

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0765.02 Duane Gall x4335

HOUSE BILL 19-1212

HOUSE SPONSORSHIP

Titone and Duran,

SENATE SPONSORSHIP

(None),

House Committees

Transportation & Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE RECREATION OF THE COMMUNITY ASSOCIATION**
102 **MANAGER LICENSING PROGRAM.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The licensing program for community association managers (CAMs), who engage in the business of handling certain matters on behalf of the executive boards of common interest communities, was created in 2013 and sunsetted on July 1, 2018.

Section 1 of the bill recreates and reenacts the CAM licensing program and the duties and responsibilities of the division of real estate

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 (a) HAS NOT COMPLETED THE EDUCATION AND EXAMINATION
2 REQUIREMENTS FOR OBTAINING A COMMUNITY ASSOCIATION MANAGER
3 LICENSE;

4 (b) IS UNDER THE CONTROL AND SUPERVISION OF A LICENSED
5 COMMUNITY ASSOCIATION MANAGER; AND

6 (c) IS LICENSED WITH THE DIRECTOR FOR PURPOSES OF LEARNING
7 AND PERFORMING ANY PRACTICES THAT REQUIRE A COMMUNITY
8 ASSOCIATION MANAGER LICENSE.

9 (2) "CCIOA" MEANS THE "COLORADO COMMON INTEREST
10 OWNERSHIP ACT", ARTICLE 33.3 OF TITLE 38.

11 (3) (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET
12 FORTH IN SECTION 38-33.3-103 (8); EXCEPT THAT "COMMON INTEREST
13 COMMUNITY" DOES NOT INCLUDE:

14 (I) A COMMUNITY MANAGED BY AN ASSOCIATION OR UNIT
15 OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
16 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
17 SECTION 38-33-110(7), OR CONSIST OF TIME SHARE INTERESTS AS DEFINED
18 IN SECTION 12-61-401 (4); OR

19 (II) A COMMUNITY, RESORT, OR DEVELOPMENT REGISTERED WITH
20 THE DIVISION AS A TIME SHARE SUBDIVISION.

21 (b) AS USED IN THIS SUBSECTION (3), "MAJORITY OF UNITS" MEANS
22 THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY PERCENT OF THE
23 ALLOCATED INTERESTS IN THE COMMON INTEREST COMMUNITY
24 APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR RESIDENTIAL
25 USE.

26 (4) (a) "COMMUNITY ASSOCIATION MANAGEMENT" MEANS ANY OF
27 THE FOLLOWING PRACTICES RELATING TO THE MANAGEMENT OF A

1 COMMON INTEREST COMMUNITY, AT THE DIRECTION OR ON BEHALF OF ITS
2 EXECUTIVE BOARD:

3 (I) ACTING WITH THE AUTHORITY OF THE COMMON INTEREST
4 COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL, FINANCIAL, OR OTHER
5 TRANSACTIONS;

6 (II) EXECUTING THE RESOLUTIONS, DECISIONS, AND CONTRACTS OF
7 THE EXECUTIVE BOARD;

8 (III) ENFORCING THE RIGHTS OF THE COMMON INTEREST
9 COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE, OR
10 BYLAW;

11 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
12 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;

13 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;

14 (VI) CONDUCTING MEETINGS OF THE COMMON INTEREST
15 COMMUNITY'S MEMBERSHIP OR EXECUTIVE BOARD;

16 (VII) MAINTAINING THE COMMON INTEREST COMMUNITY'S
17 RECORDS PURSUANT TO ITS GOVERNING DOCUMENTS AND APPLICABLE
18 PROVISIONS OF THE CCIOA; OR

19 (VIII) ADMINISTERING, OR OTHERWISE EXERCISING CONTROL OF,
20 A COMMON INTEREST COMMUNITY'S FUNDS, INCLUDING THE
21 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR
22 REPLACEMENT OF CAPITAL ASSETS.

23 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN
24 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
25 MAINTENANCE FUNCTION. THE DIRECTOR MAY ADOPT RULES TO FURTHER
26 DEFINE OR CLARIFY WHETHER A SPECIFIC FUNCTION FALLS WITHIN THIS
27 SUBSECTION (4)(b) AND THE REQUIREMENTS, IF ANY, THAT APPLY FOR

1 SUPERVISION OF SUPPORT STAFF BY LICENSED MANAGERS.

2 (5) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
3 MEANS ANY PERSON THAT SIGNS A WRITTEN CONTRACT TO PROVIDE
4 COMMUNITY ASSOCIATION MANAGEMENT SERVICES TO A COMMON
5 INTEREST COMMUNITY OR THAT, IN CONSIDERATION OF COMPENSATION BY
6 FEE, COMMISSION, SALARY, OR ANYTHING ELSE OF VALUE OR WITH THE
7 INTENTION OF RECEIVING OR COLLECTING THE COMPENSATION, WHETHER
8 OR NOT THE COMPENSATION IS RECEIVED BY THE LICENSED MANAGER
9 DIRECTLY OR BY THE LICENSED ENTITY THAT EMPLOYS THE LICENSED
10 MANAGER, ENGAGES IN OR OFFERS OR ATTEMPTS TO ENGAGE IN
11 COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO.

12 (b) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER" DOES
13 NOT INCLUDE:

14 (I) A PERSON WHO, UNDER THE SUPERVISION OF A MANAGER,
15 PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR MAINTENANCE
16 FUNCTION;

17 (II) ANY PUBLIC OFFICIAL IN THE CONDUCT OF THE PUBLIC
18 OFFICIAL'S OFFICIAL DUTIES;

19 (III) A RECEIVER, TRUSTEE, ADMINISTRATOR, CONSERVATOR,
20 EXECUTOR, OR GUARDIAN ACTING UNDER PROPER AUTHORIZATION;

21 (IV) A PERSON IN ACQUIRING OR IN NEGOTIATING TO ACQUIRE ANY
22 INTEREST IN REAL ESTATE;

23 (V) AN ATTORNEY-AT-LAW IN CONNECTION WITH THE ATTORNEY'S
24 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;

25 (VI) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
26 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED
27 EMPLOYEES, WHEN THE ACTS ARE INCIDENTAL AND NECESSARY IN THE

1 ORDINARY COURSE OF THE CORPORATION'S BUSINESS ACTIVITIES OF A
2 NON-PROPERTY MANAGEMENT NATURE. FOR THE PURPOSES OF THIS
3 SUBSECTION (5)(b), THE TERM "OFFICERS OR REGULAR SALARIED
4 EMPLOYEES" MEANS PERSONS REGULARLY EMPLOYED WHO DERIVE NOT
5 LESS THAN SEVENTY-FIVE PERCENT OF THEIR COMPENSATION FROM THE
6 CORPORATION IN THE FORM OF SALARIES;

7 (VII) AN INDEPENDENT CONTRACTOR WHO:

8 (A) PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
9 MAINTENANCE FUNCTION; OR

10 (B) IS NOT OTHERWISE ENGAGED IN THE PERFORMANCE OF
11 COMMUNITY ASSOCIATION MANAGEMENT; OR

12 (VIII) AN APPRENTICE WORKING UNDER THE SUPERVISION OF A
13 LICENSED MANAGER.

14 (6) "DESIGNATED MANAGER" MEANS A PERSON WHO IS CURRENTLY
15 LICENSED AS A MANAGER AND WHO, ON BEHALF OF A LICENSED ENTITY, IS
16 RESPONSIBLE FOR PERFORMING COMMUNITY ASSOCIATION MANAGEMENT
17 PRACTICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT
18 PRACTICES PERFORMED BY PERSONS EMPLOYED BY, OR ACTING ON BEHALF
19 OF, THE LICENSED ENTITY.

20 (7) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION.

21 (8) "DIVISION" MEANS THE DIVISION OF REAL ESTATE IN THE
22 DEPARTMENT OF REGULATORY AGENCIES.

23 (9) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
24 38-33.3-103 (16).

25 (10) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN
26 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, AS DEFINED IN SECTION
27 38-33.3-103 (3), WHETHER ORGANIZED BEFORE, ON, OR AFTER JULY 1,

1 1992; EXCEPT THAT THE TERM DOES NOT INCLUDE AN ASSOCIATION OR
2 UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
3 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
4 SECTION 38-33-110 (7). AS USED IN THIS SUBSECTION (10), "MAJORITY OF
5 UNITS" MEANS THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY
6 PERCENT OF THE ALLOCATED INTERESTS IN THE COMMON INTEREST
7 COMMUNITY APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR
8 RESIDENTIAL USE.

9 (11) "LIMITED LIABILITY COMPANY" HAS THE MEANING SET FORTH
10 IN SECTION 7-80-102 (7).

11 **12-61-1002. License required - rules - violations -**
12 **administrative and legal remedies.** (1) IT IS UNLAWFUL FOR ANY
13 PERSON TO ENGAGE IN, OR TO HOLD OUT HIMSELF, HERSELF, OR ITSELF AS
14 QUALIFIED TO ENGAGE IN, THE BUSINESS OF COMMUNITY ASSOCIATION
15 MANAGEMENT OR TO ACT AS A COMMUNITY ASSOCIATION MANAGER
16 WITHOUT FIRST HAVING OBTAINED A LICENSE FROM THE DIRECTOR IN
17 ACCORDANCE WITH SECTION 12-61-1003 OR DURING ANY PERIOD IN WHICH
18 THE MANAGER'S LICENSE IS REVOKED OR SUSPENDED.

19 (2) THE DIRECTOR MAY PROMULGATE RULES AS NECESSARY TO
20 ENABLE THE DIRECTOR TO CARRY OUT THE DIRECTOR'S DUTIES UNDER THIS
21 PART 10 AND SHALL ADOPT RULES TO DEFINE THE APPROPRIATE LEVEL OF
22 SUPERVISION FOR SPECIFIC DUTIES PERFORMED BY AN APPRENTICE.

23 (3) IN ADDITION TO CONDUCTING HEARINGS AS PROVIDED IN
24 SECTION 12-61-1012, THE DIRECTOR MAY ENFORCE THIS PART 10 AND
25 RULES ADOPTED UNDER THIS PART 10 BY TAKING ONE OR MORE OF THE
26 FOLLOWING ACTIONS:

27 (a) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT

1 JURISDICTION FOR AN ORDER ENJOINING ANY ACT OR PRACTICE THAT
2 CONSTITUTES A VIOLATION OF THIS PART 10 OR A RULE ADOPTED UNDER
3 THIS PART 10, AND, UPON A SHOWING THAT A PERSON IS ENGAGING OR
4 INTENDS TO ENGAGE IN ANY SUCH ACT OR PRACTICE, THE COURT SHALL
5 GRANT AN INJUNCTION, RESTRAINING ORDER, OR OTHER APPROPRIATE
6 ORDER REGARDLESS OF THE EXISTENCE OF ANOTHER REMEDY FOR THE
7 VIOLATION. ANY NOTICE OR HEARING AND THE DURATION OF ANY
8 INJUNCTION OR RESTRAINING ORDER IS GOVERNED BY THE COLORADO
9 RULES OF CIVIL PROCEDURE.

10 (b) THE DIRECTOR MAY CONDUCT AUDITS OF FINANCIAL AND
11 TRANSACTIONAL RECORDS AND ACCOUNTS OF LICENSEES IN ACCORDANCE
12 WITH RULES ADOPTED BY THE DIRECTOR.

13 **12-61-1003. Application for license - criminal history record**
14 **check - examination - rules.** (1) (a) BEFORE ACTING OR ATTEMPTING OR
15 OFFERING TO ACT AS A COMMUNITY ASSOCIATION MANAGER OR
16 APPRENTICE, A PERSON MUST APPLY TO THE DIRECTOR FOR A LICENSE IN
17 THE FORM AND MANNER PRESCRIBED BY THE DIRECTOR.

18 (b) BEFORE SUBMITTING AN APPLICATION FOR A LICENSE
19 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, EACH APPLICANT MUST
20 SUBMIT A SET OF FINGERPRINTS TO THE COLORADO BUREAU OF
21 INVESTIGATION FOR THE PURPOSE OF CONDUCTING A STATE AND NATIONAL
22 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING
23 RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE
24 FEDERAL BUREAU OF INVESTIGATION. THE APPLICANT SHALL PAY THE FEE
25 ESTABLISHED BY THE COLORADO BUREAU OF INVESTIGATION FOR
26 CONDUCTING THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK
27 TO THE BUREAU. UPON COMPLETION OF THE CRIMINAL HISTORY RECORD

1 CHECK, THE BUREAU SHALL FORWARD THE RESULTS TO THE DIRECTOR.
2 THE DIRECTOR MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY RECORD
3 CHECK FOR AN APPLICANT WHO HAS TWICE SUBMITTED TO A
4 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AND WHOSE
5 FINGERPRINTS ARE UNCLASSIFIABLE.

