

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

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 19-0765.02 Duane Gall x4335

HOUSE BILL 19-1212

HOUSE SPONSORSHIP

Titone and Duran, Exum, Kipp, Snyder

SENATE SPONSORSHIP

Fields and Todd, Court, Gonzales

House Committees

Transportation & Local Government
Finance
Appropriations

Senate Committees

Finance
Appropriations

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.*

SENATE
3rd Reading Unamended
May 3, 2019

SENATE
Amended 2nd Reading
May 2, 2019

HOUSE
3rd Reading Unamended
April 26, 2019

HOUSE
Amended 2nd Reading
April 25, 2019

and its director with regard to CAM licensing, as they existed on June 30, 2018, with amendments reflecting an extended sunset date of September 1, 2024, and the recommendations of the department of regulatory agencies as contained in its 2017 sunset report as well as other changes. The changes made in accordance with the sunset report are:

- ! Allowing certain ministerial functions to be delegated to unlicensed persons while maintaining the license requirement for higher-level management functions such as the conduct of board meetings, handling of money, and negotiation of maintenance contracts. The director is authorized to adopt rules further clarifying these distinctions if necessary.
- ! Scaling back the amount of, and circumstances in which, direct supervision of an apprentice is required; specifying that a supervising manager is accountable for the actions of an apprentice; and giving the director authority to adopt rules governing supervision of apprentices; and
- ! Removing the automatic acceptance of certain private credentials as qualifications for licensure and substituting a requirement that the director specify the acceptable credentials by rule.

Additional changes include the creation of a 7-member advisory committee to make recommendations to the director of the division of real estate regarding changes to the rules, adoption of guidelines and processes for the handling of complaints, and other matters on which the director seeks input.

Section 3 duplicates and carries forward all of the preceding content as part of the recodification of title 12, Colorado Revised Statutes, contingent on the passage of House Bill 19-1172.

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

2 **SECTION 1. In Colorado Revised Statutes, recreate and**
3 **reenact, with amendments, part 10 of article 61 of title 12 as follows:**

4 **PART 10**

5 **COMMUNITY ASSOCIATION MANAGERS**

6 **12-61-1001. Definitions. AS USED IN THIS PART 10, UNLESS THE**
7 **CONTEXT OTHERWISE REQUIRES:**

8 **(1) "APPRENTICE" MEANS A PERSON WHO:**

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 DIRECT SUPERVISION OF A
5 LICENSED 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
18 DEFINED 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) IN INTERACTIONS WITH MEMBERS OR NONMEMBERS OF THE
4 COMMON INTEREST COMMUNITY, ACTING WITH THE AUTHORITY OF THE
5 COMMON INTEREST COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL,
6 FINANCIAL, OR OTHER TRANSACTIONS:

7 (II) EXECUTING THE RESOLUTIONS AND DECISIONS OF THE
8 EXECUTIVE BOARD:

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

12 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
13 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY:

14 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW:

15 (VI) ARRANGING, CONDUCTING, OR COORDINATING MEETINGS OF
16 THE COMMON INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE
17 BOARD:

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

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

25 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN
26 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
27 MAINTENANCE FUNCTION.

1 (5) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
2 MEANS ANY PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
3 ASSOCIATION, OR CORPORATION THAT, IN CONSIDERATION OF
4 COMPENSATION BY FEE, COMMISSION, SALARY, OR ANYTHING ELSE OF
5 VALUE OR WITH THE INTENTION OF RECEIVING OR COLLECTING SUCH
6 COMPENSATION, WHETHER OR NOT THE COMPENSATION IS RECEIVED BY
7 THE LICENSED MANAGER DIRECTLY OR BY THE LICENSED ENTITY THAT
8 EMPLOYS THE LICENSED MANAGER, ENGAGES IN OR OFFERS OR ATTEMPTS
9 TO ENGAGE IN COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO.

