

HOACA Testimony.pdf

Uploaded by: Ayaha Moore

Position: FAV

To: Members of the Maryland State Senate

Re: Letter of Support for SB0981 and HB0502

Dear Esteemed Members of the Maryland State Senate,

On behalf of the HOA & Civic Association Alliance, a Maryland nonprofit dedicated to strengthening common ownership communities through education, collaboration, and advocacy, we write in strong support of Senate Bill 0981/HB0402 and House Bill 0502.

These bills address two of the most persistent and consequential gaps in Maryland's approach to community association governance: accessibility and accountability of governing documents, and the lack of baseline education for those entrusted with managing nonprofit community corporations and substantial financial assets.

Support for HB0402 — Accessibility, Accountability, and Oversight

HB0402 is critically needed because governing documents function as the “constitutions” of individual communities. They define rights, obligations, enforcement authority, and the framework by which residents and boards coexist. Yet, in practice, these documents are often:

- Difficult to obtain
- Outdated or inconsistently maintained
- Not centrally accessible to homeowners or prospective buyers

SB0981 addresses this by creating a centralized repository, ensuring that governing documents are easily accessible, transparent, and uniformly available across communities.

Equally important, the bill establishes a dedicated and appropriate mechanism for receiving and responding to complaints related to common ownership communities. Currently, many residents turn to the Office of the Attorney General for assistance. However, the OAG is not structured or resourced to handle the volume, nuance, and specialized nature of HOA-related disputes. This results in delayed or limited responses that do not adequately address the issue at hand, escalation of preventable conflicts, or situations that inadvertently abridge the State-sanctioned rights of association members. By creating a dedicated space for complaint intake and resolution, SB0981 ensures that:

- Homeowners have a clear, appropriate avenue for concerns
- Issues can be addressed earlier and more efficiently
- Trust in community governance systems is strengthened

This is a structural improvement that Maryland's growing number of common ownership communities urgently needs.

Support for HB0502 — Education and Responsible Governance

HB0502 addresses a fundamental issue: HOA board members are governing state-sanctioned corporations structured as nonprofit entities—often managing hundreds of thousands, if not millions, of dollars—with no required baseline education or training.

Board members make decisions that directly impact:

- Financial management and reserves
- Contracting and procurement
- Enforcement of rules and legal compliance
- Homeowner rights and obligations
- Critical stormwater infrastructure

Yet, unlike many other roles involving fiduciary responsibility, there is currently no minimum standard of education or preparation required. HB0502 is necessary because it establishes baseline knowledge expectations for board members. It promotes responsible financial stewardship, reduces the risk of mismanagement, errors, legal exposure, and supports more consistent and professional governance across communities

It is important to note that this is not about burdening volunteers—it is about equipping them. Most board members want to do the right thing but are operating without guidance in complex legal and financial environments. Requiring basic education helps protect homeowners, board members, the long-term stability of community associations, and the general public.

It is critical that SB0981/HB0402 and HB0502 are passed. These bills address both sides of effective governance:

- SB0981 ensures transparency, access, and accountability
- HB0502 ensures competence, preparedness, and responsible decision-making

Without these reforms, homeowners remain underserved, lack clear recourse, and Boards continue operating without essential tools or knowledge. Preventable disputes escalate into costly conflicts and public confidence in HOA governance continues to erode. Conversely, with these reforms communities operate more transparently and fairly, volunteer leaders are better equipped to succeed, and the burden on state agencies is reduced through proper channels, and Maryland strengthens oversight of a sector that houses a significant portion of its residents.

The HOA & Civic Association Alliance strongly urges the Senate to pass HB0502 and SB0981. These are thoughtful, practical, and necessary measures that will significantly improve governance, accountability, and quality of life in Maryland's common ownership communities.

We appreciate your consideration and stand ready to serve as a resource on these issues.

Respectfully submitted,

HOA & Civic Association Alliance

X_HB0402_DHCD_SUPPORT.pdf

Uploaded by: Jake Day

Position: FAV

DATE: April 2, 2026

BILL NO.: House Bill 402

TITLE: Common Ownership Communities - Oversight, Governing Document Database, and Local Commissions

COMMITTEE: Senate Judicial Proceedings Committee

Letter of Support

Description of Bill:

House Bill 402 would establish the Common Ownership Community Oversight Division (COC) within the Department of Housing and Community Development. This division would be charged with receiving and investigating complaints made by members of COCs regarding final adverse decisions made by the governing body of their community's ownership or management. Local COC Commissions and the division would also conduct hearings and issue binding decisions regarding complaints. The Secretary of DHCD may also set fees for filing complaints, annual registrations, and the submission of governing documents.

