

**Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0372.02 Christy Chase x2008

HOUSE BILL 22-1239

HOUSE SPONSORSHIP

Titone,

SENATE SPONSORSHIP

(None),

House Committees

Transportation & Local Government
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF COMMUNITY ASSOCIATION**
102 **MANAGERS BY THE DIVISION OF REAL ESTATE IN THE**
103 **DEPARTMENT OF REGULATORY AGENCIES.**

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 bill establishes licensure requirements for business entities that perform community association management for common interest communities in the state. The division of real estate (division) in the department of regulatory agencies (department) is tasked with administering the regulatory program for community association

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.

managers (CAMs). To be licensed, a business entity must:

- Demonstrate compliance with insurance requirements specified by the director of the division (director) by rule;
- Designate an individual as the business entity's controlling manager who is responsible for the community association management activities of the business entity and its employees;
- Pay a fee based on the number of individuals who perform community association management on behalf of the business entity; and
- Obtain criminal history record checks for its controlling manager and each individual that performs community association management on behalf of the business entity.

A business entity licensed as a CAM must ensure that its controlling manager and each individual performing community association management on behalf of the licensed entity is credentialed by the Community Association Managers International Certification Board or the Community Associations Institute and complies with periodic continuing education requirements.

The bill sets forth various grounds for disciplining a licensed entity and directs the director to establish a points-based disciplinary system for determining the appropriate level of discipline to impose on a licensed entity based on the level of violation.

The bill repeals the licensure of CAMs on September 1, 2029, and directs the department to conduct a sunset review of the licensure program before that date.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and determines that:

4 (a) The department of regulatory agencies has considered the need
5 for regulating community association managers (CAMs) through two
6 sunrise reviews and one sunset review and has concluded, in each
7 instance, that community association management companies should be
8 regulated by the state, and in the sunrise reports, concluded that regulation
9 of CAMs was necessary to protect the public;

10 (b) In response to the department's 2012 sunrise report, the general

1 assembly enacted House Bill 13-1277, which established a regulatory
2 scheme for CAMs that required all CAMs, whether individuals or
3 business entities, to obtain a license through the division of real estate;

4 (c) In its 2017 sunset review of the regulation of CAMs, the
5 department recommended continuing the regulation in order to gather
6 additional, relevant information, but proposed legislation to continue the
7 regulatory program failed in 2018 and 2019, and the regulation of CAMs
8 ceased in 2019;

9 (d) Since the termination of CAM regulation, the department
10 conducted a study and survey of the industry, homeowners, and other
11 stakeholders and found that sixty-four percent of CAMs and eighty-two
12 percent of homeowners favor regulation of CAMs to protect the public;
13 and

14 (e) Thereafter, the department conducted another sunrise review
15 and concluded that "minimal regulatory programs should be enacted to
16 ensure that CAMs who commit acts such as theft are held accountable
17 through regulatory oversight . . ." and while "regulation may not prevent
18 thefts from occurring in the future, it would potentially prevent a
19 practitioner from practicing again in Colorado."

20 (2) The general assembly therefore declares that the regulation of
21 CAMs:

22 (a) Is important to protect the public, and in particular,
23 homeowners, from financial harm and ensure businesses engaged in the
24 practice of community association management and their employees and
25 contractors have knowledge of applicable laws and are able to perform
26 community association management activities in a manner that ensures
27 homeowners are not financially harmed; and

1 (b) Must be accomplished in a manner that is least restrictive to
2 the business of community association management, is efficient, and is
3 cost-effective in order to avoid significant impacts and minimize burdens
4 on both businesses and homeowners.

5 **SECTION 2.** In Colorado Revised Statutes, **add** part 10 to article
6 10 of title 12 as follows:

7 PART 10

8 COMMUNITY ASSOCIATION MANAGERS

9 **12-10-1001. Definitions.** AS USED IN THIS PART 10, UNLESS THE
10 CONTEXT OTHERWISE REQUIRES:

11 (1) "ASSOCIATION" OR "UNIT OWNERS' ASSOCIATION" HAS THE
12 MEANING SET FORTH IN SECTION 38-33.3-103 (3).

13 (2) "BUSINESS ENTITY" MEANS A FIRM, PARTNERSHIP, LIMITED
14 LIABILITY COMPANY, ASSOCIATION, CORPORATION, OR OTHER LEGAL
15 ENTITY.

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

18 (4) (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET
19 FORTH IN SECTION 38-33.3-103 (8).

20 (b) "COMMON INTEREST COMMUNITY" DOES NOT INCLUDE:

21 (I) A COMMUNITY MANAGED BY AN ASSOCIATION OR UNIT
22 OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
23 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
24 SECTION 38-33-110 (7), OR TIME SHARES, AS DEFINED IN SECTION
25 12-10-501 (4); OR

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

1 (5) (a) "COMMUNITY ASSOCIATION MANAGEMENT" MEANS ANY OF
2 THE FOLLOWING PRACTICES RELATING TO THE MANAGEMENT OF A
3 COMMON INTEREST COMMUNITY AT THE DIRECTION OF OR ON BEHALF OF
4 ITS EXECUTIVE BOARD:

5 (I) IN INTERACTIONS WITH MEMBERS OR NONMEMBERS OF THE
6 COMMON INTEREST COMMUNITY, ACTING WITH THE AUTHORITY OF THE
7 COMMON INTEREST COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL,
8 FINANCIAL, OR OTHER TRANSACTIONS;