10 (b) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER" DOES
11 NOT INCLUDE:

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

15 (II) ANY PUBLIC OFFICIAL IN THE CONDUCT OF HIS OR HER OFFICIAL
16 DUTIES;

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

19 (IV) A PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
20 OR ASSOCIATION ACTING PERSONALLY OR A CORPORATION ACTING
21 THROUGH ITS OFFICERS OR REGULAR SALARIED EMPLOYEES, ON BEHALF OF
22 THAT PERSON OR ON ITS OWN BEHALF AS PRINCIPAL IN ACQUIRING OR IN
23 NEGOTIATING TO ACQUIRE ANY INTEREST IN REAL ESTATE;

24 (V) AN ATTORNEY-AT-LAW IN CONNECTION WITH HIS OR HER
25 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;

26 (VI) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
27 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED

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

8 (VII) AN INDEPENDENT CONTRACTOR WHO:

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

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

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

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

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

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

24 (9) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
25 38-33.3-103 (16).

26 (10) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN
27 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, AS DEFINED IN SECTION

1 38-33.3-103 (3), WHETHER ORGANIZED BEFORE, ON, OR AFTER JULY 1,
2 1992; EXCEPT THAT THE TERM DOES NOT INCLUDE AN ASSOCIATION OR
3 UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
4 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
5 SECTION 38-33-110 (7). AS USED IN THIS SUBSECTION (10), "MAJORITY OF
6 UNITS" MEANS THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY
7 PERCENT OF THE ALLOCATED INTERESTS IN THE COMMON INTEREST
8 COMMUNITY APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR
9 RESIDENTIAL USE.

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

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

22 (3) IN ADDITION TO CONDUCTING HEARINGS AS PROVIDED IN
23 SECTION 12-61-1012, 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 ANY ACT OR PRACTICE THAT
5 CONSTITUTES A VIOLATION OF THIS PART 10 OR OF A RULE ADOPTED
6 UNDER THIS PART 10, AND, UPON A SHOWING THAT A PERSON IS ENGAGING
7 OR INTENDS TO ENGAGE IN ANY SUCH ACT OR PRACTICE, THE COURT SHALL
8 GRANT AN INJUNCTION, RESTRAINING ORDER, OR OTHER APPROPRIATE
9 ORDER REGARDLESS OF THE EXISTENCE OF ANOTHER REMEDY THEREFOR.
10 ANY NOTICE, HEARING, OR DURATION OF ANY INJUNCTION OR
11 RESTRAINING ORDER SHALL BE MADE IN ACCORDANCE WITH THE
12 COLORADO RULES OF CIVIL PROCEDURE.

13 (c) THE DIRECTOR MAY CONDUCT AUDITS OF BUSINESS RECORDS
14 AND ACCOUNTS OF LICENSEES.

15 **12-61-1003. Application for license - criminal history record**
16 **check - examination - rules. (1) (a) A PERSON DESIRING TO BECOME A**
17 **COMMUNITY ASSOCIATION MANAGER OR APPRENTICE MUST APPLY TO THE**
18 **DIRECTOR FOR A LICENSE IN THE FORM AND MANNER PRESCRIBED BY THE**
19 **DIRECTOR.**

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

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

8 (2) EVERY COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
9 THIS PART 10 SHALL MAINTAIN A PLACE OF BUSINESS WITHIN THIS STATE,
10 EXCEPT AS PROVIDED IN SECTION 12-61-1007. IF A COMMUNITY
11 ASSOCIATION MANAGER MAINTAINS MORE THAN ONE PLACE OF BUSINESS
12 WITHIN THE STATE, THE MANAGER IS RESPONSIBLE FOR SUPERVISING ALL
13 LICENSED ACTIVITIES ORIGINATING IN THOSE OFFICES.

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

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

1 YEARS HAVE ELAPSED SINCE THE DATE OF THE REVOCATION OR
2 SUSPENSION AND THE APPLICANT HAS PROVED TO THE DIRECTOR THAT HE
3 OR SHE IS FIT TO BE LICENSED AS A COMMUNITY ASSOCIATION MANAGER
4 IN COLORADO.