Background and Analysis:

DHCD recognizes that disputes are frequent within Common Ownership Communities. Concerns from advocates, and constituent requests from legislators, have made it clear that there is a need for consistent oversight for resolving conflicts within COCs. Regardless of where someone is in the State, their COC should be overseen when it can make decisions that impact property values, property boundaries, or shared spaces.

COC disputes often end up in civil court. While this is the right of any party involved, it is also apparent that these issues could be resolved without the need for residents to acquire legal representation or seek counsel. House Bill 402 would ease the burden placed on both the Office of the Attorney General and the court system by having local COC Commissions, and DHCD, resolve disputes through an administrative hearing process. This would allow for an impartial third party to arbitrate on disputes, with a consistent set of State regulations backing them. Disputes are still able to be heard in civil court, but it is anticipated that this division can resolve many of them before they reach litigation.

DHCD notes that the division will be able to acquire staff through the collection of fees, as provided in the State budget. This will allow the division to stand up slowly, and for this new source of revenue to fund the operations.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on House Bill 402

HB 402X - Condo Ombuds - FAV - REALTORS.pdf

Uploaded by: Lisa May

Position: FAV



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.

For more information contact
lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org

HB0402-JPR_MACo_SWA.pdf

Uploaded by: Dominic Butchko

Position: FWA



House Bill 402

Common Ownership Communities - Oversight, Governing Document Database, and Local Commissions

MACo Position: **SUPPORT**

To: Judicial Proceedings Committee

WITH AMENDMENTS

Date: April 2, 2026

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS HB 402 WITH AMENDMENTS**. As drafted, this bill would preempt existing Common Ownership Community Commissions.

Broadly, Common Ownership Communities (COCs) are often thought of as a group of homes with their own governments and binding rules – namely condominium associations, cooperative housing corporations, and homeowner associations. COCs can be found in all 24 counties and have become a quintessential part of Maryland’s largely suburban development.

As drafted, counties have concerns that HB 402 would preempt existing COC commission structures, especially where bodies are already functioning successfully. Counties offer an amendment clarifying that this structure shall only be for newly established commissions moving forward.

- On page 10, after line 3, insert, “**A LOCAL COMMISSION ON COMMON OWNERSHIP COMMUNITIES ESTABLISHED BY THE LOCAL GOVERNMENT OF A COUNTY BY LOCAL LAW AFTER OCTOBER 1, 2026, SHALL COMPLY WITH THE REQUIREMENTS OF THIS TITLE. A LOCAL COMMISSION ON COMMON OWNERSHIP COMMUNITIES ESTABLISHED BY THE LOCAL GOVERNMENT OF A COUNTY BY LOCAL LAW PRIOR TO OCTOBER 1, 2026, MAY COMPLY WITH THE REQUIREMENTS OF THIS TITLE.**”

With these amendments, HB 402 would provide another tool in the toolbox for counties to assist COCs in their communities and to combat the current housing crisis. For this reason, Counties urges a **FAVORABLE WITH AMENDMENTS** report on HB 402.

HB 402-testimony Senate.pdf

Uploaded by: Jim Lieberman

Position: FWA

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

HB402_MoCoDHCA_FWA_Frey (GA26).pdf

Uploaded by: Leslie Frey

Position: FWA



Montgomery County

Office of Intergovernmental Relations

ROCKVILLE: 240-777-6550

ANNAPOLIS: 240-777-8270

HB 402

DATE: April 2, 2026

SPONSOR: Delegate Holmes, *et al.*

ASSIGNED TO: Judicial Proceedings

CONTACT PERSON: Leslie Frey

(leslie.frey@montgomerycountymd.gov)

POSITION: FAVORABLE WITH AMENDMENT (Department of Housing and Community Affairs)

Common Ownership Communities - Oversight, Governing Document Database, and Local Commissions

House Bill 402 establishes a Common Ownership Community Oversight Division in the Department of Housing and Community Development to respond to complaints by members of Common Ownership Communities (COCs) regarding final adverse decisions by the governing body or community manager of a COC and to refer the matter to the local COC commission, if available. House Bill 402 supersedes local laws in Montgomery County and current Montgomery County COC commission structure with a set of requirements for local commissions to meet, including: commission membership; procedures; services provided to associations, including training and operational guidelines; database management for documents; and association governance/management.