9 (II) EXECUTING THE RESOLUTIONS AND DECISIONS OF THE
10 EXECUTIVE BOARD;

11 (III) ENFORCING THE RIGHTS OF THE COMMON INTEREST
12 COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE, OR
13 BYLAW;

14 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
15 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;

16 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;

17 (VI) ARRANGING, CONDUCTING, OR COORDINATING MEETINGS OF
18 THE COMMON INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE
19 BOARD;

20 (VII) MAINTAINING THE COMMON INTEREST COMMUNITY'S
21 RECORDS PURSUANT TO ITS GOVERNING DOCUMENTS AND APPLICABLE
22 PROVISIONS OF THE CCIOA; OR

23 (VIII) ADMINISTERING, OR OTHERWISE EXERCISING CONTROL OF,
24 A COMMON INTEREST COMMUNITY'S MONEY, INCLUDING THE
25 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR
26 REPLACEMENT OF CAPITAL ASSETS.

27 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN

1 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
2 MAINTENANCE FUNCTION.

3 (6) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
4 MEANS A BUSINESS ENTITY THAT ENGAGES IN OR OFFERS OR ATTEMPTS TO
5 ENGAGE IN COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO IN
6 CONSIDERATION OF COMPENSATION BY FEE, COMMISSION, SALARY, OR
7 ANYTHING ELSE OF VALUE OR WITH THE INTENTION OF RECEIVING OR
8 COLLECTING SUCH COMPENSATION, REGARDLESS OF WHETHER THE
9 COMPENSATION IS RECEIVED DIRECTLY BY AN INDIVIDUAL PERFORMING
10 COMMUNITY ASSOCIATION MANAGEMENT ON BEHALF OF A LICENSED
11 ENTITY OR BY THE LICENSED ENTITY THAT EMPLOYS OR OTHERWISE
12 ENGAGES THE INDIVIDUAL.

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

15 (I) AN INDIVIDUAL WHO, UNDER THE DIRECT SUPERVISION OF A
16 MANAGER, PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
17 MAINTENANCE FUNCTION;

18 (II) AN INDIVIDUAL WHO IS EMPLOYED OR OTHERWISE ENGAGED
19 BY AN HOA TO PERFORM COMMUNITY ASSOCIATION MANAGEMENT FOR
20 THE HOA, SO LONG AS THE INDIVIDUAL PERFORMS COMMUNITY
21 ASSOCIATION MANAGEMENT FOR ONLY ONE HOA AND THE HOA, UPON
22 ANNUAL REGISTRATION PURSUANT TO SECTION 38-33.3-401, HAS
23 DISCLOSED THE NAME OF THE INDIVIDUAL EMPLOYED OR ENGAGED BY THE
24 HOA TO PERFORM COMMUNITY ASSOCIATION MANAGEMENT FOR THE
25 HOA;

26 (III) ANY PUBLIC OFFICIAL IN THE CONDUCT OF THE PUBLIC
27 OFFICIAL'S OFFICIAL DUTIES;

1 (IV) A RECEIVER, TRUSTEE, ADMINISTRATOR, CONSERVATOR,
2 EXECUTOR, OR GUARDIAN ACTING UNDER PROPER AUTHORIZATION;

3 (V) A PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
4 OR ASSOCIATION ACTING PERSONALLY, OR A CORPORATION ACTING
5 THROUGH ITS OFFICERS OR REGULAR SALARIED EMPLOYEES, IN ACQUIRING
6 OR IN NEGOTIATING TO ACQUIRE ANY INTEREST IN REAL ESTATE ON
7 BEHALF OF THAT PERSON OR ENTITY OR ON ITS OWN BEHALF AS PRINCIPAL;

8 (VI) AN ATTORNEY IN CONNECTION WITH THE ATTORNEY'S
9 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;

10 (VII) AN INDEPENDENT CONTRACTOR WHO:

11 (A) PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
12 MAINTENANCE FUNCTION; OR

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

15 (VIII) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
16 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED
17 EMPLOYEES, WHEN SUCH ACTS ARE INCIDENTAL AND NECESSARY IN THE
18 ORDINARY COURSE OF THE CORPORATION'S BUSINESS ACTIVITIES AND ARE
19 UNRELATED TO PROPERTY MANAGEMENT.

20 (c) AS USED IN SUBSECTIONS (6)(b)(V) AND (6)(b)(VIII) OF THIS
21 SECTION, "OFFICERS OR REGULAR SALARIED EMPLOYEES" MEANS PERSONS
22 REGULARLY EMPLOYED WHO DERIVE NOT LESS THAN SEVENTY-FIVE
23 PERCENT OF THEIR COMPENSATION FROM THE CORPORATION IN THE FORM
24 OF SALARIES.