6 (2) EVERY COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
7 THIS PART 10 SHALL MAINTAIN A PLACE OF BUSINESS WITHIN THIS STATE,
8 EXCEPT AS PROVIDED IN SECTION 12-61-1008. IF A COMMUNITY
9 ASSOCIATION MANAGER MAINTAINS MORE THAN ONE PLACE OF BUSINESS
10 WITHIN THE STATE, THE MANAGER IS RESPONSIBLE FOR SUPERVISING ALL
11 LICENSED ACTIVITIES ORIGINATING IN THOSE OFFICES.

12 (3) (a) THE DIRECTOR MAY REQUIRE AND PROCURE ANY PROOF
13 NECESSARY IN REFERENCE TO THE TRUTHFULNESS, HONESTY, AND GOOD
14 MORAL CHARACTER OF ANY APPLICANT FOR A LICENSE OR, IF THE
15 APPLICANT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
16 CORPORATION, OF ANY PARTNER, MANAGER, DIRECTOR, OFFICER, MEMBER,
17 OR STOCKHOLDER IF THE PERSON HAS, EITHER DIRECTLY OR INDIRECTLY,
18 A SUBSTANTIAL INTEREST IN THE APPLICANT PRIOR TO THE ISSUANCE OF
19 THE LICENSE.

20 (b) AN APPLICANT IS INELIGIBLE FOR A LICENSE IF THE PERSON
21 HAS, WITHIN THE IMMEDIATELY PRECEDING TEN YEARS, HAD A LICENSE OR
22 CERTIFICATION AS A COMMUNITY ASSOCIATION MANAGER REVOKED OR
23 SUSPENDED IN COLORADO OR ANY OTHER JURISDICTION THAT REGULATES
24 COMMUNITY ASSOCIATION MANAGERS; EXCEPT THAT THE DIRECTOR HAS
25 THE DISCRETION TO ACCEPT THE PERSON'S APPLICATION IF AT LEAST TWO
26 YEARS HAVE ELAPSED SINCE THE DATE OF THE REVOCATION OR
27 SUSPENSION AND THE APPLICANT HAS PROVED TO THE DIRECTOR THAT THE

1 APPLICANT IS FIT TO BE LICENSED AS A COMMUNITY ASSOCIATION
2 MANAGER IN COLORADO.

3 (c) IF THE DIRECTOR DETERMINES THAT THE APPLICANT HAS BEEN
4 CONVICTED OF A CRIME, THE DIRECTOR SHALL CONSIDER THE FOLLOWING
5 FACTORS WHEN DETERMINING WHETHER THE CONVICTION DISQUALIFIES
6 THE APPLICANT FOR A LICENSE:

7 (I) THE NATURE OF THE CONVICTION;

8 (II) WHETHER THERE IS A DIRECT RELATIONSHIP BETWEEN THE
9 CONVICTION AND THE DUTIES AND RESPONSIBILITIES OF LICENSURE AND
10 THE BEARING, IF ANY, THE CONVICTION MAY HAVE ON THE APPLICANT'S
11 FITNESS OR ABILITY TO PERFORM ONE OR MORE OF SUCH DUTIES AND
12 RESPONSIBILITIES, INCLUDING WHETHER THE CONVICTION WAS FOR
13 UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION 16-22-102 (9), AND
14 WHETHER THE APPLICANT WOULD PLACE A RESIDENT OR THE PUBLIC IN A
15 VULNERABLE POSITION;

16 (III) ANY INFORMATION PRODUCED BY THE APPLICANT OR
17 PRODUCED ON THE APPLICANT'S BEHALF REGARDING THE APPLICANT'S
18 REHABILITATION AND GOOD CONDUCT; AND

19 (IV) THE TIME THAT HAS ELAPSED SINCE THE CONVICTION.

20 (d) NOTWITHSTANDING SUBSECTION (3)(c) OF THIS SECTION, AN
21 APPLICANT IS INELIGIBLE FOR LICENSURE IF THE APPLICANT HAS, WITHIN
22 THE IMMEDIATELY PRECEDING TEN YEARS, BEEN CONVICTED OF AN
23 OFFENSE INVOLVING UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION
24 16-22-102 (9); A BURGLARY OFFENSE, AS DEFINED IN SECTION 18-4-202 OR
25 18-4-203; OR ANY FELONY INVOLVING FRAUD, THEFT, LARCENY,
26 EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF
27 PROPERTY.

1 (4) AN APPLICANT FOR A LICENSE MUST BE AT LEAST EIGHTEEN
2 YEARS OF AGE AND MUST FURNISH PROOF SATISFACTORY TO THE DIRECTOR
3 THAT THE APPLICANT HAS RECEIVED EITHER A HIGH SCHOOL DIPLOMA OR
4 THE EQUIVALENT GENERAL EDUCATION DEVELOPMENT CERTIFICATION.

5 (5) (a) AN APPLICANT FOR A MANAGER'S LICENSE MUST:

6 (I) (A) HOLD ONE OR MORE CREDENTIALS IDENTIFIED BY THE
7 DIRECTOR IN RULES; OR

8 (B) CERTIFY COMPLETION OF ANY EDUCATIONAL OR CONTINUING
9 EDUCATIONAL REQUIREMENTS AS DETERMINED BY THE DIRECTOR IN RULES
10 AND PUBLISHED ON THE DIVISION'S WEBSITE; AND

11 (II) SUBMIT TO AND PASS AN EXAMINATION WITH TWO SEPARATE
12 PORTIONS, WHICH MAY BE ADMINISTERED SEPARATELY. THE
13 EXAMINATION MUST MEASURE THE COMPETENCY OF THE APPLICANT IN
14 CARRYING OUT THE CORE FUNCTIONS OF COMMUNITY ASSOCIATION
15 MANAGEMENT, REFERRED TO AS THE "GENERAL PORTION" OF THE
16 EXAMINATION, AND IN UNDERSTANDING THE BASIC PROVISIONS OF LEGAL
17 DOCUMENTS AND COLORADO LAW WITH WHICH MANAGERS ARE REQUIRED
18 TO COMPLY, REFERRED TO AS THE "COLORADO LAW PORTION" OF THE
19 EXAMINATION. THE EXAMINATION MUST BE PREPARED BY OR UNDER THE
20 SUPERVISION OF THE DIRECTOR OR THE DIRECTOR'S DESIGNATED
21 CONTRACTOR OR CONTRACTORS. THE DIRECTOR MAY CONTRACT WITH ONE
22 OR MORE INDEPENDENT TESTING SERVICES TO DEVELOP, ADMINISTER, OR
23 GRADE EXAMINATIONS OR TO ADMINISTER LICENSEE RECORDS. THE
24 CONTRACTS MAY ALLOW THE TESTING SERVICE TO RECOVER FROM THE
25 APPLICANT THE COSTS OF THE EXAMINATION AND THE COSTS OF
26 ADMINISTERING THE EXAMINATION AND LICENSE RECORDS. THE DIRECTOR
27 MAY CONTRACT SEPARATELY FOR THESE FUNCTIONS AND ALLOW

1 RECOVERED COSTS TO BE COLLECTED AND RETAINED BY A SINGLE
2 CONTRACTOR FOR DISTRIBUTION TO OTHER CONTRACTORS. THE DIRECTOR
3 MAY SET THE SEPARATE MINIMUM PASSING SCORES FOR THE GENERAL
4 PORTION AND THE COLORADO LAW PORTION OF THE EXAMINATION. THE
5 DIRECTOR SHALL PRESCRIBE THE TIMES AND PLACES AT WHICH THE
6 EXAMINATION AS A WHOLE IS GIVEN OR AT WHICH THE SEPARATE
7 PORTIONS OF THE EXAMINATION ARE GIVEN.

8 (b) AN APPLICANT WHO HOLDS A CREDENTIAL APPROVED BY THE
9 DIRECTOR PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION AND HAS
10 MAINTAINED THE CREDENTIAL IN GOOD STANDING, INCLUDING HAVING
11 COMPLETED ALL ONGOING EDUCATION REQUIRED TO MAINTAIN THE
12 CREDENTIAL, MUST COMPLETE THE COLORADO LAW PORTION, BUT MAY BE
13 EXEMPTED FROM THE REQUIREMENT TO COMPLETE THE GENERAL PORTION,
14 OF THE EXAMINATION DESCRIBED IN SUBSECTION (5)(a)(II) OF THIS
15 SECTION.

16 (c) THE SEPARATE PORTIONS OF THE EXAMINATION DEVELOPED
17 UNDER SUBSECTION (5)(a)(II) OF THIS SECTION MUST ASSESS AN
18 APPLICANT'S COMPETENCY IN THE FOLLOWING SUBJECT MATTER AREAS:

19 (I) FOR THE COLORADO LAW PORTION OF THE EXAMINATION,
20 LEGAL DOCUMENTS; STATUTES, INCLUDING THE CCIOA; AND OTHER
21 APPLICABLE PROVISIONS OF COLORADO LAW; AND

22 (II) FOR THE GENERAL PORTION OF THE EXAMINATION, OTHER
23 CORE COMPETENCIES OF COMMUNITY ASSOCIATION MANAGEMENT, AS
24 SPECIFIED BY THE DIRECTOR.

25 (d) EXAMINATION RESULTS MEASURING AN APPLICANT'S
26 KNOWLEDGE OF THE MATTERS DESCRIBED IN SUBSECTION (5)(c) OF THIS
27 SECTION ARE VALID FOR ONE YEAR. A PERSON WHO TAKES THE

1 EXAMINATION AND DOES NOT APPLY FOR A LICENSE WITHIN ONE YEAR
2 THEREAFTER MUST RETAKE THAT PORTION OF THE EXAMINATION BEFORE
3 APPLYING.

4 (e) THE DIVISION MAY WAIVE THE GENERAL PORTION OF THE
5 EXAMINATION FOR AN APPLICANT WHO HAS HELD A COMMUNITY
6 ASSOCIATION MANAGER LICENSE IN ANOTHER JURISDICTION THAT
7 REGULATES COMMUNITY ASSOCIATION MANAGERS AND WHO HAS BEEN
8 LICENSED FOR TWO OR MORE YEARS PRIOR TO APPLYING FOR A COLORADO
9 LICENSE IF THE APPLICANT ESTABLISHES THAT THE APPLICANT POSSESSES
10 CREDENTIALS AND QUALIFICATIONS THAT ARE SUBSTANTIVELY
11 EQUIVALENT TO THE REQUIREMENTS IN COLORADO FOR LICENSURE BY
12 EXAMINATION, AS DETERMINED BY THE DIRECTOR BY RULE. IF THE
13 DIRECTOR GRANTS SUCH A WAIVER, THE DIRECTOR SHALL MAKE THE
14 LICENSE CONDITIONAL UPON THE APPLICANT'S COMPLETION OF THE
15 GENERAL PORTION OF THE EXAMINATION WITHIN A SPECIFIED TIME.

16 (6) (a) COMMUNITY ASSOCIATION MANAGERS' LICENSES MAY BE
17 GRANTED TO INDIVIDUALS OR ENTITIES.

18 (b) AN ENTITY, IN ITS APPLICATION FOR A LICENSE, SHALL
19 DESIGNATE A QUALIFIED, ACTIVE MANAGER TO BE RESPONSIBLE FOR
20 MANAGEMENT AND SUPERVISION OF THE LICENSED ACTIONS OF THE
21 ENTITY AND ALL PERSONS EMPLOYED BY, OR ACTING AT ANY TIME ON
22 BEHALF OF, THE ENTITY. A LICENSE MAY NOT BE ISSUED TO THE ENTITY
23 UNLESS THE MANAGER SO DESIGNATED TAKES AND PASSES THE
24 EXAMINATION REQUIRED BY THIS PART 10 AND SUBMITS FINGERPRINTS IN
25 ACCORDANCE WITH SUBSECTION (1)(b) OF THIS SECTION. UPON THE
26 MANAGER SUCCESSFULLY PASSING THE EXAMINATION AND UPON
27 COMPLIANCE WITH ALL OTHER REQUIREMENTS OF LAW BY THE ENTITY AS

1 WELL AS BY THE MANAGER, THE DIRECTOR SHALL ISSUE A DESIGNATED
2 MANAGER'S LICENSE TO THE MANAGER.

3 (c) IF THE DESIGNATED MANAGER IS REFUSED A LICENSE BY THE
4 DIRECTOR OR CEASES TO BE THE DESIGNATED MANAGER OF THE ENTITY,
5 THE ENTITY MAY DESIGNATE ANOTHER PERSON TO APPLY FOR A LICENSE,
6 AND THE DIRECTOR MAY ISSUE A TEMPORARY LICENSE TO PREVENT
7 HARDSHIP FOR A PERIOD NOT TO EXCEED NINETY DAYS TO THE PERSON SO
8 DESIGNATED.

9 (7) THE DESIGNATED MANAGER FOR ANY PARTNERSHIP, LIMITED
10 LIABILITY COMPANY, OR CORPORATION IS PERSONALLY RESPONSIBLE FOR
11 THE HANDLING OF ANY AND ALL COMMON INTEREST COMMUNITY FUNDS
12 RECEIVED OR DISBURSED BY THE ENTITY. IN THE EVENT OF ANY BREACH
13 OF DUTY BY THE ENTITY, ANY PERSON AGGRIEVED OR DAMAGED BY THE
14 BREACH MAY MAKE A CLAIM FOR RELIEF AGAINST THE ENTITY.