Currently the State does not have an office charged with overseeing disputes between COCs and their members. Montgomery County and other jurisdictions within the State have commissions providing dispute resolution services, adjudication of disputes, and training resources. The Montgomery County Commission on COCs 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 the County's 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.

(See following page for in-line amendments).

**Amendments Requested by the Montgomery County Department of Housing and Community Affairs to
HB402 Third Reader Version**

Amendment 1

On page 1, in line 10, after “for a” insert “certain”.

Amendment 2

On page 10, strike line 1 through 3, inclusive, and insert: “**(A) THE PROVISIONS OF THIS SUBTITLE SUPERSEDE ANY INCONSISTENT PROVISIONS OF LOCAL LAW ENACTED AFTER OCTOBER 1, 2026, THAT CONFLICT WITH THIS SUBTITLE TO THE EXTENT OF THE CONFLICT.**”

(B) THE PROVISIONS OF THIS SUBTITLE SHALL NOT SUPERSEDE OR PREEMPT ANY INCONSISTENT PROVISIONS OF LOCAL LAW ENACTED ON OR BEFORE OCTOBER 1, 2026, THAT CONFLICT WITH THIS SUBTITLE TO THE EXTENT OF THE CONFLICT.”

Amendment 3

On page 10, in line 6, after “ESTABLISHED” insert “**AFTER OCTOBER 1, 2026,**”.

MBIA Letter of Support with Amendments HB 402.pdf

Uploaded by: Lori Graf

Position: FWA

April 1, 2026

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

RE: MBIA Letter of Support with Amendments HB 402 Common Ownership Communities – Oversight, Governing Documents Database, and Local Commission

Dear Chair Smith,

HB402 takes meaningful steps toward improving transparency, education, and dispute resolution within Maryland’s common ownership communities. Establishing a statewide Ombudsman Unit and aligning local commission standards will help homeowners, boards, and residents navigate increasingly complex governance issues.

However, several targeted amendments are needed to ensure the bill is workable, consistent with existing law, and fair to communities during the transition from developer control to homeowner governance.

Why We Support HB402

- Creates a **statewide Ombudsman Unit** to provide education, guidance, and structured dispute resolution.
- Improves **public access to governing documents**, helping homeowners and prospective buyers understand their rights and obligations.
- Establishes **uniform standards** for local common ownership commissions, reducing confusion and inconsistent processes across jurisdictions.
- Enhances **consumer protection** while preserving the autonomy of community associations.

These reforms will strengthen Maryland’s common ownership community framework and improve confidence for homeowners and boards alike.

Recommended Amendments

1. Apply Requirements Only After Transition to Homeowner Control

Add clarifying language that **all requirements of the bill apply only after the governing body transitions from the developer-run board to the homeowner-run board**. This ensures:

- Developers are not subject to obligations intended for homeowner governance.

- Associations are not penalized during the statutory transition period.
- Consistency with existing provisions in the Maryland Condominium Act and HOA Act.

2. Page 6, Line 28 – Add “or Lots within a Homeowners Association”

After “Cooperative,” insert: “...or Lots within a Homeowners Association.” This ensures HOAs are explicitly included and avoids ambiguity in applicability.

3. Page 13 – Delete Lines 10–11

These lines create unnecessary or duplicative requirements. Removing them improves clarity and avoids conflicting obligations.

4. Page 22, Lines 25–31 – Align Filing Requirements With Existing Law

If fees will be charged for filing governing documents with the new state or local commissions, then the bill should be amended to:

- **Remove the requirement for HOAs to file documents in the existing HOA Depositories** under Real Property §11B-113.

This prevents double-filing, double-fees, and administrative inefficiency.

5. Page 23 – Delete Lines 13–14 (State-Level Fine for Failure to File Documents)

Earlier sections of the bill already establish that if a community fails to file governing documents, **its disputes cannot be heard** by the local commission. There is **no separate local fine**, and adding a state-level fine creates inconsistency and unnecessary punitive exposure. Removing these lines maintains parity and avoids conflicting enforcement mechanisms.