25 (7) "CONTROLLING MANAGER" MEANS AN INDIVIDUAL WHO:

26 (a) MEETS THE EDUCATION REQUIREMENTS ESTABLISHED BY THE
27 DIRECTOR BY RULE;

1 (b) DEMONSTRATES KNOWLEDGE OF THE LAWS OF THIS STATE
2 THAT GOVERN COMMON INTEREST COMMUNITIES AND HOAs, INCLUDING
3 THE "COLORADO REVISED NONPROFIT CORPORATION ACT", ARTICLES 121
4 TO 137 OF TITLE 7, THE CCIOA, AND ANY OTHER LAWS SPECIFIED BY THE
5 DIRECTOR BY RULE; AND

6 (c) ON BEHALF OF A LICENSED ENTITY, IS RESPONSIBLE FOR:

7 (I) PERFORMING COMMUNITY ASSOCIATION MANAGEMENT AND
8 SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT PERFORMED BY
9 INDIVIDUALS EMPLOYED BY, OR ACTING ON BEHALF OF, THE LICENSED
10 ENTITY; AND

11 (II) RESPONDING TO THE DIVISION REGARDING ANY MATTER
12 RELATED TO THE REQUIREMENTS OF THIS PART 10.

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

15 (9) (a) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN
16 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, WHETHER ORGANIZED
17 BEFORE, ON, OR AFTER JULY 1, 1992.

18 (b) "HOA" OR "HOMEOWNERS' ASSOCIATION" DOES NOT INCLUDE
19 AN ASSOCIATION OR UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF
20 UNITS THAT ARE DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE
21 UNITS, AS DEFINED IN SECTION 38-33-110 (7).

22 (10) "LICENSED ENTITY" MEANS A COMMUNITY ASSOCIATION
23 MANAGER LICENSED PURSUANT TO SECTION 12-10-1004.

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

26 (12) "MAJORITY OF UNITS", AS USED IN SUBSECTIONS (4)(b)(I) AND
27 (9)(b) OF THIS SECTION, MEANS THE UNITS TO WHICH ARE ALLOCATED

1 MORE THAN FIFTY PERCENT OF THE ALLOCATED INTERESTS IN THE
2 COMMON INTEREST COMMUNITY APPURTENANT TO ALL UNITS THAT ARE
3 DESIGNATED FOR RESIDENTIAL USE.

4 **12-10-1002. Rule-making authority - audits.** (1) THE DIRECTOR
5 MAY PROMULGATE RULES AS NECESSARY TO ENABLE THE DIRECTOR TO
6 CARRY OUT THE DIRECTOR'S DUTIES UNDER THIS PART 10, INCLUDING
7 RULES ESTABLISHING EDUCATION REQUIREMENTS FOR CONTROLLING
8 MANAGERS AND ANY EMPLOYEES OF A LICENSED ENTITY WHO PERFORM
9 COMMUNITY ASSOCIATION MANAGEMENT ON BEHALF OF THE LICENSED
10 ENTITY.

11 (2) THE DIRECTOR MAY CONDUCT AUDITS OF BUSINESS RECORDS
12 AND ACCOUNTS OF LICENSED ENTITIES AND MAY CONDUCT RANDOM
13 COMPLIANCE AUDITS TO ENSURE COMPLIANCE WITH THIS PART 10.

14 **12-10-1003. Community association manager license required**
15 **- violations - injunction.** (1) ON AND AFTER JULY 1, 2023, IT IS
16 UNLAWFUL FOR ANY BUSINESS ENTITY TO ENGAGE IN THE BUSINESS OF
17 COMMUNITY ASSOCIATION MANAGEMENT IN THIS STATE WITHOUT FIRST
18 HAVING OBTAINED A LICENSE FROM THE DIRECTOR PURSUANT TO SECTION
19 12-10-1004. THE DIRECTOR SHALL NOT GRANT A LICENSE TO A BUSINESS
20 ENTITY UNTIL THE BUSINESS ENTITY DEMONSTRATES COMPLIANCE WITH
21 THIS PART 10.

22 (2) IN ADDITION TO CONDUCTING HEARINGS AS PROVIDED IN
23 SECTION 12-10-1007, THE DIRECTOR MAY ENFORCE THIS PART 10 AND
24 RULES ADOPTED UNDER THIS PART 10 BY TAKING ONE OR MORE OF THE
25 FOLLOWING ACTIONS:

26 (a) IF THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE THAT A
27 PERSON IS VIOLATING THIS PART 10 OR A RULE ADOPTED UNDER THIS PART

1 10, THE DIRECTOR MAY ENTER AN ORDER REQUIRING THE PERSON TO
2 CEASE AND DESIST THE VIOLATION.

3 (b) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT
4 JURISDICTION FOR AN ORDER ENJOINING AN ACT OR PRACTICE THAT
5 CONSTITUTES A VIOLATION OF THIS PART 10, AND, UPON A SHOWING THAT
6 A BUSINESS ENTITY IS ENGAGING OR INTENDS TO ENGAGE IN AN ACT OR
7 PRACTICE THAT VIOLATES THIS PART 10, THE COURT SHALL GRANT AN
8 INJUNCTION, RESTRAINING ORDER, OR OTHER APPROPRIATE ORDER,
9 REGARDLESS OF THE EXISTENCE OF ANOTHER REMEDY FOR THE
10 VIOLATION. ANY NOTICE, HEARING, OR DURATION OF AN INJUNCTION OR
11 RESTRAINING ORDER SHALL BE MADE IN ACCORDANCE WITH THE
12 COLORADO RULES OF CIVIL PROCEDURE.

13 (3) ANY BUSINESS ENTITY VIOLATING THIS PART 10 BY ACTING AS
14 A COMMUNITY ASSOCIATION MANAGER WITHOUT HAVING OBTAINED A
15 LICENSE OR ACTING AS COMMUNITY ASSOCIATION MANAGER AFTER THE
16 COMMUNITY ASSOCIATION MANAGER'S LICENSE HAS BEEN REVOKED OR
17 DURING ANY PERIOD FOR WHICH THE LICENSE WAS SUSPENDED COMMITS
18 A CLASS 2 MISDEMEANOR, AS DEFINED IN SECTION 18-1.3-501.