15 (8) A PERSON SHALL NOT:

16 (a) BE LICENSED AS A COMMUNITY ASSOCIATION MANAGER UNDER
17 MORE THAN ONE NAME; OR

18 (b) CONDUCT OR PROMOTE BUSINESS AS A COMMUNITY
19 ASSOCIATION MANAGER EXCEPT UNDER THE NAME UNDER WHICH THE
20 PERSON IS LICENSED.

21 (9) AN APPRENTICE SHALL NOT PERFORM AN ACT THAT OTHERWISE
22 REQUIRES A COMMUNITY ASSOCIATION MANAGER LICENSE EXCEPT:

23 (a) WHEN UNDER THE SUPERVISION OF A LICENSED COMMUNITY
24 ASSOCIATION MANAGER; AND

25 (b) IN ACCORDANCE WITH ANY APPLICABLE RULES OF THE
26 DIRECTOR ADOPTED PURSUANT TO SECTION 12-61-1002 (2).

27 **12-61-1004. Supervision of apprentices - limitation on**

1 **permissible functions.** (1) A SUPERVISING MANAGER, DESIGNATED
2 MANAGER, OR LICENSED ENTITY UNDER WHOSE SUPERVISION AN
3 APPRENTICE PERFORMS MANAGEMENT DUTIES IS ACCOUNTABLE FOR THE
4 APPRENTICE'S ACTIONS.

5 (2) AN APPRENTICE SHALL NOT ATTEND AN EXECUTIVE BOARD
6 MEETING WITHOUT THE PRESENCE OF A LICENSED MANAGER.

7 **12-61-1005. Insurance required - rules.** EVERY LICENSEE UNDER
8 THIS PART 10, EXCEPT AN INACTIVE MANAGER OR AN ATTORNEY LICENSEE
9 WHO MAINTAINS A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE
10 THAT PROVIDES COVERAGE FOR THE LICENSEE'S ACTIVITIES UNDER THIS
11 PART 10, MUST BE INSURED UNDER INSURANCE NECESSARY TO COVER ALL
12 ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND
13 UNDER TERMS AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN
14 PROMULGATING RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT
15 AND CONSIDER INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

16 **12-61-1006. Fees and charges for contracted services and**
17 **home sales - disclosure required.** (1) EVERY MANAGER, AND EVERY
18 AGENT OR OTHER PERSON WHO REPRESENTS OR NEGOTIATES ON BEHALF
19 OF A MANAGER, SHALL DISCLOSE TO THE EXECUTIVE BOARD OF EACH HOA
20 FOR WHICH IT PROVIDES OR OFFERS TO PROVIDE SERVICES, DURING
21 CONTRACT NEGOTIATIONS AND THEREAFTER ON AN ANNUAL BASIS, ALL
22 FEES AND OTHER AMOUNTS THAT THE MANAGER CHARGES OR WILL
23 CHARGE TO THE COMMON INTEREST COMMUNITY, UNIT OWNERS, AND
24 PURCHASERS OF UNITS IN THE COMMON INTEREST COMMUNITY FOR OR AS
25 A RESULT OF ANY SERVICE, PRODUCT, TRANSACTION, OR ITEM OF VALUE
26 PROVIDED BY THE MANAGER, ANY EMPLOYEE OR CONTRACTOR OF THE
27 MANAGER, OR ANY OTHER INDIVIDUAL OR ENTITY WITH WHOM THE

1 MANAGER ASSOCIATES IN THE PERFORMANCE OF COMMUNITY
2 ASSOCIATION MANAGEMENT SERVICES.

3 (2) NEITHER A MANAGER NOR ANY AGENT OF A MANAGER MAY
4 ENFORCE ANY FEE OR CHARGE, INCLUDING A TRANSFER FEE, AGAINST THE
5 HOA OR ANY BUYER OR SELLER OF PROPERTY SERVED BY THE HOA
6 UNLESS THE FEE OR CHARGE IS:

7 (a) EXPLICITLY DISCLOSED IN THE MANAGER'S CONTRACT WITH
8 THE HOA OR AN ADDENDUM TO THE CONTRACT; OR

9 (b) DOCUMENTED BY A CLEARLY IDENTIFIED LINE ITEM ON A REAL
10 ESTATE CLOSING SETTLEMENT STATEMENT.

11 (3) IN ADDITION TO MAKING THE DISCLOSURES REQUIRED UNDER
12 SUBSECTIONS (1) AND (2) OF THIS SECTION, A MANAGER SHALL DISCLOSE
13 TO THE EXECUTIVE BOARD ALL REMUNERATION THE MANAGER OR ANY
14 SUBSIDIARY, AFFILIATE, OR RELATED PERSON OR ENTITY RECEIVES OR WILL
15 RECEIVE, DIRECTLY OR INDIRECTLY, IN CONNECTION WITH ITS
16 RELATIONSHIP WITH THE COMMON INTEREST COMMUNITY.

17 (4) THE DIVISION MAY REGULATE, INVESTIGATE, AND TAKE
18 DISCIPLINARY ACTION AGAINST ANY MANAGER OR, IF THE MANAGER IS AN
19 ENTITY, A PRINCIPAL OF THE ENTITY FOR A VIOLATION OF THIS SECTION.

20 **12-61-1007. Licenses - issuance - contents - display.** THE
21 DIRECTOR SHALL MAKE AVAILABLE FOR EACH LICENSEE A LICENSE IN SUCH
22 FORM AND SIZE AS THE DIRECTOR MAY PRESCRIBE. THE LICENSE MUST
23 SHOW THE NAME OF THE LICENSEE AND MAY CONTAIN SUCH OTHER
24 MATTER AS THE DIRECTOR PRESCRIBES.

25 **12-61-1008. Resident licensee - nonresident licensee - consent**
26 **to service.** (1) A NONRESIDENT OF THE STATE MAY BECOME A
27 COMMUNITY ASSOCIATION MANAGER OR APPRENTICE IN THIS STATE BY

1 CONFORMING TO ALL THE CONDITIONS OF THIS PART 10; EXCEPT THAT THE
2 NONRESIDENT MANAGER IS NOT REQUIRED TO MAINTAIN A PLACE OF
3 BUSINESS WITHIN THIS STATE IF THAT MANAGER MAINTAINS A DEFINITE
4 PLACE OF BUSINESS IN ANOTHER STATE.

5 (2) IF A MANAGER HAS NO REGISTERED AGENT REGISTERED IN THIS
6 STATE AS CONTEMPLATED BY SECTION 7-90-701, THE REGISTERED AGENT
7 IS NOT LOCATED UNDER ITS REGISTERED AGENT NAME AT ITS REGISTERED
8 AGENT ADDRESS, OR THE REGISTERED AGENT CANNOT WITH REASONABLE
9 DILIGENCE BE SERVED, NOTWITHSTANDING SECTION 7-90-704, THE
10 MANAGER MAY BE SERVED BY REGISTERED MAIL OR BY CERTIFIED MAIL,
11 RETURN RECEIPT REQUESTED, ADDRESSED TO THE MANAGER AT THE
12 MANAGER'S LAST-KNOWN ADDRESS. SERVICE IS PERFECTED UNDER THIS
13 SUBSECTION (2) AT THE EARLIEST OF:

14 (a) THE DATE THE MANAGER RECEIVES THE PROCESS, NOTICE, OR
15 DEMAND;

16 (b) THE DATE SHOWN ON THE RETURN RECEIPT, IF SIGNED BY OR
17 ON BEHALF OF THE MANAGER; OR

18 (c) FIVE DAYS AFTER MAILING.

19 (3) ALL APPLICATIONS MADE BY A DESIGNATED MANAGER ON
20 BEHALF OF A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
21 CORPORATION MUST CONTAIN A CERTIFICATION THAT THE MANAGER IS
22 AUTHORIZED TO ACT FOR THE ENTITY.

23 **12-61-1009. Record of licensees - publications.** THE DIRECTOR
24 SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL
25 COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10,
26 TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE
27 ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE

1 DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER
2 NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE
3 PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF
4 ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE
5 EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

6 **12-61-1010. Change of location or employment status - notice**
7 **required.** (1) A COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
8 THIS PART 10 SHALL NOTIFY THE DIRECTOR WITHIN THIRTY DAYS AFTER
9 ANY CHANGE OF BUSINESS LOCATION OR EMPLOYMENT. A CHANGE OF
10 BUSINESS ADDRESS OR EMPLOYMENT STATUS WITHOUT NOTIFICATION TO
11 THE DIRECTOR AUTOMATICALLY INACTIVATES THE LICENSEE'S LICENSE.

12 (2) FOR PURPOSES OF THIS SECTION, A CHANGE IN EMPLOYMENT
13 STATUS INCLUDES THE DESIGNATION OF A LICENSED COMMUNITY
14 ASSOCIATION MANAGER AS A NEW OR SUCCESSOR DESIGNATED MANAGER
15 ACTING FOR A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
16 CORPORATION.

17 **12-61-1011. License fees - partnership, limited liability**
18 **company, and corporation licenses - rules.** (1) THE DIRECTOR SHALL
19 ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE WITH
20 SECTION 12-61-111.5, FEES FOR:

- 21 (a) EACH EXAMINATION;
- 22 (b) EACH MANAGER'S OR ENTITY'S ORIGINAL APPLICATION AND
23 LICENSE;
- 24 (c) EACH RENEWAL OR REINSTATEMENT OF A MANAGER'S LICENSE;
- 25 (d) ANY CHANGE OF NAME, ADDRESS, OR EMPLOYMENT STATUS
26 REQUIRING A CHANGE IN DIRECTOR RECORDS; AND
- 27 (e) EACH APPRENTICE'S ORIGINAL APPLICATION AND LICENSE.

1 (2) THE DIRECTOR SHALL TRANSMIT ALL FEES TO THE STATE
2 TREASURER, WHO SHALL CREDIT THEM TO THE DIVISION OF REAL ESTATE
3 CASH FUND, CREATED IN SECTION 12-61-111.5 (2)(b). FEES COLLECTED
4 UNDER SUBSECTIONS (1)(b) TO (1)(e) OF THIS SECTION ARE
5 NONREFUNDABLE.

6 (3) EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS SECTION,
7 LICENSES ARE VALID FOR UP TO THREE YEARS, SUBJECT TO EXPIRATION
8 AND RENEWAL ON A SCHEDULE DETERMINED BY THE DIRECTOR. THE
9 DIRECTOR SHALL ESTABLISH, BY RULE, THE REQUIREMENTS FOR
10 CONTINUING EDUCATION, REEXAMINATION, AND SUBSEQUENT CRIMINAL
11 HISTORY RECORD CHECKS; EXCEPT THAT THESE REQUIREMENTS MUST NOT
12 BE MORE STRINGENT THAN THE EQUIVALENT REQUIREMENTS FOR REAL
13 ESTATE BROKERS UNDER PART 1 OF THIS ARTICLE 61.

14 (4) AN APPRENTICE LICENSE IS VALID FOR ONE YEAR AND IS NOT
15 SUBJECT TO RENEWAL.

16 **12-61-1012. Hearings - use of administrative law judges -**
17 **subpoenas - rules - judicial review - immunity.** (1) EXCEPT AS
18 OTHERWISE PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE
19 DIRECTOR WITH RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF
20 LICENSURE UNDER THIS PART 10, AT THE DISCRETION OF THE DIRECTOR,
21 MAY BE CONDUCTED BY AN AUTHORIZED REPRESENTATIVE OF THE
22 DIRECTOR OR BY AN ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS
23 24-4-104 AND 24-4-105.

24 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
25 DIRECTOR HAS AN OFFICE OR IN SUCH OTHER PLACE AS THE DIRECTOR MAY
26 DESIGNATE. IF THE LICENSEE IS EMPLOYED BY ANOTHER LICENSED
27 COMMUNITY ASSOCIATION MANAGER, THE DIRECTOR SHALL ALSO NOTIFY

1 THE LICENSEE'S EMPLOYER BY MAILING, BY FIRST-CLASS MAIL, A COPY OF
2 THE WRITTEN NOTICE REQUIRED UNDER SECTION 24-4-104 (3), TO THE
3 EMPLOYER'S LAST-KNOWN BUSINESS ADDRESS.

4 (3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE
5 DIRECTOR, OR AN ADMINISTRATIVE LAW JUDGE SHALL CONDUCT ALL
6 HEARINGS FOR DENYING, SUSPENDING, OR REVOKING A LICENSE OR
7 CERTIFICATE ON BEHALF OF THE DIRECTOR, SUBJECT TO APPROPRIATIONS
8 MADE TO THE DEPARTMENT OF PERSONNEL. EACH ADMINISTRATIVE LAW
9 JUDGE SHALL BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF
10 TITLE 24. THE ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING
11 IN ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. A LICENSE MAY
12 NOT BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE
13 A DECISION.