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

9 (I) THE NATURE OF THE CONVICTION;

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

18 (III) ANY INFORMATION PRODUCED BY THE APPLICANT OR
19 PRODUCED ON THE APPLICANT'S BEHALF REGARDING HIS OR HER
20 REHABILITATION AND GOOD CONDUCT; AND

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

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

1 EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF
2 PROPERTY.

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

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

8 (I) HOLD ONE OR MORE OF THE FOLLOWING CREDENTIALS:

9 (A) THE "CERTIFIED MANAGER OF COMMUNITY ASSOCIATIONS" OR
10 "CMCA" CERTIFICATION AWARDED BY THE COMMUNITY ASSOCIATION
11 MANAGERS INTERNATIONAL CERTIFICATION BOARD, PREVIOUSLY KNOWN
12 AS THE NATIONAL BOARD OF CERTIFICATION FOR COMMUNITY
13 ASSOCIATION MANAGERS;

14 (B) THE "ASSOCIATION MANAGEMENT SPECIALIST" OR "AMS"
15 DESIGNATION AWARDED BY THE COMMUNITY ASSOCIATIONS INSTITUTE;

16 (C) THE "PROFESSIONAL COMMUNITY ASSOCIATION MANAGER" OR
17 "PCAM" DESIGNATION AWARDED BY THE COMMUNITY ASSOCIATIONS
18 INSTITUTE; OR

19 (D) ANOTHER CREDENTIAL IDENTIFIED BY THE DIRECTOR IN RULES;

20 (II) CERTIFY COMPLETION OF ANY EDUCATIONAL OR CONTINUING
21 EDUCATIONAL REQUIREMENTS AS DETERMINED BY THE DIRECTOR IN RULES
22 AND PUBLISHED ON THE DIVISION'S WEBSITE;

23 (III) SUBMIT TO AND PASS AN EXAMINATION WITH TWO SEPARATE
24 PORTIONS, WHICH MAY BE ADMINISTERED SEPARATELY. THE
25 EXAMINATION MUST MEASURE THE COMPETENCY OF THE APPLICANT IN
26 CARRYING OUT THE CORE FUNCTIONS OF COMMUNITY ASSOCIATION
27 MANAGEMENT, REFERRED TO AS THE "GENERAL PORTION" OF THE

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

20 (IV) AN APPLICANT WHO IS CREDENTIALLED PURSUANT TO
21 SUBSECTION (5)(a)(I)(A), (5)(a)(I)(B), OR (5)(a)(I)(C) OF THIS SECTION
22 AND HAS MAINTAINED THE CREDENTIAL IN GOOD STANDING, INCLUDING
23 HAVING COMPLETED ALL ONGOING EDUCATION REQUIRED TO MAINTAIN
24 THE CREDENTIAL, MUST COMPLETE THE COLORADO LAW PORTION, BUT
25 NEED NOT COMPLETE THE GENERAL PORTION, OF THE EXAMINATION
26 DESCRIBED IN SUBSECTION (5)(a)(III) OF THIS SECTION.

27 (b) THE SEPARATE PORTIONS OF THE EXAMINATION DEVELOPED

1 UNDER SUBSECTION (5)(a)(III) OF THIS SECTION MUST ASSESS AN
2 APPLICANT'S COMPETENCY IN THE FOLLOWING SUBJECT MATTER AREAS:

3 (I) FOR THE COLORADO LAW PORTION OF THE EXAMINATION,
4 LEGAL DOCUMENTS; STATUTES, INCLUDING THE "COLORADO COMMON
5 INTEREST OWNERSHIP ACT"; AND OTHER APPLICABLE PROVISIONS OF
6 COLORADO LAW; AND

7 (II) FOR THE GENERAL PORTION OF THE EXAMINATION, OTHER
8 CORE COMPETENCIES OF COMMUNITY ASSOCIATION MANAGEMENT, AS
9 SPECIFIED BY THE DIRECTOR.