Conclusion

HB402 is a constructive step toward improving transparency and dispute resolution for Maryland’s common ownership communities. With the amendments outlined above, the bill will be more consistent, more equitable, and easier for communities to implement.

For these reasons, we respectfully urge a FAVORABLE report WITH AMENDMENTS.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Judicial Proceedings Committee

HB402SenateJPRWrittenTestimonyMD-LAC.31Mar26.pdf

Uploaded by: Cynthia Kent

Position: UNF

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March 31, 2026

Senator William C Smith, Jr., Chair
Senator Jeff Waldstreicher, Vice Chair
2 East Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Re: House Bill 402 (HB402)

Common Ownership Communities - Oversight, Governing Document Database, and Local Commissions

Position: OPPOSE

Hearing Date: April 2, 2026

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

This letter is submitted on behalf of the Maryland Legislative Action Committee (“MD-LAC”) of the Community Associations Institute (“CAI”). CAI represents individuals and professionals who reside in or work with community associations, as well as condominiums, homeowners’ associations, and cooperatives throughout the State of Maryland and throughout the United States.

The MD-LAC opposes HB402. This opposition is based upon CAI’s well researched and data-based position that oversight, ombudsman, commission or similar programs are not the best solution to the issues of common interest ownership properties. See, CAI, [Department of Government and Public Affairs, Report on Offices of Community Associations Ombudsman, updated October 23, 2024](#).

HB 402 Written Testimony MD-LAC
March 31, 2026
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CAI instead advocates for education of rights and responsibilities and tailored community-led solutions that best meet the unique needs of each association. CAI has found that the educational approach for conflict resolution prevents issues before adversarial situations arise and is a much better solution.

Once upon a time, living in a planned unit community was a fairly uncomplicated matter. The documents were (and still are) a private contract that the association and all owners were (and still are) expected to follow. But the contracts have gotten more complicated. And as new laws are enacted to provide disclosures of governing documents, regulations of meetings and governance and local commissions designed to handle disputes, the laws, regulations, decisions of the local commissions have led to a chaotic, often confusing, patchwork of laws and legal documents. Unfortunately, while HB 402 attempts to provide a sweeping comprehensive oversight model, the Bill and the creation of the Oversight Unit will not unravel the chaos.

HB402 conflicts with several existing laws and mechanisms already in place for disclosures and databases for each community's governing documents.

- A. The Real Property Article, Annotated Code of Maryland, 11-101, et seq., the Maryland Condominium Act (MCA), requires the filing of an initial public offering statement (including the governing documents) with the Secretary of State. The Declaration and By-Laws and Plats are required to be recorded in the Land Records. Section 11-126 requires the developer to give the initial public offering statement to the initial buyer and 11-135 requires that a seller give the governing documents (Declaration, Articles of Incorporation, By-Laws and Rules and Regulations) to a buyer upon resale of the unit.
- B. The Corporations and Associations Article, Annotated Code of Maryland, 5-6B-01, et seq., the Maryland Cooperative Housing Corporation Act (MD Co-op Act), requires the governing documents of a cooperative be filed with the State Department of Assessments and Taxation (SDAT) and that a buyer be given a public offering statement upon the transfer of an interest in the co-op unit.
- C. The Real Property Article, Annotated Code of Maryland, 11B-101, et seq., the Maryland Homeowners Association Act (MHOAA) requires the governing documents of an HOA be deposited in the HOA Depository which is an adjunct of the Land Records. The primary contract for an HOA, commonly called the Declaration of Covenants, Conditions and Restrictions, is filed in the Land Records. Sections 11B-105, 11B-106 and 11B-107 all require the governing documents to be given to a buyer of a lot in an HOA.

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These record keeping filings are disclosures and the government-maintained records are publicly accessible databases. The laws on the buying and selling of real property still follow the legal premise of *caveat emptor* – or buyer beware. It would be shocking to the legislators to know how many buyers fail to read these disclosures before buying into a community association. The Department of Housing and Community Development (DHCD) database required in HB402 will not fix that problem. The database will, however, cause associations to incur additional cost and administrative work to keep the DHCD database up to date (as well as the Land Records, the HOA Depository, and SDAT.) The overburdensome redundancies are not eliminated or consolidated in HB402.

HB402 conflicts with several existing laws and mechanisms already in place for dispute resolution.