14 (4) THE DIRECTOR, OR THE ADMINISTRATIVE LAW JUDGE
15 APPOINTED FOR HEARINGS, MAY ISSUE A SUBPOENA COMPELLING THE
16 ATTENDANCE AND TESTIMONY OF WITNESSES AND THE PRODUCTION OF
17 BOOKS, PAPERS, RECORDS, OR OTHER EVIDENCE PURSUANT TO AN
18 INVESTIGATION OR HEARING. THESE SUBPOENAS MUST BE SERVED IN THE
19 SAME MANNER AS SUBPOENAS ISSUED BY DISTRICT COURTS AND ISSUED
20 WITHOUT DISCRIMINATION BETWEEN PUBLIC AND PRIVATE PARTIES
21 REQUIRING THE ATTENDANCE OF WITNESSES AND THE PRODUCTION OF
22 DOCUMENTS AT HEARINGS. IF A PERSON FAILS TO OBEY A SUBPOENA
23 ISSUED BY THE DIRECTOR OR THE APPOINTED ADMINISTRATIVE LAW JUDGE,
24 THE DIRECTOR MAY PETITION THE DISTRICT COURT OF THE CITY AND
25 COUNTY OF DENVER FOR ISSUANCE OF AN ORDER COMPELLING A WITNESS
26 TO ATTEND AND TESTIFY OR PRODUCE BOOKS, PAPERS, RECORDS, OR
27 OTHER EVIDENCE UNDER PENALTY OF PUNISHMENT FOR CONTEMPT.

1 (5) THE DECISION OF THE DIRECTOR IN ANY DISCIPLINARY ACTION
2 OR DENIAL OF LICENSURE UNDER THIS SECTION IS SUBJECT TO JUDICIAL
3 REVIEW BY THE COURT OF APPEALS. IN ORDER TO EFFECTUATE THE
4 PURPOSES OF THIS PART 10, THE DIRECTOR HAS THE POWER TO
5 PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24.

6 (6) IN A JUDICIAL REVIEW PROCEEDING, THE COURT MAY STAY THE
7 EXECUTION OR EFFECT OF ANY FINAL ORDER OF THE DIRECTOR; BUT A
8 HEARING SHALL BE HELD AFFORDING THE PARTIES AN OPPORTUNITY TO BE
9 HEARD FOR THE PURPOSE OF DETERMINING WHETHER THE PUBLIC HEALTH,
10 SAFETY, AND WELFARE WOULD BE ENDANGERED BY STAYING THE
11 DIRECTOR'S ORDER. IF THE COURT DETERMINES THAT THE ORDER SHOULD
12 BE STAYED, THE COURT SHALL ALSO DETERMINE AT THE HEARING
13 WHETHER THE PETITIONER SHOULD BE REQUIRED TO POST A BOND AND THE
14 AMOUNT OF THE BOND AND ADEQUACY OF THE SURETY, WHICH BOND
15 MUST BE CONDITIONED UPON THE FAITHFUL PERFORMANCE BY THE
16 PETITIONER OF ALL OBLIGATIONS AS A COMMUNITY ASSOCIATION
17 MANAGER AND UPON THE PROMPT PAYMENT OF ALL DAMAGES ARISING
18 FROM OR CAUSED BY THE DELAY IN THE TAKING EFFECT OF OR
19 ENFORCEMENT OF THE ORDER COMPLAINED OF AND FOR ALL COSTS THAT
20 MAY BE ASSESSED OR REQUIRED TO BE PAID IN CONNECTION WITH THE
21 PROCEEDINGS.

22 (7) IN ANY HEARING CONDUCTED BY THE DIRECTOR OR AN
23 AUTHORIZED REPRESENTATIVE OF THE DIRECTOR IN WHICH THERE IS A
24 POSSIBILITY OF THE DENIAL, SUSPENSION, OR REVOCATION OF A LICENSE
25 BECAUSE OF THE CONVICTION OF A FELONY OR OF A CRIME INVOLVING
26 MORAL TURPITUDE, THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED
27 REPRESENTATIVE IS GOVERNED BY SECTION 24-5-101.

1 (8) A PERSON PARTICIPATING IN GOOD FAITH IN THE FILING OF A
2 COMPLAINT OR REPORT OR PARTICIPATING IN AN INVESTIGATION OR
3 HEARING BEFORE THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE
4 PURSUANT TO THIS PART 10 IS IMMUNE FROM ANY LIABILITY, CIVIL OR
5 CRIMINAL, THAT OTHERWISE MIGHT RESULT BY REASON OF SUCH ACTION.

6 **12-61-1013. Advisory committee - rules.** (1) THERE IS HEREBY
7 ESTABLISHED AN ADVISORY COMMITTEE FOR COMMUNITY ASSOCIATION
8 MANAGEMENT. THE PURPOSES OF THE COMMITTEE ARE TO GATHER
9 INFORMATION AND FEEDBACK FROM HOMEOWNERS AND MANAGERS; TO
10 ACT AS A SOUNDING BOARD FOR DISCUSSION OF ISSUES AFFECTING
11 COMMON INTEREST COMMUNITIES; AND TO MAKE RECOMMENDATIONS TO
12 THE DIRECTOR CONCERNING:

13 (a) ANY NECESSARY UPDATES OR CHANGES TO THE RULES
14 PROMULGATED BY THE DIRECTOR PURSUANT TO THIS PART 10;

15 (b) THE COMPLAINT PROCESS, INCLUDING:

16 (I) INFORMATION OR EDUCATION FOR HOMEOWNERS ON FILING A
17 COMPLAINT;

18 (II) THE TIME PERIODS AND PROCESSES THAT APPLY TO THE
19 RESPONSE BY A PERSON ACCUSED OF A VIOLATION AND THE
20 INVESTIGATION OF THE COMPLAINT;

21 (III) THE TYPES OF RECORDS AND OTHER EVIDENCE THAT SHOULD
22 BE PRODUCED OR PRESERVED WHEN A COMPLAINT IS FILED; AND

23 (IV) COMMUNICATION AMONG THE COMPLAINANT, THE
24 RESPONDENT, AND INVESTIGATORS DURING THE PENDENCY OF A
25 COMPLAINT AND ANY SUBSEQUENT ACTION BY THE DIRECTOR; AND

26 (c) ANY OTHER ISSUES ABOUT WHICH THE DIRECTOR SEEKS INPUT
27 FROM THE ADVISORY COMMITTEE.

1 (2) (a) THE ADVISORY COMMITTEE HAS NO ENFORCEMENT OR
2 DISCIPLINARY ROLE.

3 (b) MEMBERS OF THE ADVISORY COMMITTEE SERVE ON A
4 VOLUNTARY BASIS, WITHOUT COMPENSATION.

5 (c) EVERY MEMBER OF THE ADVISORY COMMITTEE MUST HAVE
6 DEMONSTRATED TRAINING OR EXPERIENCE AND INTEREST IN COMMUNITY
7 ASSOCIATION MANAGEMENT.

8 (3) THE ADVISORY COMMITTEE CONSISTS OF SEVEN MEMBERS,
9 APPOINTED BY THE DIRECTOR, AS FOLLOWS:

10 (a) ONE MEMBER WHO IS A UNIT OWNER RESIDING IN COLORADO
11 WHO HAS NOT SERVED ON AN EXECUTIVE BOARD OF A COMMUNITY
12 ASSOCIATION MANAGED BY A LICENSED MANAGER AND HAS NOT, FOR AT
13 LEAST ONE YEAR IMMEDIATELY PRECEDING THE MEMBER'S APPOINTMENT,
14 ACTED AS A LICENSED COMMUNITY ASSOCIATION MANAGER OR WORKED
15 FOR AN ENTITY THAT IS PRIMARILY FOCUSED ON COMMUNITY ASSOCIATION
16 MANAGEMENT OR DEVELOPMENT;

17 (b) ONE MEMBER WHO IS A UNIT OWNER RESIDING IN COLORADO
18 WHO HAS SERVED AT LEAST ONE YEAR ON AN EXECUTIVE BOARD OF A
19 COMMUNITY ASSOCIATION MANAGED BY A LICENSED MANAGER AND HAS
20 NOT, FOR AT LEAST ONE YEAR IMMEDIATELY PRECEDING THE MEMBER'S
21 APPOINTMENT, ACTED AS A LICENSED COMMUNITY ASSOCIATION MANAGER
22 OR WORKED FOR AN ENTITY THAT IS PRIMARILY FOCUSED ON COMMUNITY
23 ASSOCIATION MANAGEMENT OR DEVELOPMENT;

24 (c) THREE MEMBERS WHO RESIDE IN COLORADO AND WHO HOLD
25 ACTIVE COMMUNITY ASSOCIATION MANAGER LICENSES FIRST ISSUED NO
26 LESS THAN THREE YEARS BEFORE APPOINTMENT TO THE COMMITTEE;

27 (d) ONE MEMBER WHO IS A CERTIFIED PUBLIC ACCOUNTANT

1 AUTHORIZED TO PRACTICE IN COLORADO WITH AT LEAST FIVE YEARS OF
2 DIRECT EXPERIENCE WORKING WITH THE FINANCES OF COMMON INTEREST
3 COMMUNITIES; AND

4 (e) ONE MEMBER WHO IS AN ATTORNEY LICENSED TO PRACTICE IN
5 COLORADO WITH AT LEAST FIVE YEARS OF EXPERIENCE ADVISING CLIENTS
6 ON THE "COLORADO COMMON INTEREST OWNERSHIP ACT", ARTICLE 33.3
7 OF TITLE 38, AND COMMUNITY ASSOCIATION LAW.

8 (4) THE DIRECTOR SHALL TAKE INTO CONSIDERATION GEOGRAPHIC
9 DIVERSITY AND POTENTIAL CONFLICTS OF INTEREST WHEN MAKING
10 APPOINTMENTS TO THE ADVISORY COMMITTEE.

11 (5) (a) THE DIRECTOR SHALL MAKE INITIAL APPOINTMENTS TO THE
12 ADVISORY COMMITTEE ON OR BEFORE SEPTEMBER 15, 2019. ONCE
13 APPOINTED, THE TERMS OF THE FOLLOWING COMMITTEE MEMBERS ARE
14 TWO YEARS, WHICH TERMS BEGIN ON THE DATE OF NOTIFICATION OF
15 APPOINTMENT:

16 (I) THE UNIT OWNER WHO QUALIFIES UNDER SUBSECTION (3)(a) OF
17 THIS SECTION;

18 (II) ONE COMMUNITY ASSOCIATION MANAGER WHO QUALIFIES
19 UNDER SUBSECTION (3)(c) OF THIS SECTION;

20 (III) THE CERTIFIED PUBLIC ACCOUNTANT WHO QUALIFIES UNDER
21 SUBSECTION (3)(d) OF THIS SECTION; AND

22 (IV) THE ATTORNEY WHO QUALIFIES UNDER SUBSECTION (3)(e) OF
23 THIS SECTION.

24 (b) THE INITIAL TERMS OF THE REMAINING MEMBERS OF THE
25 ADVISORY COMMITTEE ARE THREE YEARS. AFTER THE INITIAL TERMS, THE
26 TERMS OF ALL MEMBERS OF THE COMMITTEE ARE TWO YEARS. NO
27 COMMITTEE MEMBER MAY SERVE MORE THAN TWO FULL TERMS

1 CONSECUTIVELY.

2 (c) IF A VACANCY OCCURS DURING A COMMITTEE MEMBER'S TERM,
3 THE DIRECTOR SHALL APPOINT A PERSON QUALIFIED UNDER THIS SECTION
4 TO REPLACE THE MEMBER FOR THE REMAINDER OF THAT MEMBER'S TERM.
5 IF A QUALIFIED SUCCESSOR HAS NOT BEEN FOUND, OR IF THE DIRECTOR IS
6 UNABLE TO SECURE THE SERVICES OF A QUALIFIED PERSON TO FILL ANY OF
7 THE POSITIONS SPECIFIED IN SUBSECTIONS (3)(a) TO (3)(e) OF THIS SECTION
8 FOR AN INITIAL TERM OR A SUBSEQUENT TERM, THE ADVISORY COMMITTEE
9 SHALL NONETHELESS MEET AND ADVISE THE DIRECTOR TO THE BEST OF ITS
10 ABILITY. THERE IS NO QUORUM REQUIREMENT.

11 (6) THE ADVISORY COMMITTEE SHALL ANNUALLY ELECT A
12 CHAIRPERSON FROM AMONG THE MEMBERS OF THE COMMITTEE FOR A
13 TERM OF ONE YEAR. A CHAIRPERSON MAY SERVE MORE THAN ONE TERM
14 AS CHAIR; EXCEPT THAT THE COMMITTEE MUST ELECT THE CHAIRPERSON
15 EACH YEAR. THE COMMITTEE MAY REMOVE THE CHAIRPERSON FROM THAT
16 ROLE, WITH OR WITHOUT CAUSE, AND ELECT A NEW CHAIRPERSON TO FILL
17 THE REMAINDER OF THE TERM.

18 (7) THE DIRECTOR MAY REMOVE AN APPOINTED COMMITTEE
19 MEMBER AND MAY PROMULGATE RULES CONSISTENT WITH THIS PART 10
20 CONCERNING THE APPOINTMENT AND REMOVAL OF COMMITTEE MEMBERS
21 AND OPERATION OF THE ADVISORY COMMITTEE.