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

16 (d) THE DIVISION MAY ISSUE A LICENSE TO AN APPLICANT WHO HAS
17 HELD A COMMUNITY ASSOCIATION MANAGER LICENSE IN ANOTHER
18 JURISDICTION THAT REGULATES COMMUNITY ASSOCIATION MANAGERS
19 AND WHO HAS BEEN LICENSED FOR TWO OR MORE YEARS PRIOR TO
20 APPLYING FOR A COLORADO LICENSE IF THE APPLICANT ESTABLISHES THAT
21 HE OR SHE POSSESSES CREDENTIALS AND QUALIFICATIONS THAT ARE
22 SUBSTANTIVELY EQUIVALENT TO THE REQUIREMENTS IN COLORADO FOR
23 LICENSURE BY EXAMINATION, AS DETERMINED BY THE DIRECTOR BY RULE.
24 THE DIRECTOR MAY REQUIRE A PERSON SO LICENSED TO TAKE THE
25 PORTION OF THE EXAMINATION PERTAINING TO THE MATTERS DESCRIBED
26 IN SUBSECTION (5)(b)(I) OF THIS SECTION WITHIN A SPECIFIED TIME AFTER
27 FIRST RECEIVING A COLORADO LICENSE.

1 (6) (a) COMMUNITY ASSOCIATION MANAGERS' LICENSES MAY BE
2 GRANTED TO INDIVIDUALS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES,
3 OR CORPORATIONS.

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

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

21 (7) THE DESIGNATED MANAGER FOR ANY PARTNERSHIP, LIMITED
22 LIABILITY COMPANY, OR CORPORATION IS PERSONALLY RESPONSIBLE FOR
23 THE HANDLING OF ANY AND ALL COMMON INTEREST COMMUNITY FUNDS
24 RECEIVED OR DISBURSED BY THE ENTITY. IN THE EVENT OF ANY BREACH
25 OF DUTY BY THE ENTITY, ANY PERSON AGGRIEVED OR DAMAGED BY THE
26 BREACH MAY MAKE A CLAIM FOR RELIEF AGAINST THE ENTITY.

27 (8) A PERSON SHALL NOT:

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

3 (b) CONDUCT OR PROMOTE BUSINESS AS A COMMUNITY
4 ASSOCIATION MANAGER EXCEPT UNDER THE NAME UNDER WHICH THE
5 PERSON IS LICENSED.

6 (9) AN APPRENTICE SHALL NOT PERFORM AN ACT THAT OTHERWISE
7 REQUIRES A COMMUNITY ASSOCIATION MANAGER LICENSE EXCEPT WHEN
8 UNDER THE DIRECT SUPERVISION OF A LICENSED COMMUNITY ASSOCIATION
9 MANAGER.

10 **12-61-1004. Insurance required - rules.** EVERY LICENSEE UNDER
11 THIS PART 10, EXCEPT AN INACTIVE MANAGER OR AN ATTORNEY LICENSEE
12 WHO MAINTAINS A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE
13 THAT PROVIDES COVERAGE FOR HIS OR HER ACTIVITIES UNDER THIS PART
14 10, MUST BE INSURED UNDER INSURANCE NECESSARY TO COVER ALL
15 ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND
16 UNDER TERMS AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN
17 PROMULGATING RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT
18 AND CONSIDER INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

19 **12-61-1005. Fees and charges for contracted services and**
20 **home sales - disclosure required.** (1) EVERY MANAGER, AND EVERY
21 AGENT OR OTHER PERSON WHO REPRESENTS OR NEGOTIATES ON BEHALF
22 OF A MANAGER, SHALL DISCLOSE TO THE EXECUTIVE BOARD OF EACH HOA
23 FOR WHICH IT PROVIDES OR OFFERS TO PROVIDE SERVICES, DURING
24 CONTRACT NEGOTIATIONS AND THEREAFTER ON AN ANNUAL BASIS, ALL
25 FEES AND OTHER AMOUNTS THAT THE MANAGER CHARGES OR WILL
26 CHARGE TO THE COMMON INTEREST COMMUNITY, UNIT OWNERS, AND
27 PURCHASERS OF UNITS IN THE COMMON INTEREST COMMUNITY FOR OR AS

1 A RESULT OF ANY SERVICE, PRODUCT, TRANSACTION, OR ITEM OF VALUE
2 PROVIDED BY THE MANAGER, ANY EMPLOYEE OR CONTRACTOR OF THE
3 MANAGER, OR ANY OTHER INDIVIDUAL OR ENTITY WITH WHOM THE
4 MANAGER ASSOCIATES IN THE PERFORMANCE OF COMMUNITY
5 ASSOCIATION MANAGEMENT SERVICES.