- A. Clearly, when one has a contract dispute, the courts are available for resolution of the dispute. The American Arbitration Association is available for the arbitration of disputes. Even when a lawsuit or arbitration options are employed, mediation or ADR is not mandatory – both sides have to be willing to engage in the process (that is not to say that the process will not be strongly suggested.) HB402 implicitly mandates mediation and allows a party that refuses mediation to be penalized for not participating. In this industry, we have seen disgruntled owners attempt to use the mediation and ADR process to thwart or delay a valid action by the community association or its board of directors.
- B. MCA, MD Co-op Act, and MHOAA all require a dispute settlement mechanism be employed before imposing a sanction such a fines or revocation/suspension of rights. That process is detailed and designed to bring both parties to the table to discuss an alleged violation and what is needed to address or cure the violation. HB402 is confusing as to when or if an owner will have to exhaust remedies already in the law or in the governing documents before filing with the Ombudsman Unit. That confusion may lead to the Ombudsman Unit being flooded with complaints that should be resolved at the community association level.
- C. MCA, the MD Co-op Act, and MHOAA provide that an aggrieved party with a dispute may file a complaint with the Office of the Attorney General, Consumer Protection Division. The AG's office expressed concern about the workings of the Unit when HB306 was introduced last year.

HB 402 Written Testimony MD-LAC
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HB402 also causes grave concern that the Oversight Unit is tasked with “assisting homeowners in understanding their rights” for which the Unit will be asked to give legal advice. Because this area of the law is far more complicated, and because the governing documents are no longer one size fits all, the nuances of the legal documents and how they fit with current law are often understood only by those who work in this industry. In short, all attorneys do not know or understand the practice of community association law and many lay people do not know or understand the workings of the laws and the governing documents. The Oversight Unit will be tasked with a very tall order which will require careful reading and understanding of the legal documents and a full understanding of the Federal, State and local laws.

Finally, there is the cost of the Oversight Unit. The Unit will be largely funded by unfairly taxing 1.1 million Marylanders (17% of the population) who live in 7,500 associations in the State of Maryland with very little return on the investment for the general public. In addition, due to burdensome administrative costs, assessments will increase and there will be a negative impact on housing affordability for over 400,000 community association homes. MD LAC believes the funds should instead be allocated to mandated reserves and/or spent on necessary maintenance, repair and replacement of community infrastructure (“sticks and bricks”).

We respectfully request that the Committee give HB 402 an **unfavorable report**. We are available to answer any questions the Committee Members may have. Please feel free to contact Lisa Harris Jones, lobbyist for the MD-LAC, at 410-366-1500, or by e-mail at lisa.jones@mdlobbyist.com, Igor Conev, Chair of the MD-LAC at 443 614 2787, or by e-mail at igor@ocmannproperties.com, or Cynthia Hitt Kent, Esquire, Assistant Secretary, MD-LAC at 443 695 1981, or by e-mail at ckent@hittkentlaw.com.

Sincerely,

Cynthia Hitt Kent
Assistant Secretary, CAI MD-LAC

Igor Conev
Chair, CAI MD-LAC

CAI is a national organization dedicated to fostering vibrant, competent, harmonious community associations for more than fifty years. Its members include community association volunteer leaders, professional managers, community management firms, and other professionals and companies that provide products and services to common interest associations. As part of its mission, CAI advocates for legislative and regulatory policies that support responsible governance and effective management. As part of this purpose state Legislative Action Committees represent CAI members before state legislatures and agencies on issues such as governance, assessments collection, insurance and construction defects.

OPPOSE HB402.pdf

Uploaded by: Dan Morhaim

Position: UNF

OPPPOSE HB402

On behalf of the Board of Regency Park and its 60 homes with over 120 residents, we join with community associations around the state to urge you to oppose HB402.

Please note that “Common Ownership Communities” (AKA condominiums/condos) boards are run by elected non-paid volunteer residents and that board members are subject to the same rules as apply to everyone else. It’s already hard to get residents to serve on these boards, and this bill would make it even harder. This bill, if enacted, would impose new financial burdens on associations and their residents while raising questions with no easy answers.

HB402: CIC Oversight, Governing Document Database, and Local Commissions

Condos already meet extensive state requirements. This bill would create a statewide Ombudsman Unit and local commissions which would add additional costs and fragmented local regulations.

Submitted by

Nancy Wodka, JD, Regency Park Board President

Dan Morhaim, M.D., Regency Park Board Secretary