22 **12-61-1014. Repeal of part.** THIS PART 10 IS REPEALED,
23 EFFECTIVE SEPTEMBER 1, 2024. BEFORE THE REPEAL, THE FUNCTIONS OF
24 THE DIRECTOR AND THE ADVISORY COMMITTEE FOR COMMUNITY
25 ASSOCIATION MANAGEMENT UNDER THIS PART 10 ARE SCHEDULED FOR
26 REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

27 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **repeal**

1 (15)(a)(VII); and **add** (25)(a)(XX) as follows:

2 **24-34-104. General assembly review of regulatory agencies**
3 **and functions for repeal, continuation, or reestablishment - legislative**
4 **declaration - repeal.** (15) (a) The following agencies, functions, or both,
5 will repeal on September 1, 2018:

6 (VII) ~~The licensing of community association managers and~~
7 ~~apprentices by the director of the division of real estate in accordance~~
8 ~~with part 10 of article 61 of title 12, C.R.S.~~

9 (25) (a) The following agencies, functions, or both, are scheduled
10 for repeal on September 1, 2024:

11 (XX) THE LICENSING OF COMMUNITY ASSOCIATION MANAGERS
12 AND APPRENTICES BY THE DIRECTOR OF THE DIVISION OF REAL ESTATE IN
13 ACCORDANCE WITH PART 10 OF ARTICLE 61 OF TITLE 12.

14 **SECTION 3.** In Colorado Revised Statutes, **add to article 10 of**
15 **title 12 as relocated by House Bill 19-1172** part 10 as follows:

16 PART 10

17 COMMUNITY ASSOCIATION MANAGERS

18 **12-10-1001. Definitions.** AS USED IN THIS PART 10, UNLESS THE
19 CONTEXT OTHERWISE REQUIRES:

20 (1) "APPRENTICE" MEANS A PERSON WHO:

21 (a) HAS NOT COMPLETED THE EDUCATION AND EXAMINATION
22 REQUIREMENTS FOR OBTAINING A COMMUNITY ASSOCIATION MANAGER
23 LICENSE;

24 (b) IS UNDER THE CONTROL AND SUPERVISION OF A LICENSED
25 COMMUNITY ASSOCIATION MANAGER; AND

26 (c) IS LICENSED WITH THE DIRECTOR FOR PURPOSES OF LEARNING
27 AND PERFORMING ANY PRACTICES THAT REQUIRE A COMMUNITY

1 ASSOCIATION MANAGER LICENSE.

2 (2) "CCIOA" MEANS THE "COLORADO COMMON INTEREST
3 OWNERSHIP ACT", ARTICLE 33.3 OF TITLE 38.

4 (3) (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET
5 FORTH IN SECTION 38-33.3-103 (8); EXCEPT THAT "COMMON INTEREST
6 COMMUNITY" DOES NOT INCLUDE:

7 (I) A COMMUNITY MANAGED BY AN ASSOCIATION OR UNIT
8 OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
9 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
10 SECTION 38-33-110(7), OR CONSIST OF TIME SHARE INTERESTS AS DEFINED
11 IN SECTION 12-10-501 (4); OR

12 (II) A COMMUNITY, RESORT, OR DEVELOPMENT REGISTERED WITH
13 THE DIVISION AS A TIME SHARE SUBDIVISION.

14 (b) AS USED IN THIS SUBSECTION (3), "MAJORITY OF UNITS" MEANS
15 THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY PERCENT OF THE
16 ALLOCATED INTERESTS IN THE COMMON INTEREST COMMUNITY
17 APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR RESIDENTIAL
18 USE.

19 (4) (a) "COMMUNITY ASSOCIATION MANAGEMENT" MEANS ANY OF
20 THE FOLLOWING PRACTICES RELATING TO THE MANAGEMENT OF A
21 COMMON INTEREST COMMUNITY, AT THE DIRECTION OR ON BEHALF OF ITS
22 EXECUTIVE BOARD:

23 (I) ACTING WITH THE AUTHORITY OF THE COMMON INTEREST
24 COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL, FINANCIAL, OR OTHER
25 TRANSACTIONS;

26 (II) EXECUTING THE RESOLUTIONS, DECISIONS, AND CONTRACTS OF
27 THE EXECUTIVE BOARD;

1 (III) ENFORCING THE RIGHTS OF THE COMMON INTEREST
2 COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE, OR
3 BYLAW;

4 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
5 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;

6 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;

7 (VI) CONDUCTING MEETINGS OF THE COMMON INTEREST
8 COMMUNITY'S MEMBERSHIP OR EXECUTIVE BOARD;

9 (VII) MAINTAINING THE COMMON INTEREST COMMUNITY'S
10 RECORDS PURSUANT TO ITS GOVERNING DOCUMENTS AND APPLICABLE
11 PROVISIONS OF THE CCIOA; OR

12 (VIII) ADMINISTERING, OR OTHERWISE EXERCISING CONTROL OF,
13 A COMMON INTEREST COMMUNITY'S FUNDS, INCLUDING THE
14 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR
15 REPLACEMENT OF CAPITAL ASSETS.

16 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN
17 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
18 MAINTENANCE FUNCTION. THE DIRECTOR MAY ADOPT RULES TO FURTHER
19 DEFINE OR CLARIFY WHETHER A SPECIFIC FUNCTION FALLS WITHIN THIS
20 SUBSECTION (4)(b) AND THE REQUIREMENTS, IF ANY, THAT APPLY FOR
21 SUPERVISION OF SUPPORT STAFF BY LICENSED MANAGERS.

22 (5) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
23 MEANS ANY PERSON THAT SIGNS A WRITTEN CONTRACT TO PROVIDE
24 COMMUNITY ASSOCIATION MANAGEMENT SERVICES TO A COMMON
25 INTEREST COMMUNITY OR THAT, IN CONSIDERATION OF COMPENSATION BY
26 FEE, COMMISSION, SALARY, OR ANYTHING ELSE OF VALUE OR WITH THE
27 INTENTION OF RECEIVING OR COLLECTING THE COMPENSATION, WHETHER

1 OR NOT THE COMPENSATION IS RECEIVED BY THE LICENSED MANAGER
2 DIRECTLY OR BY THE LICENSED ENTITY THAT EMPLOYS THE LICENSED
3 MANAGER, ENGAGES IN OR OFFERS OR ATTEMPTS TO ENGAGE IN
4 COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO.

5 (b) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER" DOES
6 NOT INCLUDE:

7 (I) A PERSON WHO, UNDER THE SUPERVISION OF A MANAGER,
8 PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR MAINTENANCE
9 FUNCTION;

10 (II) ANY PUBLIC OFFICIAL IN THE CONDUCT OF THE PUBLIC
11 OFFICIAL'S OFFICIAL DUTIES;

12 (III) A RECEIVER, TRUSTEE, ADMINISTRATOR, CONSERVATOR,
13 EXECUTOR, OR GUARDIAN ACTING UNDER PROPER AUTHORIZATION;

14 (IV) A PERSON IN ACQUIRING OR IN NEGOTIATING TO ACQUIRE ANY
15 INTEREST IN REAL ESTATE;

16 (V) AN ATTORNEY-AT-LAW IN CONNECTION WITH THE ATTORNEY'S
17 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;

18 (VI) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
19 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED
20 EMPLOYEES, WHEN THE ACTS ARE INCIDENTAL AND NECESSARY IN THE
21 ORDINARY COURSE OF THE CORPORATION'S BUSINESS ACTIVITIES OF A
22 NON-PROPERTY MANAGEMENT NATURE. FOR THE PURPOSES OF THIS
23 SUBSECTION (5)(b), THE TERM "OFFICERS OR REGULAR SALARIED
24 EMPLOYEES" MEANS PERSONS REGULARLY EMPLOYED WHO DERIVE NOT
25 LESS THAN SEVENTY-FIVE PERCENT OF THEIR COMPENSATION FROM THE
26 CORPORATION IN THE FORM OF SALARIES;

27 (VII) AN INDEPENDENT CONTRACTOR WHO:

1 (A) PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
2 MAINTENANCE FUNCTION; OR

3 (B) IS NOT OTHERWISE ENGAGED IN THE PERFORMANCE OF
4 COMMUNITY ASSOCIATION MANAGEMENT; OR

5 (VIII) AN APPRENTICE WORKING UNDER THE SUPERVISION OF A
6 LICENSED MANAGER.

7 (6) "DESIGNATED MANAGER" MEANS A PERSON WHO IS CURRENTLY
8 LICENSED AS A MANAGER AND WHO, ON BEHALF OF A LICENSED ENTITY, IS
9 RESPONSIBLE FOR PERFORMING COMMUNITY ASSOCIATION MANAGEMENT
10 PRACTICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT
11 PRACTICES PERFORMED BY PERSONS EMPLOYED BY, OR ACTING ON BEHALF
12 OF, THE LICENSED ENTITY.

13 (7) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
14 38-33.3-103 (16).

15 (8) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN HOA AS
16 DEFINED IN SECTION 12-10-101 (3); EXCEPT THAT THE TERM DOES NOT
17 INCLUDE AN ASSOCIATION OR UNIT OWNERS' ASSOCIATION IN WHICH A
18 MAJORITY OF UNITS THAT ARE DESIGNATED FOR RESIDENTIAL USE ARE
19 TIME SHARE UNITS, AS DEFINED IN SECTION 38-33-110 (7). AS USED IN THIS
20 SUBSECTION (10), "MAJORITY OF UNITS" MEANS THE UNITS TO WHICH ARE
21 ALLOCATED MORE THAN FIFTY PERCENT OF THE ALLOCATED INTERESTS IN
22 THE COMMON INTEREST COMMUNITY APPURTENANT TO ALL UNITS THAT
23 ARE DESIGNATED FOR RESIDENTIAL USE.

24 (9) "LIMITED LIABILITY COMPANY" HAS THE MEANING SET FORTH
25 IN SECTION 7-80-102 (7).

26 **12-10-1002. License required - rules - violations -**
27 **administrative and legal remedies.** (1) IT IS UNLAWFUL FOR ANY

1 PERSON TO ENGAGE IN, OR TO HOLD OUT HIMSELF, HERSELF, OR ITSELF AS
2 QUALIFIED TO ENGAGE IN, THE BUSINESS OF COMMUNITY ASSOCIATION
3 MANAGEMENT OR TO ACT AS A COMMUNITY ASSOCIATION MANAGER
4 WITHOUT FIRST HAVING OBTAINED A LICENSE FROM THE DIRECTOR IN
5 ACCORDANCE WITH SECTION 12-10-1003 OR DURING ANY PERIOD IN WHICH
6 THE MANAGER'S LICENSE IS REVOKED OR SUSPENDED.

7 (2) THE DIRECTOR MAY PROMULGATE RULES AS NECESSARY TO
8 ENABLE THE DIRECTOR TO CARRY OUT THE DIRECTOR'S DUTIES UNDER THIS
9 PART 10 AND SHALL ADOPT RULES TO DEFINE THE APPROPRIATE LEVEL OF
10 SUPERVISION FOR SPECIFIC DUTIES PERFORMED BY AN APPRENTICE.

11 (3) IN ADDITION TO CONDUCTING HEARINGS AS PROVIDED IN
12 SECTION 12-10-1012, THE DIRECTOR MAY ENFORCE THIS PART 10 AND
13 RULES ADOPTED UNDER THIS PART 10 BY TAKING ONE OR MORE OF THE
14 FOLLOWING ACTIONS:

15 (a) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT
16 JURISDICTION FOR AN ORDER ENJOINING ANY ACT OR PRACTICE THAT
17 CONSTITUTES A VIOLATION OF THIS PART 10 OR A RULE ADOPTED UNDER
18 THIS PART 10, AND, UPON A SHOWING THAT A PERSON IS ENGAGING OR
19 INTENDS TO ENGAGE IN ANY SUCH ACT OR PRACTICE, THE COURT SHALL
20 GRANT AN INJUNCTION, RESTRAINING ORDER, OR OTHER APPROPRIATE
21 ORDER REGARDLESS OF THE EXISTENCE OF ANOTHER REMEDY FOR THE
22 VIOLATION. ANY NOTICE OR HEARING AND THE DURATION OF ANY
23 INJUNCTION OR RESTRAINING ORDER IS GOVERNED BY THE COLORADO
24 RULES OF CIVIL PROCEDURE.

25 (b) THE DIRECTOR MAY CONDUCT AUDITS OF FINANCIAL AND
26 TRANSACTIONAL RECORDS AND ACCOUNTS OF LICENSEES IN ACCORDANCE
27 WITH RULES ADOPTED BY THE DIRECTOR.

1 NECESSARY IN REFERENCE TO THE TRUTHFULNESS, HONESTY, AND GOOD
2 MORAL CHARACTER OF ANY APPLICANT FOR A LICENSE OR, IF THE
3 APPLICANT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
4 CORPORATION, OF ANY PARTNER, MANAGER, DIRECTOR, OFFICER, MEMBER,
5 OR STOCKHOLDER IF THE PERSON HAS, EITHER DIRECTLY OR INDIRECTLY,
6 A SUBSTANTIAL INTEREST IN THE APPLICANT PRIOR TO THE ISSUANCE OF
7 THE LICENSE.

8 (b) AN APPLICANT IS INELIGIBLE FOR A LICENSE IF THE PERSON
9 HAS, WITHIN THE IMMEDIATELY PRECEDING TEN YEARS, HAD A LICENSE OR
10 CERTIFICATION AS A COMMUNITY ASSOCIATION MANAGER REVOKED OR
11 SUSPENDED IN COLORADO OR ANY OTHER JURISDICTION THAT REGULATES
12 COMMUNITY ASSOCIATION MANAGERS; EXCEPT THAT THE DIRECTOR HAS
13 THE DISCRETION TO ACCEPT THE PERSON'S APPLICATION IF AT LEAST TWO
14 YEARS HAVE ELAPSED SINCE THE DATE OF THE REVOCATION OR
15 SUSPENSION AND THE APPLICANT HAS PROVED TO THE DIRECTOR THAT THE
16 APPLICANT IS FIT TO BE LICENSED AS A COMMUNITY ASSOCIATION
17 MANAGER IN COLORADO.

18 (c) IF THE DIRECTOR DETERMINES THAT THE APPLICANT HAS BEEN
19 CONVICTED OF A CRIME, THE DIRECTOR SHALL CONSIDER THE FOLLOWING
20 FACTORS WHEN DETERMINING WHETHER THE CONVICTION DISQUALIFIES
21 THE APPLICANT FOR A LICENSE:

22 (I) THE NATURE OF THE CONVICTION;

23 (II) WHETHER THERE IS A DIRECT RELATIONSHIP BETWEEN THE
24 CONVICTION AND THE DUTIES AND RESPONSIBILITIES OF LICENSURE AND
25 THE BEARING, IF ANY, THE CONVICTION MAY HAVE ON THE APPLICANT'S
26 FITNESS OR ABILITY TO PERFORM ONE OR MORE OF SUCH DUTIES AND
27 RESPONSIBILITIES, INCLUDING WHETHER THE CONVICTION WAS FOR

1 UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION 16-22-102 (9), AND
2 WHETHER THE APPLICANT WOULD PLACE A RESIDENT OR THE PUBLIC IN A
3 VULNERABLE POSITION;

4 (III) ANY INFORMATION PRODUCED BY THE APPLICANT OR
5 PRODUCED ON THE APPLICANT'S BEHALF REGARDING THE APPLICANT'S
6 REHABILITATION AND GOOD CONDUCT; AND

7 (IV) THE TIME THAT HAS ELAPSED SINCE THE CONVICTION.

8 (d) NOTWITHSTANDING SUBSECTION (3)(c) OF THIS SECTION, AN
9 APPLICANT IS INELIGIBLE FOR LICENSURE IF THE APPLICANT HAS, WITHIN
10 THE IMMEDIATELY PRECEDING TEN YEARS, BEEN CONVICTED OF AN
11 OFFENSE INVOLVING UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION
12 16-22-102 (9); A BURGLARY OFFENSE, AS DEFINED IN SECTION 18-4-202 OR
13 18-4-203; OR ANY FELONY INVOLVING FRAUD, THEFT, LARCENY,
14 EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF
15 PROPERTY.

16 (4) AN APPLICANT FOR A LICENSE MUST BE AT LEAST EIGHTEEN
17 YEARS OF AGE AND MUST FURNISH PROOF SATISFACTORY TO THE DIRECTOR
18 THAT THE APPLICANT HAS RECEIVED EITHER A HIGH SCHOOL DIPLOMA OR
19 THE EQUIVALENT GENERAL EDUCATION DEVELOPMENT CERTIFICATION.

20 (5) (a) AN APPLICANT FOR A MANAGER'S LICENSE MUST:

21 (I) (A) HOLD ONE OR MORE CREDENTIALS IDENTIFIED BY THE
22 DIRECTOR IN RULES; OR

23 (B) CERTIFY COMPLETION OF ANY EDUCATIONAL OR CONTINUING
24 EDUCATIONAL REQUIREMENTS AS DETERMINED BY THE DIRECTOR IN RULES
25 AND PUBLISHED ON THE DIVISION'S WEBSITE; AND

26 (II) SUBMIT TO AND PASS AN EXAMINATION WITH TWO SEPARATE
27 PORTIONS, WHICH MAY BE ADMINISTERED SEPARATELY. THE

1 EXAMINATION MUST MEASURE THE COMPETENCY OF THE APPLICANT IN
2 CARRYING OUT THE CORE FUNCTIONS OF COMMUNITY ASSOCIATION
3 MANAGEMENT, REFERRED TO AS THE "GENERAL PORTION" OF THE
4 EXAMINATION, AND IN UNDERSTANDING THE BASIC PROVISIONS OF LEGAL
5 DOCUMENTS AND COLORADO LAW WITH WHICH MANAGERS ARE REQUIRED
6 TO COMPLY, REFERRED TO AS THE "COLORADO LAW PORTION" OF THE
7 EXAMINATION. THE EXAMINATION MUST BE PREPARED BY OR UNDER THE
8 SUPERVISION OF THE DIRECTOR OR THE DIRECTOR'S DESIGNATED
9 CONTRACTOR OR CONTRACTORS. THE DIRECTOR MAY CONTRACT WITH ONE
10 OR MORE INDEPENDENT TESTING SERVICES TO DEVELOP, ADMINISTER, OR
11 GRADE EXAMINATIONS OR TO ADMINISTER LICENSEE RECORDS. THE
12 CONTRACTS MAY ALLOW THE TESTING SERVICE TO RECOVER FROM THE
13 APPLICANT THE COSTS OF THE EXAMINATION AND THE COSTS OF
14 ADMINISTERING THE EXAMINATION AND LICENSE RECORDS. THE DIRECTOR
15 MAY CONTRACT SEPARATELY FOR THESE FUNCTIONS AND ALLOW
16 RECOVERED COSTS TO BE COLLECTED AND RETAINED BY A SINGLE
17 CONTRACTOR FOR DISTRIBUTION TO OTHER CONTRACTORS. THE DIRECTOR
18 MAY SET THE SEPARATE MINIMUM PASSING SCORES FOR THE GENERAL
19 PORTION AND THE COLORADO LAW PORTION OF THE EXAMINATION. THE
20 DIRECTOR SHALL PRESCRIBE THE TIMES AND PLACES AT WHICH THE
21 EXAMINATION AS A WHOLE IS GIVEN OR AT WHICH THE SEPARATE
22 PORTIONS OF THE EXAMINATION ARE GIVEN.

23 (b) AN APPLICANT WHO HOLDS A CREDENTIAL APPROVED BY THE
24 DIRECTOR PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION AND HAS
25 MAINTAINED THE CREDENTIAL IN GOOD STANDING, INCLUDING HAVING
26 COMPLETED ALL ONGOING EDUCATION REQUIRED TO MAINTAIN THE
27 CREDENTIAL, MUST COMPLETE THE COLORADO LAW PORTION, BUT MAY BE

1 EXEMPTED FROM THE REQUIREMENT TO COMPLETE THE GENERAL PORTION,
2 OF THE EXAMINATION DESCRIBED IN SUBSECTION (5)(a)(II) OF THIS
3 SECTION.

4 (c) THE SEPARATE PORTIONS OF THE EXAMINATION DEVELOPED
5 UNDER SUBSECTION (5)(a)(II) OF THIS SECTION MUST ASSESS AN
6 APPLICANT'S COMPETENCY IN THE FOLLOWING SUBJECT MATTER AREAS:

7 (I) FOR THE COLORADO LAW PORTION OF THE EXAMINATION,
8 LEGAL DOCUMENTS; STATUTES, INCLUDING THE CCIOA; AND OTHER
9 APPLICABLE PROVISIONS OF COLORADO LAW; AND

10 (II) FOR THE GENERAL PORTION OF THE EXAMINATION, OTHER
11 CORE COMPETENCIES OF COMMUNITY ASSOCIATION MANAGEMENT, AS
12 SPECIFIED BY THE DIRECTOR.

13 (d) EXAMINATION RESULTS MEASURING AN APPLICANT'S
14 KNOWLEDGE OF THE MATTERS DESCRIBED IN SUBSECTION (5)(c) OF THIS
15 SECTION ARE VALID FOR ONE YEAR. A PERSON WHO TAKES THE
16 EXAMINATION AND DOES NOT APPLY FOR A LICENSE WITHIN ONE YEAR
17 THEREAFTER MUST RETAKE THAT PORTION OF THE EXAMINATION BEFORE
18 APPLYING.

19 (e) THE DIVISION MAY WAIVE THE GENERAL PORTION OF THE
20 EXAMINATION FOR AN APPLICANT WHO HAS HELD A COMMUNITY
21 ASSOCIATION MANAGER LICENSE IN ANOTHER JURISDICTION THAT
22 REGULATES COMMUNITY ASSOCIATION MANAGERS AND WHO HAS BEEN
23 LICENSED FOR TWO OR MORE YEARS PRIOR TO APPLYING FOR A COLORADO
24 LICENSE IF THE APPLICANT ESTABLISHES THAT THE APPLICANT POSSESSES
25 CREDENTIALS AND QUALIFICATIONS THAT ARE SUBSTANTIVELY
26 EQUIVALENT TO THE REQUIREMENTS IN COLORADO FOR LICENSURE BY
27 EXAMINATION, AS DETERMINED BY THE DIRECTOR BY RULE. IF THE

1 DIRECTOR GRANTS SUCH A WAIVER, THE DIRECTOR SHALL MAKE THE
2 LICENSE CONDITIONAL UPON THE APPLICANT'S COMPLETION OF THE
3 GENERAL PORTION OF THE EXAMINATION WITHIN A SPECIFIED TIME.

4 (6) (a) COMMUNITY ASSOCIATION MANAGERS' LICENSES MAY BE
5 GRANTED TO INDIVIDUALS OR ENTITIES.

6 (b) AN ENTITY, IN ITS APPLICATION FOR A LICENSE, SHALL
7 DESIGNATE A QUALIFIED, ACTIVE MANAGER TO BE RESPONSIBLE FOR
8 MANAGEMENT AND SUPERVISION OF THE LICENSED ACTIONS OF THE
9 ENTITY AND ALL PERSONS EMPLOYED BY, OR ACTING AT ANY TIME ON
10 BEHALF OF, THE ENTITY. A LICENSE MAY NOT BE ISSUED TO THE ENTITY
11 UNLESS THE MANAGER SO DESIGNATED TAKES AND PASSES THE
12 EXAMINATION REQUIRED BY THIS PART 10 AND SUBMITS FINGERPRINTS IN
13 ACCORDANCE WITH SUBSECTION (1)(b) OF THIS SECTION. UPON THE
14 MANAGER SUCCESSFULLY PASSING THE EXAMINATION AND UPON
15 COMPLIANCE WITH ALL OTHER REQUIREMENTS OF LAW BY THE ENTITY AS
16 WELL AS BY THE MANAGER, THE DIRECTOR SHALL ISSUE A DESIGNATED
17 MANAGER'S LICENSE TO THE MANAGER.

18 (c) IF THE DESIGNATED MANAGER IS REFUSED A LICENSE BY THE
19 DIRECTOR OR CEASES TO BE THE DESIGNATED MANAGER OF THE ENTITY,
20 THE ENTITY MAY DESIGNATE ANOTHER PERSON TO APPLY FOR A LICENSE,
21 AND THE DIRECTOR MAY ISSUE A TEMPORARY LICENSE TO PREVENT
22 HARDSHIP FOR A PERIOD NOT TO EXCEED NINETY DAYS TO THE PERSON SO
23 DESIGNATED.

24 (7) THE DESIGNATED MANAGER FOR ANY PARTNERSHIP, LIMITED
25 LIABILITY COMPANY, OR CORPORATION IS PERSONALLY RESPONSIBLE FOR
26 THE HANDLING OF ANY AND ALL COMMON INTEREST COMMUNITY FUNDS
27 RECEIVED OR DISBURSED BY THE ENTITY. IN THE EVENT OF ANY BREACH

1 OF DUTY BY THE ENTITY, ANY PERSON AGGRIEVED OR DAMAGED BY THE
2 BREACH MAY MAKE A CLAIM FOR RELIEF AGAINST THE ENTITY.

3 (8) A PERSON SHALL NOT:

4 (a) BE LICENSED AS A COMMUNITY ASSOCIATION MANAGER UNDER
5 MORE THAN ONE NAME; OR

6 (b) CONDUCT OR PROMOTE BUSINESS AS A COMMUNITY
7 ASSOCIATION MANAGER EXCEPT UNDER THE NAME UNDER WHICH THE
8 PERSON IS LICENSED.