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

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

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

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

20 (4) THE DIVISION MAY REGULATE, INVESTIGATE, AND TAKE
21 DISCIPLINARY ACTION AGAINST ANY MANAGER OR PRINCIPAL THEREOF FOR
22 A VIOLATION OF THIS SECTION.

23 **12-61-1006. Licenses - issuance - contents - display.** THE
24 DIRECTOR SHALL MAKE AVAILABLE FOR EACH LICENSEE A LICENSE IN SUCH
25 FORM AND SIZE AS THE DIRECTOR MAY PRESCRIBE. THE LICENSE MUST
26 SHOW THE NAME OF THE LICENSEE AND MAY CONTAIN SUCH OTHER
27 MATTER AS THE DIRECTOR PRESCRIBES.

1 **12-61-1007. Resident licensee - nonresident licensee - consent**
2 **to service.** (1) A NONRESIDENT OF THE STATE MAY BECOME A
3 COMMUNITY ASSOCIATION MANAGER OR APPRENTICE IN THIS STATE BY
4 CONFORMING TO ALL THE CONDITIONS OF THIS PART 10; EXCEPT THAT THE
5 NONRESIDENT MANAGER IS NOT REQUIRED TO MAINTAIN A PLACE OF
6 BUSINESS WITHIN THIS STATE IF THAT MANAGER MAINTAINS A DEFINITE
7 PLACE OF BUSINESS IN ANOTHER STATE.

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

17 (a) THE DATE THE MANAGER RECEIVES THE PROCESS, NOTICE, OR
18 DEMAND;

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

21 (c) FIVE DAYS AFTER MAILING.

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

26 **12-61-1008. Record of licensees - publications.** THE DIRECTOR
27 SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL

1 COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10,
2 TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE
3 ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE
4 DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER
5 NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE
6 PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF
7 ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE
8 EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

9 **12-61-1009. Change of location or employment status - notice**
10 **required.** (1) A COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
11 THIS PART 10 SHALL NOTIFY THE DIRECTOR WITHIN THIRTY DAYS AFTER
12 ANY CHANGE OF BUSINESS LOCATION OR EMPLOYMENT. A CHANGE OF
13 BUSINESS ADDRESS OR EMPLOYMENT STATUS WITHOUT NOTIFICATION TO
14 THE DIRECTOR AUTOMATICALLY INACTIVATES THE LICENSEE'S LICENSE.

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

19 **12-61-1010. License fees - partnership, limited liability**
20 **company, and corporation licenses - rules.** (1) THE DIRECTOR SHALL
21 ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE WITH
22 SECTION 12-61-111.5, FEES FOR:

- 23 (a) EACH EXAMINATION;
- 24 (b) EACH MANAGER'S OR ENTITY'S ORIGINAL APPLICATION AND
25 LICENSE;
- 26 (c) EACH RENEWAL OR REINSTATEMENT OF A MANAGER'S LICENSE;
- 27 (d) ANY CHANGE OF NAME, ADDRESS, OR EMPLOYMENT STATUS

1 REQUIRING A CHANGE IN DIRECTOR RECORDS; AND

2 (e) EACH APPRENTICE'S ORIGINAL APPLICATION AND LICENSE.

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

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

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

18 **12-61-1011. Investigation - revocation - actions against**
19 **licensee.** (1) THE DIRECTOR, UPON THE DIRECTOR'S OWN MOTION, MAY,
20 AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON, SHALL,
21 INVESTIGATE THE ACTIVITIES OF ANY LICENSEE OR ANY PERSON WHO
22 ASSUMES TO ACT IN THE CAPACITY OF A LICENSEE WITHIN THE STATE. THE
23 DIRECTOR, AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE
24 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, MAY IMPOSE
25 AN ADMINISTRATIVE FINE NOT TO EXCEED TWO THOUSAND FIVE HUNDRED
26 DOLLARS FOR EACH SEPARATE OFFENSE, CENSURE A LICENSEE, PLACE THE
27 LICENSEE ON PROBATION AND SET THE TERMS OF PROBATION, OR

1 TEMPORARILY SUSPEND OR PERMANENTLY REVOKE A LICENSE WHEN THE
2 LICENSEE HAS PERFORMED, IS PERFORMING, OR IS ATTEMPTING TO
3 PERFORM ANY OF THE FOLLOWING ACTS AND IS GUILTY OF:

4 (a) KNOWINGLY MAKING ANY MISREPRESENTATION OR
5 KNOWINGLY MAKING USE OF ANY FALSE OR MISLEADING ADVERTISING;

6 (b) MAKING ANY PROMISE OF A CHARACTER THAT INFLUENCES,
7 PERSUADES, OR INDUCES ANOTHER PERSON WHEN HE OR SHE COULD NOT
8 OR DID NOT INTEND TO KEEP SUCH PROMISE;

9 (c) KNOWINGLY MISREPRESENTING OR MAKING FALSE PROMISES
10 THROUGH AGENTS, ADVERTISING, OR OTHERWISE;

11 (d) VIOLATING, DIRECTLY OR INDIRECTLY, ANY APPLICABLE
12 PROVISION OF COLORADO OR FEDERAL FAIR HOUSING LAWS;

13 (e) KNOWINGLY VIOLATING OR KNOWINGLY DIRECTING OTHERS TO
14 VIOLATE CCIOA;

15 (f) FAILING TO ACCOUNT FOR OR TO REMIT, WITHIN A REASONABLE
16 TIME, ANY MONEY COMING INTO THE LICENSEE'S POSSESSION THAT
17 BELONGS TO OTHERS, WHETHER ACTING AS A COMMUNITY ASSOCIATION
18 MANAGER, APPRENTICE, OR OTHERWISE, AND FAILING TO KEEP RECORDS
19 RELATIVE TO SAID MONEY, WHICH RECORDS MUST CONTAIN ANY
20 INFORMATION REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO
21 AUDIT BY THE DIRECTOR;

22 (g) CONVERTING FUNDS OF OTHERS, DIVERTING FUNDS OF OTHERS
23 WITHOUT PROPER AUTHORIZATION, COMMINGLING FUNDS OF OTHERS WITH
24 THE MANAGER'S OWN FUNDS, OR FAILING TO KEEP SUCH FUNDS OF OTHERS
25 IN A SEGREGATED ACCOUNT WITH SOME BANK OR RECOGNIZED
26 DEPOSITORY IN THIS STATE, WHICH ACCOUNT MAY BE ANY TYPE OF
27 CHECKING, DEMAND, PASSBOOK, OR STATEMENT ACCOUNT INSURED BY AN

1 AGENCY OF THE UNITED STATES GOVERNMENT, AND TO SO KEEP RECORDS
2 RELATIVE TO THE DEPOSIT THAT CONTAIN ANY INFORMATION REQUIRED BY
3 RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE DIRECTOR;

4 (h) DISREGARDING OR VIOLATING, OR AIDING OR ABETTING ANY
5 VIOLATION OF, THIS PART 10 OR ANY APPLICABLE RULE OR ORDER OF THE
6 DIRECTOR;