19 **12-10-1004. Community association manager license -**
20 **application - requirements - criminal history record check.** (1) A
21 BUSINESS ENTITY SHALL APPLY FOR A LICENSE AS A COMMUNITY
22 ASSOCIATION MANAGER TO THE DIRECTOR IN A MANNER PRESCRIBED BY
23 THE DIRECTOR.

24 (2) UPON A BUSINESS ENTITY'S COMPLIANCE WITH SUBSECTION (3)
25 OF THIS SECTION, THE DIRECTOR MAY GRANT A COMMUNITY ASSOCIATION
26 MANAGER LICENSE TO A BUSINESS ENTITY THAT:

27 (a) APPLIES FOR A LICENSE IN ACCORDANCE WITH SUBSECTION (1)

1 OF THIS SECTION;

2 (b) DEMONSTRATES COMPLIANCE WITH THE INSURANCE
3 REQUIREMENTS SPECIFIED IN SECTION 12-10-1005;

4 (c) DESIGNATES A CONTROLLING MANAGER TO BE RESPONSIBLE
5 FOR THE LICENSED PRACTICES OF THE BUSINESS ENTITY AND ALL
6 INDIVIDUALS EMPLOYED BY THE BUSINESS ENTITY;

7 (d) DEMONSTRATES THAT THE BUSINESS ENTITY HAS A POLICY FOR
8 EVALUATING THE FITNESS AND ABILITY OF ITS EMPLOYEES TO PERFORM
9 THE DUTIES OF A COMMUNITY ASSOCIATION MANAGER; AND

10 (e) PAYS THE FEE DETERMINED BY THE DIRECTOR PURSUANT TO
11 SECTION 12-10-1006.

12 (3) (a) THE DIRECTOR SHALL NOT ISSUE A LICENSE TO ANY
13 BUSINESS ENTITY UNTIL THE INDIVIDUAL DESIGNATED BY THE BUSINESS
14 ENTITY AS THE CONTROLLING MANAGER SUBMITS A SET OF FINGERPRINTS
15 TO THE COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF
16 CONDUCTING A STATE AND NATIONAL FINGERPRINT-BASED CRIMINAL
17 HISTORY RECORD CHECK UTILIZING RECORDS OF THE COLORADO BUREAU
18 OF INVESTIGATION AND THE FEDERAL BUREAU OF INVESTIGATION. EACH
19 INDIVIDUAL SUBMITTING A SET OF FINGERPRINTS OR THE BUSINESS ENTITY,
20 ON BEHALF OF EACH INDIVIDUAL SUBMITTING A SET OF FINGERPRINTS,
21 SHALL PAY THE FEE ESTABLISHED BY THE COLORADO BUREAU OF
22 INVESTIGATION FOR CONDUCTING THE FINGERPRINT-BASED CRIMINAL
23 HISTORY RECORD CHECK TO THE BUREAU. UPON COMPLETION OF THE
24 CRIMINAL HISTORY RECORD CHECK, THE BUREAU SHALL FORWARD THE
25 RESULTS TO THE DIRECTOR.

26 (b) THE DIRECTOR MAY ACQUIRE A NAME-BASED CRIMINAL
27 HISTORY RECORD CHECK FOR AN INDIVIDUAL WHO HAS TWICE SUBMITTED

1 TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AND WHOSE
2 FINGERPRINTS ARE UNCLASSIFIABLE OR WHEN THE RESULTS OF A
3 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK OF AN APPLICANT
4 PERFORMED PURSUANT TO THIS SUBSECTION (3) REVEAL A RECORD OF
5 ARREST WITHOUT A DISPOSITION. THE INDIVIDUAL OR THE BUSINESS
6 ENTITY, ON BEHALF OF THE INDIVIDUAL, SHALL PAY THE COSTS
7 ASSOCIATED WITH A NAME-BASED CRIMINAL HISTORY RECORD CHECK.

8 (c) THE DIRECTOR MAY DENY AN APPLICATION FOR LICENSURE OR
9 REFUSE TO RENEW A LICENSE BASED ON THE OUTCOME OF THE CRIMINAL
10 HISTORY RECORD CHECK AND SHALL DENY AN APPLICATION IF THE
11 OUTCOME OF THE CRIMINAL HISTORY RECORD CHECK INDICATES THAT THE
12 CONTROLLING MANAGER HAS, WITHIN THE IMMEDIATELY PRECEDING FIVE
13 YEARS, BEEN CONVICTED OF AN OFFENSE INVOLVING UNLAWFUL SEXUAL
14 BEHAVIOR LISTED IN SECTION 16-22-102 (9); FIRST DEGREE BURGLARY, AS
15 DESCRIBED IN SECTION 18-4-202; SECOND DEGREE BURGLARY, AS
16 DESCRIBED IN SECTION 18-4-203; OR ANY FELONY INVOLVING FRAUD,
17 THEFT, LARCENY, EMBEZZLEMENT, FRAUDULENT CONVERSION, OR
18 MISAPPROPRIATION OF PROPERTY.

19 (4) (a) THE DIRECTOR SHALL NOT ISSUE A LICENSE TO ANY
20 BUSINESS ENTITY IF:

21 (I) THE INDIVIDUAL DESIGNATED BY THE BUSINESS ENTITY AS THE
22 CONTROLLING MANAGER HAS PREVIOUSLY HAD, IN ANY STATE, A
23 COMMUNITY ASSOCIATION MANAGER REGISTRATION, LICENSE, OR
24 CERTIFICATE REFUSED, DENIED, CANCELED, SURRENDERED IN LIEU OF
25 REVOCATION, OR REVOKED; OR

26 (II) THE BUSINESS ENTITY IS OWNED, IN WHOLE OR IN PART,
27 DIRECTLY OR INDIRECTLY, BY ANY PERSON WHO HAS HAD, IN ANY STATE,

1 A COMMUNITY ASSOCIATION MANAGER LICENSE, REGISTRATION, OR
2 CERTIFICATE REFUSED, DENIED, CANCELED, SURRENDERED IN LIEU OF
3 REVOCATION, OR REVOKED.

4 (b) A DISCIPLINARY ACTION RESULTING IN REFUSAL, DENIAL,
5 CANCELLATION, SURRENDER IN LIEU OF REVOCATION, OR REVOCATION
6 RELATING TO A LICENSE AS A COMMUNITY ASSOCIATION MANAGER UNDER
7 THIS PART 10 OR ANY RELATED OCCUPATION IN ANY OTHER STATE,
8 TERRITORY, OR COUNTRY FOR DISCIPLINARY REASONS IS PRIMA FACIE
9 EVIDENCE OF GROUNDS FOR DENIAL OF A LICENSE BY THE DIRECTOR.

10 (5) THE DIRECTOR MAY DENY AN APPLICATION FOR A LICENSE FOR
11 A BUSINESS ENTITY THAT HAS PREVIOUSLY HAD A LICENSE REVOKED OR
12 HAS SURRENDERED A LICENSE IN LIEU OF REVOCATION. A DISCIPLINARY
13 ACTION RESULTING IN THE SURRENDER IN LIEU OF REVOCATION OR THE
14 REVOCATION OF A LICENSE AS A COMMUNITY ASSOCIATION MANAGER
15 UNDER THIS PART 10 OR ANY RELATED OCCUPATION IN ANY OTHER STATE,
16 TERRITORY, OR COUNTRY FOR DISCIPLINARY REASONS MAY BE DEEMED TO
17 BE PRIMA FACIE EVIDENCE OF GROUNDS FOR DENIAL OF A LICENSE BY THE
18 DIRECTOR.

19 (6) EACH COMMUNITY ASSOCIATION MANAGER MUST MAINTAIN A
20 DEFINITE PLACE OF BUSINESS. IF A COMMUNITY ASSOCIATION MANAGER IS
21 DOMICILED IN ANOTHER STATE, THE CONTROLLING MANAGER DESIGNATED
22 BY THE COMMUNITY ASSOCIATION MANAGER IS RESPONSIBLE FOR
23 SUPERVISING ALL LICENSED ACTIVITIES THAT OCCUR IN COLORADO. ALL
24 LICENSED ACTIONS OCCURRING WITHIN THE STATE OF COLORADO MUST
25 OCCUR UNDER THE NAME UNDER WHICH THE COMMUNITY ASSOCIATION
26 MANAGER IS LICENSED OR ITS TRADE NAME ADOPTED IN ACCORDANCE
27 WITH COLORADO LAW.

1 (7) IF THE BUSINESS ENTITY THAT APPLIES FOR A LICENSE
2 PURSUANT TO THIS SECTION IS:

3 (a) A PARTNERSHIP, THE PARTNERSHIP MUST BE PROPERLY
4 REGISTERED WITH THE COLORADO DEPARTMENT OF REVENUE OR
5 PROPERLY FILED WITH THE COLORADO SECRETARY OF STATE AND IN GOOD
6 STANDING, PROOF OF WHICH MUST BE INCLUDED IN THE APPLICATION. IF
7 AN ASSUMED OR TRADE NAME IS TO BE USED, THE NAME MUST BE
8 PROPERLY FILED WITH THE COLORADO DEPARTMENT OF REVENUE OR FILED
9 AND ACCEPTED BY THE COLORADO SECRETARY OF STATE, PROOF OF WHICH
10 MUST BE INCLUDED WITH THE APPLICATION.

11 (b) A LIMITED LIABILITY COMPANY, THE LIMITED LIABILITY
12 COMPANY MUST BE PROPERLY REGISTERED WITH THE COLORADO
13 SECRETARY OF STATE AND IN GOOD STANDING, PROOF OF WHICH MUST BE
14 INCLUDED WITH THE APPLICATION. IF AN ASSUMED OR TRADE NAME IS TO
15 BE USED, THE NAME MUST BE PROPERLY FILED WITH THE COLORADO
16 SECRETARY OF STATE, PROOF OF WHICH MUST BE INCLUDED WITH THE
17 APPLICATION.

18 (c) A CORPORATION, THE CORPORATION MUST BE REGISTERED AS
19 A FOREIGN CORPORATION OR PROPERLY INCORPORATED WITH THE
20 COLORADO SECRETARY OF STATE AND IN GOOD STANDING, PROOF OF
21 WHICH MUST BE INCLUDED WITH THE APPLICATION. IF AN ASSUMED OR
22 TRADE NAME IS TO BE USED, THE NAME MUST BE PROPERLY FILED WITH
23 THE COLORADO SECRETARY OF STATE, PROOF OF WHICH MUST BE
24 INCLUDED WITH THE APPLICATION.

25 **12-10-1005. Insurance required - rules.** A BUSINESS ENTITY
26 LICENSED PURSUANT TO THIS PART 10 MUST BE INSURED AS NECESSARY TO
27 COVER ALL ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN

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

5 **12-10-1006. License fees - renewal - continuing education -**
6 **rules.** (1) (a) IN ACCORDANCE WITH SUBSECTION (1)(b) OF THIS SECTION,
7 THE DIRECTOR SHALL ESTABLISH, COLLECT, AND PERIODICALLY ADJUST,
8 IN ACCORDANCE WITH SECTION 12-10-215, FEES FOR:

- 9 (I) EACH BUSINESS ENTITY'S ORIGINAL APPLICATION AND LICENSE;
- 10 (II) EACH RENEWAL OR REINSTATEMENT OF A LICENSE; AND
- 11 (III) ANY CHANGE OF NAME, ADDRESS, OR EMPLOYMENT STATUS
12 REQUIRING A CHANGE IN DIRECTOR RECORDS.

13 (b) THE DIRECTOR SHALL ENGAGE IN RULE-MAKING TO ESTABLISH
14 AN EQUITABLE FEE STRUCTURE THAT CONTEMPLATES THE SIZE OF THE
15 BUSINESS ENTITY, NUMBER OF EMPLOYEES PERFORMING COMMUNITY
16 ASSOCIATION MANAGEMENT ACTIVITIES FOR THE BUSINESS ENTITY, AND
17 THE NUMBER AND SIZE OF THE ASSETS MANAGED.

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

22 (3) (a) LICENSES ARE VALID FOR UP TO TWO YEARS, SUBJECT TO
23 EXPIRATION AND RENEWAL ON A SCHEDULE DETERMINED BY THE
24 DIRECTOR.

25 (b) THE DIRECTOR SHALL ESTABLISH, BY RULE, THE REQUIREMENTS
26 FOR CONTINUING EDUCATION AND SUBSEQUENT CRIMINAL HISTORY
27 RECORD CHECKS. THE RULES MUST REQUIRE, AS A CONDITION OF LICENSE

1 RENEWAL, THAT THE CONTROLLING MANAGER DESIGNATED BY A LICENSED
2 ENTITY AND EACH INDIVIDUAL PERFORMING COMMUNITY ASSOCIATION
3 MANAGEMENT ON BEHALF OF THE LICENSED ENTITY COMPLETE SIXTEEN
4 HOURS OF CONTINUING EDUCATION EVERY TWO YEARS.

5 **12-10-1007. Investigation - disciplinary actions - grounds for**

6 **discipline - rules.** (1) (a) THE DIRECTOR, UPON THE DIRECTOR'S OWN
7 MOTION, MAY, AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON,
8 SHALL, INVESTIGATE THE ACTIVITIES OF ANY LICENSED ENTITY OR ANY
9 BUSINESS ENTITY THAT ASSUMES TO ACT IN THE CAPACITY OF A LICENSED
10 ENTITY WITHIN THE STATE. AFTER HOLDING A HEARING IN ACCORDANCE
11 WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE
12 24, AND FINDING THAT A LICENSED ENTITY OR PERSON HAS PERFORMED,
13 IS PERFORMING, OR IS ATTEMPTING TO PERFORM ANY OF THE ACTS
14 SPECIFIED IN SUBSECTION (2) OF THIS SECTION, THE DIRECTOR MAY:

15 (I) IMPOSE AN ADMINISTRATIVE FINE NOT TO EXCEED FIVE
16 THOUSAND DOLLARS;

17 (II) CENSURE A LICENSED ENTITY;

18 (III) ISSUE A LETTER OF ADMONITION;

19 (IV) ISSUE A LETTER OF CONCERN;

20 (V) ENTER INTO A STIPULATION WITH THE LICENSED ENTITY FOR
21 DIVERSION;

22 (VI) PLACE THE LICENSED ENTITY ON PROBATION AND SET THE
23 TERMS OF PROBATION;

24 (VII) TEMPORARILY SUSPEND A LICENSED ENTITY'S LICENSE; OR

25 (VIII) PERMANENTLY REVOKE A LICENSED ENTITY'S LICENSE.

26 (b) THE DIRECTOR SHALL DEVELOP, BY RULE, A POINTS-BASED
27 DISCIPLINARY SYSTEM TO DETERMINE THE LEVEL OF DISCIPLINE TO IMPOSE

1 ON A LICENSED ENTITY OR OTHER PERSON BASED ON THE POINTS ASSIGNED
2 TO EACH ACT SPECIFIED IN SUBSECTION (2) OF THIS SECTION. THE
3 POINTS-BASED DISCIPLINARY SYSTEM MUST INCLUDE A PROCESS FOR
4 REDUCING OR ELIMINATING POINTS AFTER A PERIOD OF TIME WITH NO
5 ADDITIONAL VIOLATIONS.

6 (c) THE DIRECTOR SHALL POST ON THE DIVISION'S WEBSITE A LIST
7 OF ALL LICENSED ENTITIES IN THE STATE AND ANY POINTS ATTRIBUTED TO
8 EACH LICENSED ENTITY PURSUANT TO THE POINTS-BASED DISCIPLINARY
9 SYSTEM.

10 (2) THE DIRECTOR MAY TAKE DISCIPLINARY ACTION PURSUANT TO
11 SUBSECTION (1) OF THIS SECTION IF A LICENSED ENTITY OR OTHER PERSON
12 HAS ENGAGED IN, IS ENGAGING IN, OR IS ATTEMPTING TO ENGAGE IN, AND
13 IS GUILTY OF COMMITTING, ANY OF THE FOLLOWING ACTS OR OMISSIONS:

14 (a) MISMANAGING OR MISAPPROPRIATING HOA FUNDS;

15 (b) KNOWINGLY VIOLATING OR DIRECTING OTHERS TO VIOLATE
16 ANY LAW OR ANY COVENANT OR RULES OF AN HOA;

17 (c) FAILING TO ACCOUNT FOR OR TO REMIT, WITHIN A REASONABLE
18 TIME, ANY MONEY IN THE LICENSED ENTITY'S POSSESSION THAT BELONGS
19 TO OTHERS, WHETHER WHILE ACTING AS A COMMUNITY ASSOCIATION
20 MANAGER OR OTHERWISE, OR FAILING TO KEEP RECORDS RELATIVE TO
21 SUCH MONEY, WHICH RECORDS MUST CONTAIN ANY INFORMATION
22 REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE
23 DIRECTOR;

24 (d) CONVERTING FUNDS OF OTHERS, DIVERTING FUNDS OF OTHERS
25 WITHOUT PROPER AUTHORIZATION, COMMINGLING FUNDS OF OTHERS WITH
26 THE LICENSED ENTITY'S OWN FUNDS, OR FAILING TO KEEP:

27 (I) THE FUNDS OF OTHERS IN A SEGREGATED ACCOUNT WITH A

1 BANK OR RECOGNIZED DEPOSITORY IN THIS STATE, WHICH ACCOUNT MAY
2 BE ANY TYPE OF CHECKING, DEMAND, PASSBOOK, OR STATEMENT
3 ACCOUNT INSURED BY AN AGENCY OF THE UNITED STATES GOVERNMENT;
4 AND

5 (II) RECORDS RELATIVE TO THE DEPOSIT OF THE FUNDS IN A
6 SEGREGATED ACCOUNT THAT INCLUDE ANY INFORMATION REQUIRED BY
7 RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE DIRECTOR;

8 (e) DISREGARDING OR VIOLATING, OR AIDING OR ABETTING ANY
9 VIOLATION OF, THIS PART 10 OR ANY APPLICABLE RULE OR ORDER OF THE
10 DIRECTOR;

11 (f) IN THE CASE OF A CONTROLLING MANAGER ACTING ON BEHALF
12 OF THE LICENSED ENTITY, FAILING TO EXERCISE REASONABLE SUPERVISION
13 OVER THE ACTIVITIES OF EMPLOYEES OR OTHER INDIVIDUALS PERFORMING
14 COMMUNITY ASSOCIATION MANAGEMENT ON BEHALF OF THE LICENSED
15 ENTITY;

16 (g) PROCURING A LICENSE OR RENEWING, REINSTATING, OR
17 REACTIVATING A LICENSE BY FRAUD, MISREPRESENTATION, OR DECEIT OR
18 BY MAKING A MATERIAL MISSTATEMENT OF FACT IN AN APPLICATION FOR
19 A LICENSE;

20 (h) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE
21 ISSUANCE OF A LICENSE;

22 (i) FAILING TO COOPERATE IN A LEGAL OR REGULATORY
23 INVESTIGATION;

24 (j) FAILING TO DISCLOSE TO AN EXECUTIVE BOARD OR AN HOA
25 ANY CONFLICTS OF INTEREST THE LICENSED ENTITY HAS WITH
26 CONTRACTORS, VENDORS, OR ATTORNEYS THE LICENSED ENTITY
27 RECOMMENDS TO THE EXECUTIVE BOARD OR HOA;

1 (k) FAILING TO PROVIDE TO THE DIRECTOR OR TO AN HOA WITH
2 WHICH THE LICENSED ENTITY CONTRACTS THE CRIMINAL HISTORY
3 RECORDS OF THE LICENSED ENTITY'S CONTROLLING MANAGER THAT
4 INVOLVE THE HANDLING OR ACCOUNTING OF CLIENT FUNDS;

5 (l) FAILING TO ENSURE THE LICENSED ENTITY'S CONTROLLING
6 MANAGER AND ANY EMPLOYEES WHO PERFORM COMMUNITY ASSOCIATION
7 MANAGEMENT ON BEHALF OF THE LICENSED ENTITY:

8 (I) MEET THE EDUCATION REQUIREMENTS ESTABLISHED BY THE
9 DIRECTOR BY RULE PURSUANT TO SECTION 12-10-1002 (1); OR

10 (II) COMPLETE THE CONTINUING EDUCATION REQUIREMENTS
11 ESTABLISHED BY RULES PROMULGATED BY THE DIRECTOR PURSUANT TO
12 SECTION 12-10-1006 (3)(b);

13 (m) FAILING TO PERFORM THE TERMS OF A WRITTEN AGREEMENT
14 BETWEEN THE LICENSED ENTITY AND AN HOA OR EXECUTIVE BOARD; OR

15 (n) ANY OTHER CONDUCT, WHETHER OF THE SAME OR OF A
16 DIFFERENT CHARACTER THAN ANY ACT SPECIFIED IN THIS SUBSECTION (2),
17 THAT CONSTITUTES DISHONEST DEALING.