9 (9) AN APPRENTICE SHALL NOT PERFORM AN ACT THAT OTHERWISE
10 REQUIRES A COMMUNITY ASSOCIATION MANAGER LICENSE EXCEPT:

11 (a) WHEN UNDER THE SUPERVISION OF A LICENSED COMMUNITY
12 ASSOCIATION MANAGER; AND

13 (b) IN ACCORDANCE WITH ANY APPLICABLE RULES OF THE
14 DIRECTOR ADOPTED PURSUANT TO SECTION 12-10-1002 (2).

15 **12-10-1004. Supervision of apprentices - limitation on**
16 **permissible functions.** (1) A SUPERVISING MANAGER, DESIGNATED
17 MANAGER, OR LICENSED ENTITY UNDER WHOSE SUPERVISION AN
18 APPRENTICE PERFORMS MANAGEMENT DUTIES IS ACCOUNTABLE FOR THE
19 APPRENTICE'S ACTIONS.

20 (2) AN APPRENTICE SHALL NOT ATTEND AN EXECUTIVE BOARD
21 MEETING WITHOUT THE PRESENCE OF A LICENSED MANAGER.

22 **12-10-1005. Insurance required - rules.** EVERY LICENSEE UNDER
23 THIS PART 10, EXCEPT AN INACTIVE MANAGER OR AN ATTORNEY LICENSEE
24 WHO MAINTAINS A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE
25 THAT PROVIDES COVERAGE FOR THE LICENSEE'S ACTIVITIES UNDER THIS
26 PART 10, MUST BE INSURED UNDER INSURANCE NECESSARY TO COVER ALL
27 ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND

1 UNDER TERMS AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN
2 PROMULGATING RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT
3 AND CONSIDER INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

4 **12-10-1006. Fees and charges for contracted services and**
5 **home sales - disclosure required.** (1) EVERY MANAGER, AND EVERY
6 AGENT OR OTHER PERSON WHO REPRESENTS OR NEGOTIATES ON BEHALF
7 OF A MANAGER, SHALL DISCLOSE TO THE EXECUTIVE BOARD OF EACH HOA
8 FOR WHICH IT PROVIDES OR OFFERS TO PROVIDE SERVICES, DURING
9 CONTRACT NEGOTIATIONS AND THEREAFTER ON AN ANNUAL BASIS, ALL
10 FEES AND OTHER AMOUNTS THAT THE MANAGER CHARGES OR WILL
11 CHARGE TO THE COMMON INTEREST COMMUNITY, UNIT OWNERS, AND
12 PURCHASERS OF UNITS IN THE COMMON INTEREST COMMUNITY FOR OR AS
13 A RESULT OF ANY SERVICE, PRODUCT, TRANSACTION, OR ITEM OF VALUE
14 PROVIDED BY THE MANAGER, ANY EMPLOYEE OR CONTRACTOR OF THE
15 MANAGER, OR ANY OTHER INDIVIDUAL OR ENTITY WITH WHOM THE
16 MANAGER ASSOCIATES IN THE PERFORMANCE OF COMMUNITY
17 ASSOCIATION MANAGEMENT SERVICES.

18 (2) NEITHER A MANAGER NOR ANY AGENT OF A MANAGER MAY
19 ENFORCE ANY FEE OR CHARGE, INCLUDING A TRANSFER FEE, AGAINST THE
20 HOA OR ANY BUYER OR SELLER OF PROPERTY SERVED BY THE HOA
21 UNLESS THE FEE OR CHARGE IS:

22 (a) EXPLICITLY DISCLOSED IN THE MANAGER'S CONTRACT WITH
23 THE HOA OR AN ADDENDUM TO THE CONTRACT; OR

24 (b) DOCUMENTED BY A CLEARLY IDENTIFIED LINE ITEM ON A REAL
25 ESTATE CLOSING SETTLEMENT STATEMENT.

26 (3) IN ADDITION TO MAKING THE DISCLOSURES REQUIRED UNDER
27 SUBSECTIONS (1) AND (2) OF THIS SECTION, A MANAGER SHALL DISCLOSE

1 TO THE EXECUTIVE BOARD ALL REMUNERATION THE MANAGER OR ANY
2 SUBSIDIARY, AFFILIATE, OR RELATED PERSON OR ENTITY RECEIVES OR WILL
3 RECEIVE, DIRECTLY OR INDIRECTLY, IN CONNECTION WITH ITS
4 RELATIONSHIP WITH THE COMMON INTEREST COMMUNITY.

5 (4) THE DIVISION MAY REGULATE, INVESTIGATE, AND TAKE
6 DISCIPLINARY ACTION AGAINST ANY MANAGER OR, IF THE MANAGER IS AN
7 ENTITY, A PRINCIPAL OF THE ENTITY FOR A VIOLATION OF THIS SECTION.

8 **12-10-1007. Licenses - issuance - contents - display.** THE
9 DIRECTOR SHALL MAKE AVAILABLE FOR EACH LICENSEE A LICENSE IN SUCH
10 FORM AND SIZE AS THE DIRECTOR MAY PRESCRIBE. THE LICENSE MUST
11 SHOW THE NAME OF THE LICENSEE AND MAY CONTAIN SUCH OTHER
12 MATTER AS THE DIRECTOR PRESCRIBES.

13 **12-10-1008. Resident licensee - nonresident licensee - consent**
14 **to service.** (1) A NONRESIDENT OF THE STATE MAY BECOME A
15 COMMUNITY ASSOCIATION MANAGER OR APPRENTICE IN THIS STATE BY
16 CONFORMING TO ALL THE CONDITIONS OF THIS PART 10; EXCEPT THAT THE
17 NONRESIDENT MANAGER IS NOT REQUIRED TO MAINTAIN A PLACE OF
18 BUSINESS WITHIN THIS STATE IF THAT MANAGER MAINTAINS A DEFINITE
19 PLACE OF BUSINESS IN ANOTHER STATE.

20 (2) IF A MANAGER HAS NO REGISTERED AGENT REGISTERED IN THIS
21 STATE AS CONTEMPLATED BY SECTION 7-90-701, THE REGISTERED AGENT
22 IS NOT LOCATED UNDER ITS REGISTERED AGENT NAME AT ITS REGISTERED
23 AGENT ADDRESS, OR THE REGISTERED AGENT CANNOT WITH REASONABLE
24 DILIGENCE BE SERVED, NOTWITHSTANDING SECTION 7-90-704, THE
25 MANAGER MAY BE SERVED BY REGISTERED MAIL OR BY CERTIFIED MAIL,
26 RETURN RECEIPT REQUESTED, ADDRESSED TO THE MANAGER AT THE
27 MANAGER'S LAST-KNOWN ADDRESS. SERVICE IS PERFECTED UNDER THIS

1 SUBSECTION (2) AT THE EARLIEST OF:

2 (a) THE DATE THE MANAGER RECEIVES THE PROCESS, NOTICE, OR
3 DEMAND;

4 (b) THE DATE SHOWN ON THE RETURN RECEIPT, IF SIGNED BY OR
5 ON BEHALF OF THE MANAGER; OR

6 (c) FIVE DAYS AFTER MAILING.

7 (3) ALL APPLICATIONS MADE BY A DESIGNATED MANAGER ON
8 BEHALF OF A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
9 CORPORATION MUST CONTAIN A CERTIFICATION THAT THE MANAGER IS
10 AUTHORIZED TO ACT FOR THE ENTITY.

11 **12-10-1009. Record of licensees - publications.** THE DIRECTOR
12 SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL
13 COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10,
14 TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE
15 ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE
16 DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER
17 NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE
18 PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF
19 ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE
20 EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

21 **12-10-1010. Change of location or employment status - notice**
22 **required.** (1) A COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
23 THIS PART 10 SHALL NOTIFY THE DIRECTOR WITHIN THIRTY DAYS AFTER
24 ANY CHANGE OF BUSINESS LOCATION OR EMPLOYMENT. A CHANGE OF
25 BUSINESS ADDRESS OR EMPLOYMENT STATUS WITHOUT NOTIFICATION TO
26 THE DIRECTOR AUTOMATICALLY INACTIVATES THE LICENSEE'S LICENSE.

27 (2) FOR PURPOSES OF THIS SECTION, A CHANGE IN EMPLOYMENT

1 STATUS INCLUDES THE DESIGNATION OF A LICENSED COMMUNITY
2 ASSOCIATION MANAGER AS A NEW OR SUCCESSOR DESIGNATED MANAGER
3 ACTING FOR A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
4 CORPORATION.

5 **12-10-1011. License fees - partnership, limited liability**
6 **company, and corporation licenses - rules.** (1) THE DIRECTOR SHALL
7 ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE WITH
8 SECTION 12-10-215, FEES FOR:

- 9 (a) EACH EXAMINATION;
- 10 (b) EACH MANAGER'S OR ENTITY'S ORIGINAL APPLICATION AND
11 LICENSE;
- 12 (c) EACH RENEWAL OR REINSTATEMENT OF A MANAGER'S LICENSE;
- 13 (d) ANY CHANGE OF NAME, ADDRESS, OR EMPLOYMENT STATUS
14 REQUIRING A CHANGE IN DIRECTOR RECORDS; AND
- 15 (e) EACH APPRENTICE'S ORIGINAL APPLICATION AND LICENSE.

16 (2) THE DIRECTOR SHALL TRANSMIT ALL FEES TO THE STATE
17 TREASURER, WHO SHALL CREDIT THEM TO THE DIVISION OF REAL ESTATE
18 CASH FUND, CREATED IN SECTION 12-10-215 (2)(b). FEES COLLECTED
19 UNDER SUBSECTIONS (1)(b) TO (1)(e) OF THIS SECTION ARE
20 NONREFUNDABLE.

21 (3) EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS SECTION,
22 LICENSES ARE VALID FOR UP TO THREE YEARS, SUBJECT TO EXPIRATION
23 AND RENEWAL ON A SCHEDULE DETERMINED BY THE DIRECTOR. THE
24 DIRECTOR SHALL ESTABLISH, BY RULE, THE REQUIREMENTS FOR
25 CONTINUING EDUCATION, REEXAMINATION, AND SUBSEQUENT CRIMINAL
26 HISTORY RECORD CHECKS; EXCEPT THAT THESE REQUIREMENTS MUST NOT
27 BE MORE STRINGENT THAN THE EQUIVALENT REQUIREMENTS FOR REAL

1 ESTATE BROKERS UNDER PART 2 OF THIS ARTICLE 10.

2 (4) AN APPRENTICE LICENSE IS VALID FOR ONE YEAR AND IS NOT
3 SUBJECT TO RENEWAL.

4 **12-10-1012. Hearings - use of administrative law judges -**
5 **subpoenas - rules - judicial review - immunity.** (1) EXCEPT AS
6 OTHERWISE PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE
7 DIRECTOR WITH RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF
8 LICENSURE UNDER THIS PART 10, AT THE DISCRETION OF THE DIRECTOR,
9 MAY BE CONDUCTED BY AN AUTHORIZED REPRESENTATIVE OF THE
10 DIRECTOR OR BY AN ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS
11 24-4-104 AND 24-4-105.

12 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
13 DIRECTOR HAS AN OFFICE OR IN SUCH OTHER PLACE AS THE DIRECTOR MAY
14 DESIGNATE. IF THE LICENSEE IS EMPLOYED BY ANOTHER LICENSED
15 COMMUNITY ASSOCIATION MANAGER, THE DIRECTOR SHALL ALSO NOTIFY
16 THE LICENSEE'S EMPLOYER BY MAILING, BY FIRST-CLASS MAIL, A COPY OF
17 THE WRITTEN NOTICE REQUIRED UNDER SECTION 24-4-104 (3), TO THE
18 EMPLOYER'S LAST-KNOWN BUSINESS ADDRESS.

19 (3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE
20 DIRECTOR, OR AN ADMINISTRATIVE LAW JUDGE SHALL CONDUCT ALL
21 HEARINGS FOR DENYING, SUSPENDING, OR REVOKING A LICENSE OR
22 CERTIFICATE ON BEHALF OF THE DIRECTOR, SUBJECT TO APPROPRIATIONS
23 MADE TO THE DEPARTMENT OF PERSONNEL. EACH ADMINISTRATIVE LAW
24 JUDGE SHALL BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF
25 TITLE 24. THE ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING
26 IN ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. A LICENSE MAY
27 NOT BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE

1 A DECISION.

2 (4) THE DIRECTOR, OR THE ADMINISTRATIVE LAW JUDGE
3 APPOINTED FOR HEARINGS, MAY ISSUE A SUBPOENA COMPELLING THE
4 ATTENDANCE AND TESTIMONY OF WITNESSES AND THE PRODUCTION OF
5 BOOKS, PAPERS, RECORDS, OR OTHER EVIDENCE PURSUANT TO AN
6 INVESTIGATION OR HEARING. THESE SUBPOENAS MUST BE SERVED IN THE
7 SAME MANNER AS SUBPOENAS ISSUED BY DISTRICT COURTS AND ISSUED
8 WITHOUT DISCRIMINATION BETWEEN PUBLIC AND PRIVATE PARTIES
9 REQUIRING THE ATTENDANCE OF WITNESSES AND THE PRODUCTION OF
10 DOCUMENTS AT HEARINGS. IF A PERSON FAILS TO OBEY A SUBPOENA
11 ISSUED BY THE DIRECTOR OR THE APPOINTED ADMINISTRATIVE LAW JUDGE,
12 THE DIRECTOR MAY PETITION THE DISTRICT COURT OF THE CITY AND
13 COUNTY OF DENVER FOR ISSUANCE OF AN ORDER COMPELLING A WITNESS
14 TO ATTEND AND TESTIFY OR PRODUCE BOOKS, PAPERS, RECORDS, OR
15 OTHER EVIDENCE UNDER PENALTY OF PUNISHMENT FOR CONTEMPT.

16 (5) THE DECISION OF THE DIRECTOR IN ANY DISCIPLINARY ACTION
17 OR DENIAL OF LICENSURE UNDER THIS SECTION IS SUBJECT TO JUDICIAL
18 REVIEW BY THE COURT OF APPEALS. IN ORDER TO EFFECTUATE THE
19 PURPOSES OF THIS PART 10, THE DIRECTOR HAS THE POWER TO
20 PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24.

21 (6) IN A JUDICIAL REVIEW PROCEEDING, THE COURT MAY STAY THE
22 EXECUTION OR EFFECT OF ANY FINAL ORDER OF THE DIRECTOR; BUT A
23 HEARING SHALL BE HELD AFFORDING THE PARTIES AN OPPORTUNITY TO BE
24 HEARD FOR THE PURPOSE OF DETERMINING WHETHER THE PUBLIC HEALTH,
25 SAFETY, AND WELFARE WOULD BE ENDANGERED BY STAYING THE
26 DIRECTOR'S ORDER. IF THE COURT DETERMINES THAT THE ORDER SHOULD
27 BE STAYED, THE COURT SHALL ALSO DETERMINE AT THE HEARING

1 WHETHER THE PETITIONER SHOULD BE REQUIRED TO POST A BOND AND THE
2 AMOUNT OF THE BOND AND ADEQUACY OF THE SURETY, WHICH BOND
3 MUST BE CONDITIONED UPON THE FAITHFUL PERFORMANCE BY THE
4 PETITIONER OF ALL OBLIGATIONS AS A COMMUNITY ASSOCIATION
5 MANAGER AND UPON THE PROMPT PAYMENT OF ALL DAMAGES ARISING
6 FROM OR CAUSED BY THE DELAY IN THE TAKING EFFECT OF OR
7 ENFORCEMENT OF THE ORDER COMPLAINED OF AND FOR ALL COSTS THAT
8 MAY BE ASSESSED OR REQUIRED TO BE PAID IN CONNECTION WITH THE
9 PROCEEDINGS.

10 (7) IN ANY HEARING CONDUCTED BY THE DIRECTOR OR AN
11 AUTHORIZED REPRESENTATIVE OF THE DIRECTOR IN WHICH THERE IS A
12 POSSIBILITY OF THE DENIAL, SUSPENSION, OR REVOCATION OF A LICENSE
13 BECAUSE OF THE CONVICTION OF A FELONY OR OF A CRIME INVOLVING
14 MORAL TURPITUDE, THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED
15 REPRESENTATIVE IS GOVERNED BY SECTION 24-5-101.

16 (8) A PERSON PARTICIPATING IN GOOD FAITH IN THE FILING OF A
17 COMPLAINT OR REPORT OR PARTICIPATING IN AN INVESTIGATION OR
18 HEARING BEFORE THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE
19 PURSUANT TO THIS PART 10 IS IMMUNE FROM ANY LIABILITY, CIVIL OR
20 CRIMINAL, THAT OTHERWISE MIGHT RESULT BY REASON OF SUCH ACTION.

21 **12-10-1013. Advisory committee - rules.** (1) THERE IS HEREBY
22 ESTABLISHED AN ADVISORY COMMITTEE FOR COMMUNITY ASSOCIATION
23 MANAGEMENT. THE PURPOSES OF THE COMMITTEE ARE TO GATHER
24 INFORMATION AND FEEDBACK FROM HOMEOWNERS AND MANAGERS; TO
25 ACT AS A SOUNDING BOARD FOR DISCUSSION OF ISSUES AFFECTING
26 COMMON INTEREST COMMUNITIES; AND TO MAKE RECOMMENDATIONS TO
27 THE DIRECTOR CONCERNING:

1 (a) ANY NECESSARY UPDATES OR CHANGES TO THE RULES
2 PROMULGATED BY THE DIRECTOR PURSUANT TO THIS PART 10;

3 (b) THE COMPLAINT PROCESS, INCLUDING:

4 (I) INFORMATION OR EDUCATION FOR HOMEOWNERS ON FILING A
5 COMPLAINT;

6 (II) THE TIME PERIODS AND PROCESSES THAT APPLY TO THE
7 RESPONSE BY A PERSON ACCUSED OF A VIOLATION AND THE
8 INVESTIGATION OF THE COMPLAINT;

9 (III) THE TYPES OF RECORDS AND OTHER EVIDENCE THAT SHOULD
10 BE PRODUCED OR PRESERVED WHEN A COMPLAINT IS FILED; AND

11 (IV) COMMUNICATION AMONG THE COMPLAINANT, THE
12 RESPONDENT, AND INVESTIGATORS DURING THE PENDENCY OF A
13 COMPLAINT AND ANY SUBSEQUENT ACTION BY THE DIRECTOR; AND

14 (c) ANY OTHER ISSUES ABOUT WHICH THE DIRECTOR SEEKS INPUT
15 FROM THE ADVISORY COMMITTEE.

16 (2) (a) THE ADVISORY COMMITTEE HAS NO ENFORCEMENT OR
17 DISCIPLINARY ROLE.

18 (b) MEMBERS OF THE ADVISORY COMMITTEE SERVE ON A
19 VOLUNTARY BASIS, WITHOUT COMPENSATION.

20 (c) EVERY MEMBER OF THE ADVISORY COMMITTEE MUST HAVE
21 DEMONSTRATED TRAINING OR EXPERIENCE AND INTEREST IN COMMUNITY
22 ASSOCIATION MANAGEMENT.

23 (3) THE ADVISORY COMMITTEE CONSISTS OF SEVEN MEMBERS,
24 APPOINTED BY THE DIRECTOR, AS FOLLOWS:

25 (a) ONE MEMBER WHO IS A UNIT OWNER RESIDING IN COLORADO
26 WHO HAS NOT SERVED ON AN EXECUTIVE BOARD OF A COMMUNITY
27 ASSOCIATION MANAGED BY A LICENSED MANAGER AND HAS NOT, FOR AT

1 LEAST ONE YEAR IMMEDIATELY PRECEDING THE MEMBER'S APPOINTMENT,
2 ACTED AS A LICENSED COMMUNITY ASSOCIATION MANAGER OR WORKED
3 FOR AN ENTITY THAT IS PRIMARILY FOCUSED ON COMMUNITY ASSOCIATION
4 MANAGEMENT OR DEVELOPMENT;

5 (b) ONE MEMBER WHO IS A UNIT OWNER RESIDING IN COLORADO
6 WHO HAS SERVED AT LEAST ONE YEAR ON AN EXECUTIVE BOARD OF A
7 COMMUNITY ASSOCIATION MANAGED BY A LICENSED MANAGER AND HAS
8 NOT, FOR AT LEAST ONE YEAR IMMEDIATELY PRECEDING THE MEMBER'S
9 APPOINTMENT, ACTED AS A LICENSED COMMUNITY ASSOCIATION MANAGER
10 OR WORKED FOR AN ENTITY THAT IS PRIMARILY FOCUSED ON COMMUNITY
11 ASSOCIATION MANAGEMENT OR DEVELOPMENT;

12 (c) THREE MEMBERS WHO RESIDE IN COLORADO AND WHO HOLD
13 ACTIVE COMMUNITY ASSOCIATION MANAGER LICENSES FIRST ISSUED NO
14 LESS THAN THREE YEARS BEFORE APPOINTMENT TO THE COMMITTEE;

15 (d) ONE MEMBER WHO IS A CERTIFIED PUBLIC ACCOUNTANT
16 AUTHORIZED TO PRACTICE IN COLORADO WITH AT LEAST FIVE YEARS OF
17 DIRECT EXPERIENCE WORKING WITH THE FINANCES OF COMMON INTEREST
18 COMMUNITIES; AND

19 (e) ONE MEMBER WHO IS AN ATTORNEY LICENSED TO PRACTICE IN
20 COLORADO WITH AT LEAST FIVE YEARS OF EXPERIENCE ADVISING CLIENTS
21 ON THE "COLORADO COMMON INTEREST OWNERSHIP ACT", ARTICLE 33.3
22 OF TITLE 38, AND COMMUNITY ASSOCIATION LAW.

23 (4) THE DIRECTOR SHALL TAKE INTO CONSIDERATION GEOGRAPHIC
24 DIVERSITY AND POTENTIAL CONFLICTS OF INTEREST WHEN MAKING
25 APPOINTMENTS TO THE ADVISORY COMMITTEE.

26 (5) (a) THE DIRECTOR SHALL MAKE INITIAL APPOINTMENTS TO THE
27 ADVISORY COMMITTEE ON OR BEFORE SEPTEMBER 15, 2019. ONCE

1 APPOINTED, THE TERMS OF THE FOLLOWING COMMITTEE MEMBERS ARE
2 TWO YEARS, WHICH TERMS BEGIN ON THE DATE OF NOTIFICATION OF
3 APPOINTMENT:

4 (I) THE UNIT OWNER WHO QUALIFIES UNDER SUBSECTION (3)(a) OF
5 THIS SECTION;

6 (II) ONE COMMUNITY ASSOCIATION MANAGER WHO QUALIFIES
7 UNDER SUBSECTION (3)(c) OF THIS SECTION;

8 (III) THE CERTIFIED PUBLIC ACCOUNTANT WHO QUALIFIES UNDER
9 SUBSECTION (3)(d) OF THIS SECTION; AND

10 (IV) THE ATTORNEY WHO QUALIFIES UNDER SUBSECTION (3)(e) OF
11 THIS SECTION.

12 (b) THE INITIAL TERMS OF THE REMAINING MEMBERS OF THE
13 ADVISORY COMMITTEE ARE THREE YEARS. AFTER THE INITIAL TERMS, THE
14 TERMS OF ALL MEMBERS OF THE COMMITTEE ARE TWO YEARS. NO
15 COMMITTEE MEMBER MAY SERVE MORE THAN TWO FULL TERMS
16 CONSECUTIVELY.

17 (c) IF A VACANCY OCCURS DURING A COMMITTEE MEMBER'S TERM,
18 THE DIRECTOR SHALL APPOINT A PERSON QUALIFIED UNDER THIS SECTION
19 TO REPLACE THE MEMBER FOR THE REMAINDER OF THAT MEMBER'S TERM.
20 IF A QUALIFIED SUCCESSOR HAS NOT BEEN FOUND, OR IF THE DIRECTOR IS
21 UNABLE TO SECURE THE SERVICES OF A QUALIFIED PERSON TO FILL ANY OF
22 THE POSITIONS SPECIFIED IN SUBSECTIONS (3)(a) TO (3)(e) OF THIS SECTION
23 FOR AN INITIAL TERM OR A SUBSEQUENT TERM, THE ADVISORY COMMITTEE
24 SHALL NONETHELESS MEET AND ADVISE THE DIRECTOR TO THE BEST OF ITS
25 ABILITY. THERE IS NO QUORUM REQUIREMENT.

26 (6) THE ADVISORY COMMITTEE SHALL ANNUALLY ELECT A
27 CHAIRPERSON FROM AMONG THE MEMBERS OF THE COMMITTEE FOR A

1 TERM OF ONE YEAR. A CHAIRPERSON MAY SERVE MORE THAN ONE TERM
2 AS CHAIR; EXCEPT THAT THE COMMITTEE MUST ELECT THE CHAIRPERSON
3 EACH YEAR. THE COMMITTEE MAY REMOVE THE CHAIRPERSON FROM THAT
4 ROLE, WITH OR WITHOUT CAUSE, AND ELECT A NEW CHAIRPERSON TO FILL
5 THE REMAINDER OF THE TERM.

6 (7) THE DIRECTOR MAY REMOVE AN APPOINTED COMMITTEE
7 MEMBER AND MAY PROMULGATE RULES CONSISTENT WITH THIS PART 10
8 CONCERNING THE APPOINTMENT AND REMOVAL OF COMMITTEE MEMBERS
9 AND OPERATION OF THE ADVISORY COMMITTEE.

10 **12-10-1014. Repeal of part.** THIS PART 10 IS REPEALED,
11 EFFECTIVE SEPTEMBER 1, 2024. BEFORE THE REPEAL, THE FUNCTIONS OF
12 THE DIRECTOR AND THE ADVISORY COMMITTEE FOR COMMUNITY
13 ASSOCIATION MANAGEMENT UNDER THIS PART 10 ARE SCHEDULED FOR
14 REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

15 **SECTION 4. Effective date.** This act takes effect upon passage;
16 except that section 3 of this act takes effect only if House Bill 19-1172
17 becomes law, in which case section 3 takes effect October 1, 2019.

18 **SECTION 5. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.