation