

## HOUSE COMMITTEE OF REFERENCE AMENDMENT

## Committee on Transportation, Housing, & Local Government.

HB24-1078 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

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

14 (c) In its 2017 sunset review, the department recommended  
15 continuing the regulation in order to gather additional, relevant  
16 information, but proposed legislation to continue the regulatory program  
17 failed in 2018 and 2019, and the regulation of CAMs ceased in 2019; and

18 (d) In 2021, the department conducted another sunrise review and  
19 concluded that "minimal regulatory programs should be enacted to ensure  
20 that CAMs who commit acts such as theft are held accountable through  
21 regulatory oversight ..." and recommended, in part, that the state regulate  
22 community association management companies.

23 (2) To address these concerns, the general assembly therefore  
24 declares that the regulation of community association management  
25 companies:

32 (b) Must be accomplished in a manner that is least restrictive to  
33 community association management companies, is efficient, and is  
34 cost-effective in order to avoid significant impacts and minimize burdens  
35 on both businesses and homeowners.

36                   **SECTION 2.** In Colorado Revised Statutes, **add** part 10 to article  
37 10 of title 12 as follows:

## PART 10

## 39 COMMUNITY ASSOCIATION MANAGEMENT COMPANIES

1                   **12-10-1001. Definitions - rules.** AS USED IN THIS PART 10, UNLESS  
2 THE CONTEXT OTHERWISE REQUIRES:

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

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

7                   (3) (a) EXCEPT AS PROVIDED IN SUBSECTION (3)(b) OF THIS  
8 SECTION, "COMMON INTEREST COMMUNITY" HAS THE MEANING SET FORTH  
9 IN SECTION 38-33.3-103 (8).

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

11                   (I) A COMMUNITY MANAGED BY AN ASSOCIATION IN WHICH A  
12 MAJORITY OF UNITS THAT ARE DESIGNATED FOR RESIDENTIAL USE ARE  
13 TIME SHARE UNITS, AS DEFINED IN SECTION 38-33-110 (7), OR TIME  
14 SHARES, AS DEFINED IN SECTION 12-10-501 (4); OR

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

17                   (4) (a) "COMMUNITY ASSOCIATION MANAGEMENT COMPANY" OR  
18 "MANAGEMENT COMPANY" MEANS A FIRM, A PARTNERSHIP, A LIMITED  
19 LIABILITY COMPANY, AN ASSOCIATION, A CORPORATION, OR ANOTHER  
20 LEGAL ENTITY THAT PROVIDES OR OFFERS OR ATTEMPTS TO PROVIDE  
21 COMMUNITY ASSOCIATION MANAGEMENT SERVICES IN COLORADO IN  
22 CONSIDERATION OF COMPENSATION BY FEE OR ANYTHING ELSE OF VALUE  
23 OR WITH THE INTENTION OF RECEIVING OR COLLECTING SUCH  
24 COMPENSATION.

25                   (b) "COMMUNITY ASSOCIATION MANAGEMENT COMPANY" OR  
26 "MANAGEMENT COMPANY" DOES NOT INCLUDE:

27                   (I) AN INDIVIDUAL WHO IS EMPLOYED OR OTHERWISE ENGAGED BY  
28 AN HOA TO PERFORM COMMUNITY ASSOCIATION MANAGEMENT SERVICES  
29 FOR THE HOA, SO LONG AS THE INDIVIDUAL PERFORMS COMMUNITY  
30 ASSOCIATION MANAGEMENT SERVICES FOR ONLY ONE HOA AND THE  
31 HOA, UPON ANNUAL REGISTRATION PURSUANT TO SECTION 38-33.3-401,  
32 HAS DISCLOSED THE NAME OF THE INDIVIDUAL AS ITS MANAGING AGENT  
33 EMPLOYED OR ENGAGED BY THE HOA TO PERFORM COMMUNITY  
34 ASSOCIATION MANAGEMENT SERVICES FOR THE HOA; OR

35                   (II) (A) A CORPORATION, WITH RESPECT TO PROPERTY OWNED OR  
36 LEASED BY THE CORPORATION, ACTING THROUGH ITS OFFICERS OR  
37 REGULAR SALARIED EMPLOYEES, WHEN SUCH ACTS ARE INCIDENTAL AND  
38 NECESSARY IN THE ORDINARY COURSE OF THE CORPORATION'S BUSINESS  
39 ACTIVITIES AND ARE UNRELATED TO COMMUNITY ASSOCIATION  
40 MANAGEMENT SERVICES.

41                   (B) AS USED IN SUBSECTION (4)(b)(II)(A) OF THIS SECTION,  
42 "OFFICERS OR REGULAR SALARIED EMPLOYEES" MEANS INDIVIDUALS  
43 REGULARLY EMPLOYED WHO DERIVE NOT LESS THAN SEVENTY-FIVE  
44 PERCENT OF THEIR COMPENSATION FROM THE CORPORATION IN THE FORM  
45 OF SALARIES.

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

11                   (II) ADMINISTERING THE RESOLUTIONS AND DECISIONS OF THE  
12 EXECUTIVE BOARD;

16 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF  
17 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;

## 18 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;

19 (VI) ARRANGING OR COORDINATING MEETINGS OF THE COMMON  
20 INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE BOARD;

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

24 (VIII) ADMINISTERING, AS DIRECTED BY THE EXECUTIVE BOARD,  
25 A COMMON INTEREST COMMUNITY'S MONEY, INCLUDING THE  
26 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR  
27 REPLACEMENT OF CAPITAL ASSETS.

28 (b) "COMMUNITY ASSOCIATION MANAGEMENT SERVICES" DO NOT  
29 INCLUDE THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, OR  
30 ACCOUNTING FUNCTION.

31 (6) "CONTROLLING MANAGER" MEANS AN INDIVIDUAL WHO:

32 (a) IS DESIGNATED BY THE LICENSED COMMUNITY ASSOCIATION  
33 MANAGEMENT COMPANY:

34 (b) MEETS THE EDUCATION REQUIREMENTS ESTABLISHED BY THE  
35 DIRECTOR BY RULE PURSUANT TO SECTION 12-10-1002;

36 (c) DEMONSTRATES KNOWLEDGE OF THE LAWS OF THIS STATE  
37 THAT GOVERN COMMON INTEREST COMMUNITIES AND HOAs, INCLUDING  
38 THE "COLORADO REVISED NONPROFIT CORPORATION ACT", ARTICLES 121  
39 TO 137 OF TITLE 7; THE CCIOA; AND ANY OTHER LAWS SPECIFIED BY THE  
40 DIRECTOR BY RULE; AND

41 (d) ON BEHALF OF A LICENSED COMMUNITY ASSOCIATION  
42 MANAGEMENT COMPANY, IS RESPONSIBLE FOR:

43 (I) PERFORMING COMMUNITY ASSOCIATION MANAGEMENT  
44 SERVICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT  
45 SERVICES PERFORMED BY INDIVIDUALS EMPLOYED BY, OR ACTING ON

1 BEHALF OF, THE LICENSED MANAGEMENT COMPANY;

2 (II) TRAINING OR SECURING TRAINING FOR LICENSED  
3 MANAGEMENT COMPANY EMPLOYEES CONCERNING COMPLIANCE WITH  
4 THIS PART 10; AND

5 (III) RESPONDING TO THE DIVISION REGARDING ANY MATTER  
6 RELATED TO THE REQUIREMENTS OF THIS PART 10.

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

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

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

16 (9) "LICENSED COMMUNITY ASSOCIATION MANAGEMENT  
17 COMPANY" OR "LICENSED MANAGEMENT COMPANY" MEANS A COMMUNITY  
18 ASSOCIATION MANAGEMENT COMPANY LICENSED PURSUANT TO SECTION  
19 12-10-1004.

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

22 (11) "MAJORITY OF UNITS", AS USED IN SUBSECTIONS (3)(b)(I) AND  
23 (8)(b) OF THIS SECTION, MEANS THE UNITS TO WHICH ARE ALLOCATED  
24 MORE THAN FIFTY PERCENT OF THE ALLOCATED INTERESTS IN THE  
25 COMMON INTEREST COMMUNITY APPURTEnant TO ALL UNITS THAT ARE  
26 DESIGNATED FOR RESIDENTIAL USE.

27 **12-10-1002. Rule-making authority - audits.** (1) THE DIRECTOR  
28 MAY PROMULGATE RULES AS NECESSARY TO CARRY OUT THE DIRECTOR'S  
29 DUTIES UNDER THIS PART 10, INCLUDING RULES ESTABLISHING EDUCATION  
30 REQUIREMENTS FOR CONTROLLING MANAGERS AND EDUCATION THAT A  
31 CONTROLLING MANAGER SHALL PROVIDE OR CAUSE TO BE PROVIDED TO  
32 EMPLOYEES OF A LICENSED MANAGEMENT COMPANY WHO PERFORM  
33 COMMUNITY ASSOCIATION MANAGEMENT SERVICES ON BEHALF OF THE  
34 LICENSED MANAGEMENT COMPANY.

35 (2) THE DIRECTOR MAY CONDUCT AUDITS OF BUSINESS RECORDS  
36 AND ACCOUNTS OF LICENSED MANAGEMENT COMPANIES AND MAY  
37 CONDUCT RANDOM COMPLIANCE AUDITS TO ENSURE COMPLIANCE WITH  
38 THIS PART 10.

39 **12-10-1003. Community association management company  
40 license required - violations - injunction.** (1) ON AND AFTER JULY 1,  
41 2025, IT IS UNLAWFUL FOR A COMMUNITY ASSOCIATION MANAGEMENT  
42 COMPANY TO OFFER OR PROVIDE COMMUNITY ASSOCIATION MANAGEMENT  
43 SERVICES IN THIS STATE WITHOUT A LICENSE FROM THE DIRECTOR  
44 PURSUANT TO SECTION 12-10-1004. THE DIRECTOR SHALL NOT GRANT A  
45 LICENSE TO A MANAGEMENT COMPANY UNTIL THE MANAGEMENT

1 COMPANY DEMONSTRATES COMPLIANCE WITH THIS PART 10.

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

6 (a) IF THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE THAT A  
7 PERSON IS VIOLATING THIS PART 10 OR A RULE ADOPTED UNDER THIS PART  
8 10, THE DIRECTOR MAY ENTER AN ORDER REQUIRING THE PERSON TO  
9 CEASE AND DESIST THE VIOLATION.

10 (b) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT  
11 JURISDICTION FOR AN ORDER ENJOINING AN ACT OR PRACTICE THAT  
12 CONSTITUTES A VIOLATION OF THIS PART 10, AND, UPON A SHOWING THAT  
13 A LICENSED COMMUNITY ASSOCIATION MANAGEMENT COMPANY OR THE  
14 CONTROLLING MANAGER OF THE LICENSED MANAGEMENT COMPANY IS  
15 ENGAGING OR INTENDS TO ENGAGE IN AN ACT OR PRACTICE THAT  
16 VIOLATES THIS PART 10, THE COURT SHALL GRANT AN INJUNCTION,  
17 RESTRAINING ORDER, OR OTHER APPROPRIATE ORDER, REGARDLESS OF THE  
18 EXISTENCE OF ANOTHER REMEDY FOR THE VIOLATION. ANY NOTICE,  
19 HEARING, OR DURATION OF AN INJUNCTION OR RESTRAINING ORDER SHALL  
20 BE MADE IN ACCORDANCE WITH THE COLORADO RULES OF CIVIL  
21 PROCEDURE.

22 (3) IF A COMMUNITY ASSOCIATION MANAGEMENT COMPANY  
23 VIOLATES THIS PART 10 BY OFFERING OR PROVIDING COMMUNITY  
24 ASSOCIATION MANAGEMENT SERVICES WITHOUT A LICENSE OR BY ACTING  
25 AS A LICENSED MANAGEMENT COMPANY AFTER THE MANAGEMENT  
26 COMPANY'S LICENSE HAS BEEN REVOKED OR DURING ANY PERIOD FOR  
27 WHICH THE LICENSE WAS SUSPENDED, THE OWNER OF THE MANAGEMENT  
28 COMPANY OR LICENSED MANAGEMENT COMPANY COMMITS A CLASS 2  
29 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION  
30 18-1.3-501.

31 **12-10-1004. Community association management company  
32 license - application - requirements - criminal history record check.**

33 (1) A COMMUNITY ASSOCIATION MANAGEMENT COMPANY SHALL APPLY  
34 FOR A LICENSE TO THE DIRECTOR IN A MANNER PRESCRIBED BY THE  
35 DIRECTOR.

36 (2) UPON A COMMUNITY ASSOCIATION MANAGEMENT COMPANY'S  
37 COMPLIANCE WITH SUBSECTION (3) OF THIS SECTION, THE DIRECTOR MAY  
38 GRANT A COMMUNITY ASSOCIATION MANAGEMENT COMPANY LICENSE TO  
39 A MANAGEMENT COMPANY THAT:

40 (a) APPLIES FOR A LICENSE IN ACCORDANCE WITH SUBSECTION (1)  
41 OF THIS SECTION;

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

44 (c) DESIGNATES A CONTROLLING MANAGER TO BE RESPONSIBLE  
45 FOR THE LICENSED PRACTICES OF THE MANAGEMENT COMPANY AND FOR

1 ALL INDIVIDUALS EMPLOYED BY THE MANAGEMENT COMPANY WHO  
2 PROVIDE COMMUNITY ASSOCIATION MANAGEMENT SERVICES;

3 (d) DEMONSTRATES THAT THE MANAGEMENT COMPANY HAS A  
4 POLICY FOR EVALUATING THE FITNESS AND ABILITY OF ITS EMPLOYEES TO  
5 PERFORM COMMUNITY ASSOCIATION MANAGEMENT SERVICES; AND

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

8 (3) (a) THE DIRECTOR SHALL NOT ISSUE OR RENEW A LICENSE TO  
9 ANY COMMUNITY ASSOCIATION MANAGEMENT COMPANY UNTIL THE  
10 OWNER OF THE MANAGEMENT COMPANY, THE INDIVIDUAL DESIGNATED BY  
11 THE MANAGEMENT COMPANY AS THE CONTROLLING MANAGER OF THE  
12 MANAGEMENT COMPANY, AND ANY EMPLOYEE OF THE MANAGEMENT  
13 COMPANY WHO PERFORMS COMMUNITY ASSOCIATION MANAGEMENT  
14 SERVICES ON BEHALF OF THE MANAGEMENT COMPANY SUBMITS TO A  
15 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. EACH  
16 INDIVIDUAL SUBMITTING A SET OF FINGERPRINTS OR THE MANAGEMENT  
17 COMPANY, ON BEHALF OF EACH INDIVIDUAL SUBMITTING A SET OF  
18 FINGERPRINTS, SHALL PAY THE COSTS ASSOCIATED WITH THE  
19 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK.

20 (b) AN INDIVIDUAL DESCRIBED IN SUBSECTION (3)(a) OF THIS  
21 SECTION SHALL HAVE THE INDIVIDUAL'S FINGERPRINTS TAKEN BY A LOCAL  
22 LAW ENFORCEMENT AGENCY OR ANY THIRD PARTY APPROVED BY THE  
23 COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF OBTAINING  
24 A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE  
25 INDIVIDUAL SHALL AUTHORIZE THE ENTITY TAKING THE FINGERPRINTS TO  
26 SUBMIT, AND THE ENTITY SHALL SUBMIT, THE COMPLETE SET OF THE  
27 APPLICANT'S FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION  
28 FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED CRIMINAL  
29 HISTORY RECORD CHECK.

30 (c) IF AN APPROVED THIRD PARTY TAKES AN INDIVIDUAL'S  
31 FINGERPRINTS PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, THE  
32 FINGERPRINTS MAY BE ELECTRONICALLY CAPTURED USING COLORADO  
33 BUREAU OF INVESTIGATION-APPROVED LIVESCAN EQUIPMENT.  
34 THIRD-PARTY VENDORS SHALL NOT KEEP THE INDIVIDUAL'S INFORMATION  
35 FOR MORE THAN THIRTY DAYS.

36 (d) THE COLORADO BUREAU OF INVESTIGATION SHALL USE AN  
37 INDIVIDUAL'S FINGERPRINTS COLLECTED PURSUANT TO THIS SUBSECTION  
38 (3) TO CONDUCT A CRIMINAL HISTORY RECORD CHECK USING THE  
39 BUREAU'S RECORDS. THE COLORADO BUREAU OF INVESTIGATION SHALL  
40 ALSO FORWARD THE FINGERPRINTS TO THE FEDERAL BUREAU OF  
41 INVESTIGATION FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED  
42 CRIMINAL HISTORY RECORD CHECK. THE COLORADO BUREAU OF  
43 INVESTIGATION, THE INDIVIDUAL SUBMITTING TO THE FINGERPRINT-BASED  
44 CRIMINAL HISTORY RECORD CHECK, THE DIRECTOR, AND THE ENTITY  
45 TAKING FINGERPRINTS SHALL COMPLY WITH THE FEDERAL BUREAU OF

1 INVESTIGATION'S REQUIREMENTS TO CONDUCT A CRIMINAL HISTORY  
2 RECORD CHECK.

3 (e) THE COLORADO BUREAU OF INVESTIGATION SHALL RETURN THE  
4 RESULTS OF ITS CRIMINAL HISTORY RECORD CHECK TO THE DIVISION, AND  
5 THE DIVISION IS AUTHORIZED TO RECEIVE THE RESULTS OF THE FEDERAL  
6 BUREAU OF INVESTIGATION'S CRIMINAL HISTORY RECORD CHECK. THE  
7 DIVISION SHALL USE THE INFORMATION RESULTING FROM THE CRIMINAL  
8 HISTORY RECORD CHECKS TO INVESTIGATE AND DETERMINE WHETHER THE  
9 OWNER OF THE COMMUNITY ASSOCIATION MANAGEMENT COMPANY IS  
10 QUALIFIED TO HOLD A COMMUNITY ASSOCIATION MANAGEMENT COMPANY  
11 LICENSE PURSUANT TO THIS SECTION, THE DESIGNATED INDIVIDUAL MAY  
12 ACT AS THE CONTROLLING MANAGER OF THE MANAGEMENT COMPANY, OR  
13 AN INDIVIDUAL MAY PERFORM COMMUNITY ASSOCIATION MANAGEMENT  
14 SERVICES AS AN EMPLOYEE OF THE MANAGEMENT COMPANY.

15 (f) WHEN THE FEDERAL BUREAU OF INVESTIGATION IS UNABLE TO  
16 COMPLETE A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK OF  
17 AN INDIVIDUAL, THE COLORADO BUREAU OF INVESTIGATION SHALL  
18 INFORM THE DIVISION, AND THE DIVISION MAY CONDUCT A CRIMINAL  
19 HISTORY RECORD CHECK OF THE INDIVIDUAL USING THE COLORADO  
20 BUREAU OF INVESTIGATION'S RECORDS AS A SUBSTITUTE FOR THE  
21 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK REQUIRED IN THIS  
22 SUBSECTION (3).

23 (g) WHEN THE RESULTS OF A CRIMINAL HISTORY RECORD CHECK  
24 OF AN INDIVIDUAL PERFORMED PURSUANT TO THIS SUBSECTION (3) REVEAL  
25 A RECORD OF ARREST WITHOUT A DISPOSITION, THE DIVISION SHALL  
26 REQUIRE THE INDIVIDUAL TO SUBMIT TO A NAME-BASED JUDICIAL RECORD  
27 CHECK, AS DEFINED IN SECTION 22-2-119.3 (6)(d). THE INDIVIDUAL OR THE  
28 MANAGEMENT COMPANY, ON BEHALF OF THE INDIVIDUAL, SHALL PAY THE  
29 COSTS ASSOCIATED WITH A NAME-BASED JUDICIAL RECORD CHECK.

30 (h) THE DIRECTOR MAY DENY AN APPLICATION FOR LICENSURE OR  
31 REFUSE TO RENEW A LICENSE BASED ON THE OUTCOME OF A CRIMINAL  
32 HISTORY RECORD CHECK CONDUCTED PURSUANT TO THIS SUBSECTION (3)  
33 AND SHALL DENY AN APPLICATION IF THE OUTCOME OF THE CRIMINAL  
34 HISTORY RECORD CHECK INDICATES THAT THE OWNER OF THE COMMUNITY  
35 ASSOCIATION MANAGEMENT COMPANY, THE INDIVIDUAL DESIGNATED AS  
36 THE CONTROLLING MANAGER, OR AN INDIVIDUAL WHO PERFORMS  
37 COMMUNITY ASSOCIATION MANAGEMENT SERVICES ON BEHALF OF THE  
38 MANAGEMENT COMPANY HAS, WITHIN THE IMMEDIATELY PRECEDING FIVE  
39 YEARS, BEEN CONVICTED OF AN OFFENSE INVOLVING UNLAWFUL SEXUAL  
40 BEHAVIOR LISTED IN SECTION 16-22-102(9); FIRST DEGREE BURGLARY, AS  
41 DESCRIBED IN SECTION 18-4-202; SECOND DEGREE BURGLARY, AS  
42 DESCRIBED IN SECTION 18-4-203; OR ANY FELONY INVOLVING FRAUD,  
43 THEFT, LARCENY, EMBEZZLEMENT, FRAUDULENT CONVERSION, OR  
44 MISAPPROPRIATION OF PROPERTY.

45 (4) (a) THE DIRECTOR MAY DENY A LICENSE TO A COMMUNITY

1 ASSOCIATION MANAGEMENT COMPANY IF:

2 (I) THE OWNER OF THE MANAGEMENT COMPANY, THE INDIVIDUAL  
3 DESIGNATED AS THE CONTROLLING MANAGER, OR AN EMPLOYEE OF THE  
4 MANAGEMENT COMPANY WHO PERFORMS COMMUNITY ASSOCIATION  
5 MANAGEMENT SERVICES ON BEHALF OF THE MANAGEMENT COMPANY HAS  
6 PREVIOUSLY HAD, IN ANY STATE, A COMMUNITY ASSOCIATION  
7 MANAGEMENT COMPANY LICENSE OR COMMUNITY ASSOCIATION MANAGER  
8 REGISTRATION, LICENSE, OR CERTIFICATE REFUSED, DENIED, CANCELED,  
9 SURRENDERED IN LIEU OF REVOCATION, OR REVOKED; OR

10 (II) THE MANAGEMENT COMPANY IS OWNED, IN WHOLE OR IN PART,  
11 DIRECTLY OR INDIRECTLY, BY ANY PERSON WHO HAS HAD, IN ANY STATE,  
12 A COMMUNITY ASSOCIATION MANAGEMENT COMPANY LICENSE OR  
13 COMMUNITY ASSOCIATION MANAGER LICENSE, REGISTRATION, OR  
14 CERTIFICATE REFUSED, DENIED, CANCELED, SURRENDERED IN LIEU OF  
15 REVOCATION, OR REVOKED.

16 (b) IN EXERCISING THE DIRECTOR'S DISCRETION PURSUANT TO  
17 SUBSECTION (4)(a) OF THIS SECTION, THE DIRECTOR SHALL CONSIDER THE  
18 CIRCUMSTANCES UNDER WHICH A REGISTRATION, LICENSE, OR  
19 CERTIFICATE WAS REFUSED, DENIED, CANCELED, SURRENDERED IN LIEU OF  
20 REVOCATION, OR REVOKED AND WHETHER THE UNDERLYING ACTIONS ARE  
21 LAWFUL AND CONSISTENT WITH PROFESSIONAL CONDUCT AND STANDARDS  
22 OF CARE UNDER COLORADO LAW.

23 (5) EACH LICENSED COMMUNITY ASSOCIATION MANAGEMENT  
24 COMPANY SHALL MAINTAIN A DEFINITE PLACE OF BUSINESS. IF A  
25 MANAGEMENT COMPANY IS DOMICILED IN ANOTHER STATE, THE  
26 CONTROLLING MANAGER DESIGNATED BY THE MANAGEMENT COMPANY IS  
27 RESPONSIBLE FOR SUPERVISING ALL LICENSED ACTIVITIES THAT OCCUR IN  
28 COLORADO. ALL LICENSED ACTIVITIES OCCURRING WITHIN THE STATE OF  
29 COLORADO MUST OCCUR UNDER THE NAME UNDER WHICH THE LICENSED  
30 MANAGEMENT COMPANY IS LICENSED OR ITS TRADE NAME ADOPTED IN  
31 ACCORDANCE WITH COLORADO LAW.

32 (6) IF A COMMUNITY ASSOCIATION MANAGEMENT COMPANY THAT  
33 APPLIES FOR A LICENSE PURSUANT TO THIS SECTION IS:

34 (a) A PARTNERSHIP, THE PARTNERSHIP MUST BE PROPERLY  
35 REGISTERED WITH THE COLORADO DEPARTMENT OF REVENUE OR  
36 PROPERLY FILED WITH THE COLORADO SECRETARY OF STATE AND IN GOOD  
37 STANDING, PROOF OF WHICH MUST BE INCLUDED IN THE APPLICATION. IF  
38 AN ASSUMED OR TRADE NAME IS TO BE USED, THE NAME MUST BE  
39 PROPERLY FILED WITH THE COLORADO DEPARTMENT OF REVENUE OR FILED  
40 AND ACCEPTED BY THE COLORADO SECRETARY OF STATE, PROOF OF WHICH  
41 MUST BE INCLUDED WITH THE APPLICATION.

42 (b) A LIMITED LIABILITY COMPANY, THE LIMITED LIABILITY  
43 COMPANY MUST BE PROPERLY REGISTERED WITH THE COLORADO  
44 SECRETARY OF STATE AND IN GOOD STANDING, PROOF OF WHICH MUST BE  
45 INCLUDED WITH THE APPLICATION. IF AN ASSUMED OR TRADE NAME IS TO

1 BE USED, THE NAME MUST BE PROPERLY FILED WITH THE COLORADO  
2 SECRETARY OF STATE, PROOF OF WHICH MUST BE INCLUDED WITH THE  
3 APPLICATION.

4 (c) A CORPORATION, THE CORPORATION MUST BE REGISTERED AS  
5 A FOREIGN CORPORATION OR PROPERLY INCORPORATED WITH THE  
6 COLORADO SECRETARY OF STATE AND IN GOOD STANDING, PROOF OF  
7 WHICH MUST BE INCLUDED WITH THE APPLICATION. IF AN ASSUMED OR  
8 TRADE NAME IS TO BE USED, THE NAME MUST BE PROPERLY FILED WITH  
9 THE COLORADO SECRETARY OF STATE, PROOF OF WHICH MUST BE  
10 INCLUDED WITH THE APPLICATION.

11 **12-10-1005. Insurance required - rules.** A COMMUNITY  
12 ASSOCIATION MANAGEMENT COMPANY LICENSED PURSUANT TO THIS PART  
13 10 MUST BE INSURED AS NECESSARY TO COVER ALL ACTIVITIES  
14 CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND UNDER TERMS  
15 AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN PROMULGATING  
16 RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT AND CONSIDER  
17 INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

18 **12-10-1006. License fees - renewal - rules.** (1) (a) IN  
19 ACCORDANCE WITH SUBSECTION (1)(b) OF THIS SECTION, THE DIRECTOR  
20 SHALL ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE  
21 WITH SECTION 12-10-215, FEES FOR:

22 (I) EACH COMMUNITY ASSOCIATION MANAGEMENT COMPANY'S  
23 ORIGINAL APPLICATION AND LICENSE;

24 (II) EACH RENEWAL OR REINSTATEMENT OF A MANAGEMENT  
25 COMPANY LICENSE; AND

26 (III) ANY CHANGE OF NAME, ADDRESS, OR EMPLOYMENT STATUS  
27 REQUIRING A CHANGE IN DIRECTOR RECORDS.

28 (b) THE DIRECTOR SHALL ENGAGE IN RULE-MAKING TO ESTABLISH  
29 AN EQUITABLE FEE STRUCTURE THAT CONTEMPLATES THE SIZE OF A  
30 LICENSED MANAGEMENT COMPANY, THE NUMBER OF EMPLOYEES  
31 PERFORMING COMMUNITY ASSOCIATION MANAGEMENT SERVICES FOR THE  
32 LICENSED MANAGEMENT COMPANY, AND THE NUMBER AND SIZE OF THE  
33 ASSETS MANAGED.

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

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

41 (b) THE DIRECTOR SHALL ESTABLISH, BY RULE, THE REQUIREMENTS  
42 FOR SUBSEQUENT CRIMINAL HISTORY RECORD CHECKS.

43 **12-10-1007. Investigation - disciplinary actions - grounds for**  
44 **discipline - rules.** (1) (a) THE DIRECTOR, UPON THE DIRECTOR'S OWN  
45 MOTION, MAY, AND, UPON THE WRITTEN SUBMISSION OF A PERSON OF A

1 VALID AND ACTIONABLE COMPLAINT, AS DETERMINED BY THE DIRECTOR,  
2 SHALL, INVESTIGATE THE ACTIVITIES OF ANY LICENSED COMMUNITY  
3 ASSOCIATION MANAGEMENT COMPANY OR ANY UNLICENSED COMMUNITY  
4 ASSOCIATION MANAGEMENT COMPANY THAT ASSUMES TO ACT IN THE  
5 CAPACITY OF A LICENSED MANAGEMENT COMPANY WITHIN THIS STATE.  
6 AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE  
7 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, AND FINDING  
8 THAT A LICENSED MANAGEMENT COMPANY HAS PERFORMED, IS  
9 PERFORMING, OR IS ATTEMPTING TO PERFORM ANY OF THE ACTS SPECIFIED  
10 IN SUBSECTION (2) OF THIS SECTION, THE DIRECTOR MAY:

11 (I) IMPOSE AN ADMINISTRATIVE FINE NOT TO EXCEED FIVE  
12 THOUSAND DOLLARS;

13 (II) CENSURE THE LICENSED MANAGEMENT COMPANY;

14 (III) ISSUE A LETTER OF ADMONITION;

15 (IV) ISSUE A LETTER OF CONCERN;

16 (V) ENTER INTO A STIPULATION WITH THE LICENSED MANAGEMENT  
17 COMPANY FOR DIVERSION;

18 (VI) PLACE THE LICENSED MANAGEMENT COMPANY ON PROBATION  
19 AND SET THE TERMS OF PROBATION;

20 (VII) TEMPORARILY SUSPEND THE LICENSED MANAGEMENT  
21 COMPANY'S LICENSE; OR

22 (VIII) PERMANENTLY REVOKE THE LICENSED MANAGEMENT  
23 COMPANY'S LICENSE.

24 (b) THE DIRECTOR SHALL DEVELOP, BY RULE, A POINTS-BASED  
25 DISCIPLINARY SYSTEM TO DETERMINE THE LEVEL OF DISCIPLINE TO IMPOSE  
26 ON A LICENSED MANAGEMENT COMPANY BASED ON THE POINTS ASSIGNED  
27 TO EACH ACT SPECIFIED IN SUBSECTION (2) OF THIS SECTION. THE  
28 POINTS-BASED DISCIPLINARY SYSTEM MUST INCLUDE A PROCESS FOR  
29 REDUCING OR ELIMINATING POINTS AFTER A PERIOD OF TIME WITH NO  
30 ADDITIONAL VIOLATIONS.

31 (c) THE DIRECTOR SHALL POST ON THE DIVISION'S WEBSITE A LIST  
32 OF ALL LICENSED COMMUNITY ASSOCIATION MANAGEMENT COMPANIES IN  
33 THIS STATE AND ANY POINTS ATTRIBUTED TO EACH LICENSED  
34 MANAGEMENT COMPANY PURSUANT TO THE POINTS-BASED DISCIPLINARY  
35 SYSTEM.

36 (2) THE DIRECTOR MAY TAKE DISCIPLINARY ACTION PURSUANT TO  
37 SUBSECTION (1) OF THIS SECTION IF A LICENSED MANAGEMENT COMPANY  
38 OR CONTROLLING MANAGER OF A LICENSED MANAGEMENT COMPANY HAS  
39 ENGAGED IN, IS ENGAGING IN, OR IS ATTEMPTING TO ENGAGE IN, AND IS  
40 GUILTY OF COMMITTING, ANY OF THE FOLLOWING ACTS OR OMISSIONS:

41 (a) MISMANAGING OR MISAPPROPRIATING HOA MONEY;

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

44 (c) FAILING TO ACCOUNT FOR OR TO REMIT, WITHIN A REASONABLE  
45 TIME, ANY MONEY IN THE LICENSED MANAGEMENT COMPANY'S POSSESSION

1 THAT BELONGS TO OTHERS, WHETHER WHILE PERFORMING COMMUNITY  
2 ASSOCIATION MANAGEMENT SERVICES OR OTHERWISE, OR FAILING TO KEEP  
3 RECORDS RELATIVE TO SUCH MONEY, WHICH RECORDS MUST CONTAIN ANY  
4 INFORMATION REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO  
5 AUDIT BY THE DIRECTOR;

6 (d) CONVERTING THE MONEY OF AN HOA OR OTHERS, DIVERTING  
7 THE MONEY OF AN HOA OR OTHERS WITHOUT PROPER AUTHORIZATION,  
8 COMMINGLING THE MONEY OF AN HOA OR OTHERS WITH THE LICENSED  
9 MANAGEMENT COMPANY'S OWN MONEY, OR FAILING TO KEEP:

10 (I) THE MONEY OF AN HOA OR OTHERS IN A SEGREGATED  
11 ACCOUNT WITH A BANK OR RECOGNIZED DEPOSITORY IN THIS STATE,  
12 WHICH ACCOUNT MAY BE ANY TYPE OF CHECKING, DEMAND, PASSBOOK,  
13 OR STATEMENT ACCOUNT INSURED BY AN AGENCY OF THE UNITED STATES  
14 GOVERNMENT; AND

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

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

21 (f) IN THE CASE OF A CONTROLLING MANAGER ACTING ON BEHALF  
22 OF THE LICENSED MANAGEMENT COMPANY, FAILING TO EXERCISE  
23 REASONABLE SUPERVISION OVER THE ACTIVITIES OF EMPLOYEES OR OTHER  
24 INDIVIDUALS PERFORMING COMMUNITY ASSOCIATION MANAGEMENT  
25 SERVICES ON BEHALF OF THE LICENSED MANAGEMENT COMPANY;

26 (g) PROCURING A LICENSE OR RENEWING, REINSTATING, OR  
27 REACTIVATING A LICENSE BY FRAUD, MISREPRESENTATION, OR DECEIT OR  
28 BY MAKING A MATERIAL MISSTATEMENT OF FACT IN AN APPLICATION FOR  
29 A LICENSE;

30 (h) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE  
31 ISSUANCE OF A LICENSE;

32 (i) FAILING TO COOPERATE IN A LEGAL OR REGULATORY  
33 INVESTIGATION;

34 (j) IN MAKING RECOMMENDATIONS FOR CONTRACTORS OR  
35 VENDORS TO THE EXECUTIVE BOARD, FAILING TO DISCLOSE ANY  
36 CONFLICTS OF INTEREST, SUCH AS FINANCIAL BENEFITS THAT MAY ACCRUE  
37 TO THE LICENSED MANAGEMENT COMPANY FROM SUCH CONTRACTOR OR  
38 VENDOR, INCLUDING A CONTRACTOR OR VENDOR THAT IS OWNED BY OR  
39 AFFILIATED WITH THE LICENSED MANAGEMENT COMPANY;

40 (k) FAILING TO PROVIDE TO THE EXECUTIVE BOARD RECORDS OF  
41 THE ASSOCIATION IN THE CUSTODY OF THE LICENSED MANAGEMENT  
42 COMPANY OR THE CONTROLLING MANAGER;

43 (l) SELLING MEMBERSHIP LISTS TO A THIRD PARTY;

44 (m) SHARING PERSONAL IDENTIFYING INFORMATION OF  
45 HOMEOWNERS WITHOUT PRIOR APPROVAL OF THE EXECUTIVE BOARD;

(n) FAILING TO PROVIDE TO THE DIRECTOR THE CRIMINAL HISTORY RECORDS, IF ANY, RELATING TO THE HANDLING OR ACCOUNTING OF CLIENT MONEY BY THE LICENSED MANAGEMENT COMPANY'S CONTROLLING MANAGER OR AN EMPLOYEE OF THE LICENSED MANAGEMENT COMPANY WHO HANDLES OR PROVIDES ACCOUNTING FOR CLIENT MONEY;

(o) FAILING TO ENSURE THE LICENSED MANAGEMENT COMPANY'S CONTROLLING MANAGER AND ANY EMPLOYEES WHO PERFORM COMMUNITY ASSOCIATION MANAGEMENT SERVICES ON BEHALF OF THE LICENSED MANAGEMENT COMPANY MEET THE EDUCATION REQUIREMENTS ESTABLISHED BY THE DIRECTOR BY RULE PURSUANT TO SECTION 12-10-1002 (1); OR

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

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

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

(5) UPON INVESTIGATION OF THE ACTIVITIES OF A LICENSED OR AN UNLICENSED COMMUNITY ASSOCIATION MANAGEMENT COMPANY, IF THE DIVISION BECOMES AWARE OF FACTS OR CIRCUMSTANCES THAT FALL WITHIN THE JURISDICTION OF A CRIMINAL JUSTICE OR OTHER LAW ENFORCEMENT AUTHORITY, THE DIVISION SHALL, IN ADDITION TO EXERCISING ITS AUTHORITY UNDER THIS PART 10, REFER AND TRANSMIT THE INFORMATION, WHICH MAY INCLUDE ORIGINALS OR COPIES OF DOCUMENTS AND MATERIALS, TO ONE OR MORE CRIMINAL JUSTICE OR OTHER LAW ENFORCEMENT AUTHORITIES FOR INVESTIGATION AND PROSECUTION AS AUTHORIZED BY LAW.

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

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

(3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR, OR, SUBJECT TO APPROPRIATIONS MADE TO THE DEPARTMENT

1 OF PERSONNEL, AN ADMINISTRATIVE LAW JUDGE ON BEHALF OF THE  
2 DIRECTOR SHALL CONDUCT ALL HEARINGS FOR DENYING A LICENSE OR  
3 TAKING DISCIPLINARY ACTION. EACH ADMINISTRATIVE LAW JUDGE SHALL  
4 BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF TITLE 24. THE  
5 ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING IN  
6 ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. A LICENSE SHALL  
7 NOT BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE  
8 A DECISION.

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

24 (5) A DECISION OF THE DIRECTOR IN ANY DISCIPLINARY ACTION OR  
25 DENIAL OF LICENSURE UNDER THIS SECTION IS SUBJECT TO JUDICIAL  
26 REVIEW BY THE COURT OF APPEALS PURSUANT TO SECTION 13-4-102 (2).

27 (6) IN ANY HEARING CONDUCTED BY THE DIRECTOR OR AN  
28 AUTHORIZED REPRESENTATIVE OF THE DIRECTOR IN WHICH THERE IS A  
29 POSSIBILITY OF THE DENIAL, SUSPENSION, OR REVOCATION OF A LICENSE  
30 BECAUSE OF THE CONVICTION OF A FELONY OR OF A CRIME INVOLVING  
31 MORAL TURPITUDE, THE DIRECTOR OR DIRECTOR'S AUTHORIZED  
32 REPRESENTATIVE IS GOVERNED BY SECTION 24-5-101.

33 (7) A PERSON PARTICIPATING IN GOOD FAITH IN FILING A  
34 COMPLAINT OR REPORT OR PARTICIPATING IN AN INVESTIGATION OR  
35 HEARING BEFORE THE DIRECTOR, AUTHORIZED REPRESENTATIVE OF THE  
36 DIRECTOR, OR ADMINISTRATIVE LAW JUDGE PURSUANT TO THIS PART 10 IS  
37 IMMUNE FROM ANY LIABILITY, CIVIL OR CRIMINAL, THAT OTHERWISE  
38 MIGHT RESULT BY REASON OF SUCH ACTION.

39 **12-10-1009. Repeal of part.** THIS PART 10 IS REPEALED,  
40 EFFECTIVE SEPTEMBER 1, 2029. BEFORE THE REPEAL, THIS PART 10 IS  
41 SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

42 **SECTION 3.** In Colorado Revised Statutes, 24-34-104, **add**  
43 (30)(a)(IX) as follows:

44 **24-34-104. General assembly review of regulatory agencies**  
45 **and functions for repeal, continuation, or reestablishment - legislative**

1 **declaration - repeal.** (30) (a) The following agencies, functions, or both,  
2 are scheduled for repeal on September 1, 2029:

3 (IX) THE LICENSING OF COMMUNITY ASSOCIATION MANAGEMENT  
4 COMPANIES BY THE DIRECTOR OF THE DIVISION OF REAL ESTATE IN THE  
5 DEPARTMENT OF REGULATORY AGENCIES IN ACCORDANCE WITH PART 10  
6 OF ARTICLE 10 OF TITLE 12.

7 **SECTION 4.** In Colorado Revised Statutes, 12-10-215, **amend**  
8 (1) and (2)(a)(I) as follows:

9 **12-10-215. Fee adjustments - cash fund created.** (1) This  
10 section applies to all activities of the division under parts 2, 5, 6, **and** 7,  
11 AND 10 of this article 10.

12 (2) (a) (I) The division shall propose, as part of its annual budget  
13 request, an adjustment in the amount of each fee that it is authorized by  
14 law to collect under parts 2, 5, 6, **and** 7, AND 10 of this article 10. The  
15 budget request and the adjusted fees for the division must reflect direct  
16 and indirect costs.

17 **SECTION 5.** In Colorado Revised Statutes, 13-4-102, **recreate**  
18 **and reenact, with amendments,** (2)(m.5) as follows:

19 **13-4-102. Jurisdiction.** (2) The court of appeals has initial  
20 jurisdiction to:

21 (m.5) REVIEW FINAL DECISIONS AND ORDERS OF THE DIVISION OF  
22 REAL ESTATE, AS PROVIDED IN SECTION 12-10-1008 (5).

23 **SECTION 6. Act subject to petition - effective date.** This act  
24 takes effect at 12:01 a.m. on the day following the expiration of the  
25 ninety-day period after final adjournment of the general assembly; except  
26 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
27 of the state constitution against this act or an item, section, or part of this  
28 act within such period, then the act, item, section, or part will not take  
29 effect unless approved by the people at the general election to be held in  
30 November 2024 and, in such case, will take effect on the date of the  
31 official declaration of the vote thereon by the governor.".

32 Page 1, line 102, strike "MANAGERS" and substitute "MANAGEMENT  
33 COMPANIES".

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