18 (3) COMPLAINTS OF RECORD IN THE OFFICE OF THE DIRECTOR AND
19 DIVISION INVESTIGATIONS, INCLUDING INVESTIGATIVE FILES, ARE CLOSED
20 TO PUBLIC INSPECTION. STIPULATIONS AND FINAL AGENCY ORDERS ARE
21 PUBLIC RECORDS SUBJECT TO SECTIONS 24-72-203 AND 24-72-204.

22 (4) ALL ADMINISTRATIVE FINES COLLECTED PURSUANT TO THIS
23 SECTION SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL
24 CREDIT THEM TO THE DIVISION OF REAL ESTATE CASH FUND CREATED IN
25 SECTION 12-10-215 (2)(b).

26 (5) UPON INVESTIGATION OF THE ACTIVITIES OF A LICENSED
27 ENTITY, IF THE DIVISION BECOMES AWARE OF FACTS OR CIRCUMSTANCES

1 THAT FALL WITHIN THE JURISDICTION OF A CRIMINAL JUSTICE OR OTHER
2 LAW ENFORCEMENT AUTHORITY, THE DIVISION SHALL, IN ADDITION TO
3 EXERCISING ITS AUTHORITY UNDER THIS PART 10, REFER AND TRANSMIT
4 THE INFORMATION, WHICH MAY INCLUDE ORIGINALS OR COPIES OF
5 DOCUMENTS AND MATERIALS, TO ONE OR MORE CRIMINAL JUSTICE OR
6 OTHER LAW ENFORCEMENT AUTHORITIES FOR INVESTIGATION AND
7 PROSECUTION AS AUTHORIZED BY LAW.

8 **12-10-1008. Hearings - use of administrative law judges -**
9 **subpoenas - judicial review - immunity - rules.** (1) EXCEPT AS
10 OTHERWISE PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE
11 DIRECTOR WITH RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF
12 LICENSURE UNDER THIS PART 10, AT THE DISCRETION OF THE DIRECTOR,
13 MAY BE CONDUCTED BY AN AUTHORIZED REPRESENTATIVE OF THE
14 DIRECTOR OR BY AN ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS
15 24-4-104 AND 24-4-105.

16 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
17 DIRECTOR'S OFFICE IS LOCATED OR IN SUCH OTHER PLACE AS THE
18 DIRECTOR MAY DESIGNATE.

19 (3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE
20 DIRECTOR, OR AN ADMINISTRATIVE LAW JUDGE ON BEHALF OF THE
21 DIRECTOR AND SUBJECT TO APPROPRIATIONS MADE TO THE DEPARTMENT
22 OF PERSONNEL, SHALL CONDUCT ALL HEARINGS FOR DENYING A LICENSE
23 OR TAKING DISCIPLINARY ACTION. EACH ADMINISTRATIVE LAW JUDGE
24 SHALL BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF TITLE 24.
25 THE ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING IN
26 ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. NO LICENSE MAY
27 BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE A

1 DECISION.

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

17 (5) A DECISION OF THE DIRECTOR IN ANY DISCIPLINARY ACTION OR
18 DENIAL OF LICENSURE UNDER THIS SECTION IS SUBJECT TO JUDICIAL
19 REVIEW BY THE COURT OF APPEALS.

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

26 (7) A PERSON PARTICIPATING IN GOOD FAITH IN FILING A
27 COMPLAINT OR REPORT OR PARTICIPATING IN AN INVESTIGATION OR

1 HEARING BEFORE THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE
2 PURSUANT TO THIS PART 10 IS IMMUNE FROM ANY LIABILITY, CIVIL OR
3 CRIMINAL, THAT OTHERWISE MIGHT RESULT BY REASON OF SUCH ACTION.

4 **12-10-1009. Repeal of part.** THIS PART 10 IS REPEALED,
5 EFFECTIVE SEPTEMBER 1, 2027. BEFORE THE REPEAL, THIS PART 10 IS
6 SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

7 **SECTION 3.** In Colorado Revised Statutes, 24-34-104, **add**
8 **(28)(a)(VII)** as follows:

9 **24-34-104. General assembly review of regulatory agencies**
10 **and functions for repeal, continuation, or reestablishment - legislative**
11 **declaration - repeal.** (28) (a) The following agencies, functions, or both,
12 are scheduled for repeal on September 1, 2027:

13 (VII) THE LICENSING OF COMMUNITY ASSOCIATION MANAGERS BY
14 THE DIRECTOR OF THE DIVISION OF REAL ESTATE IN THE DEPARTMENT OF
15 REGULATORY AGENCIES IN ACCORDANCE WITH PART 10 OF ARTICLE 10 OF
16 TITLE 12.

17 **SECTION 4.** In Colorado Revised Statutes, 12-10-215, **amend**
18 (1) as follows:

19 **12-10-215. Fee adjustments - cash fund created.** (1) This
20 section applies to all activities of the division under parts 2, 5, 6, ~~and~~ 7,
21 AND 10 of this article 10.

22 **SECTION 5. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly; except
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V
26 of the state constitution against this act or an item, section, or part of this
27 act within such period, then the act, item, section, or part will not take

1 effect unless approved by the people at the general election to be held in
2 November 2022 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.