7 (i) PERFORMING ANY ACT THAT LEADS TO A CONVICTION OF,
8 ENTRY OF A PLEA OF GUILTY TO, OR ENTRY OF A PLEA OF NOLO
9 CONTENDERE TO ANY CRIME IN ARTICLE 3 OF TITLE 18; PARTS 1 TO 4 OF
10 ARTICLE 4 OF TITLE 18; PARTS 1 TO 5 AND 7 TO 9 OF ARTICLE 5 OF TITLE 18;
11 ARTICLE 5.5 OF TITLE 18; PARTS 3, 4, AND 6 TO 8 OF ARTICLE 6 OF TITLE 18;
12 PARTS 1 AND 3 TO 8 OF ARTICLE 7 OF TITLE 18; PART 3 OF ARTICLE 8 OF
13 TITLE 18; ARTICLE 15 OF TITLE 18; ARTICLE 17 OF TITLE 18; SECTION
14 18-18-405, 18-18-411, 18-18-412.5, 18-18-412.7, 18-18-415, 18-18-422,
15 OR 18-18-423; OR ANY OTHER LIKE CRIME UNDER COLORADO LAW,
16 FEDERAL LAW, OR THE LAWS OF OTHER STATES. A CERTIFIED COPY OF THE
17 JUDGMENT OF A COURT OF COMPETENT JURISDICTION OF SUCH CONVICTION
18 OR OTHER OFFICIAL RECORD INDICATING THAT SUCH PLEA WAS ENTERED
19 IS CONCLUSIVE EVIDENCE OF SUCH CONVICTION OR PLEA IN ANY HEARING
20 UNDER THIS PART 10.

21 (j) FAILING TO IMMEDIATELY NOTIFY THE DIRECTOR IN WRITING OF
22 A CONVICTION, PLEA, OR VIOLATION PURSUANT TO SUBSECTION (1)(i) OF
23 THIS SECTION;

24 (k) HAVING DEMONSTRATED UNWORTHINESS OR INCOMPETENCY
25 TO ACT AS A COMMUNITY ASSOCIATION MANAGER BY CONDUCTING
26 BUSINESS IN SUCH A MANNER AS TO ENDANGER THE INTEREST OF THE
27 PUBLIC;

1 (l) IN THE CASE OF A MANAGER WHO EMPLOYS OTHERS OR IS
2 DESIGNATED TO ACT ON BEHALF OF A LICENSED ENTITY, FAILING TO
3 EXERCISE REASONABLE SUPERVISION OVER THE ACTIVITIES OF EMPLOYEES;

4 (m) FAILING TO MAKE A FULL AND TRUE DISCLOSURE OF FEES,
5 CHARGES, AND REMUNERATION AS REQUIRED BY SECTION 12-61-1005;

6 (n) PROCURING, OR ATTEMPTING TO PROCURE, A LICENSE OR
7 RENEWING, REINSTATING, OR REACTIVATING, OR ATTEMPTING TO RENEW,
8 REINSTATE, OR REACTIVATE, A LICENSE BY FRAUD, MISREPRESENTATION,
9 OR DECEIT OR BY MAKING A MATERIAL MISSTATEMENT OF FACT IN AN
10 APPLICATION FOR A LICENSE;

11 (o) CLAIMING, ARRANGING FOR, OR TAKING ANY SECRET OR
12 UNDISCLOSED AMOUNT OF COMPENSATION, COMMISSION, OR PROFIT OR
13 FAILING TO REVEAL TO THE LICENSEE'S PRINCIPAL OR EMPLOYER THE FULL
14 AMOUNT OF THE LICENSEE'S COMPENSATION, COMMISSION, OR PROFIT IN
15 CONNECTION WITH ANY ACTS FOR WHICH A LICENSE IS REQUIRED UNDER
16 THIS PART 10;

17 (p) HAVING HAD A LICENSE OR A SUBDIVISION DEVELOPER'S
18 REGISTRATION SUSPENDED OR REVOKED IN ANY JURISDICTION, OR HAVING
19 HAD ANY DISCIPLINARY ACTION TAKEN AGAINST THE MANAGER OR
20 SUBDIVISION DEVELOPER IN ANY OTHER JURISDICTION IF THE LICENSEE'S
21 OR SUBDIVISION DEVELOPER'S ACTION WOULD CONSTITUTE A VIOLATION
22 OF THIS SUBSECTION (1). A CERTIFIED COPY OF THE ORDER OF
23 DISCIPLINARY ACTION IS PRIMA FACIE EVIDENCE OF SUCH DISCIPLINARY
24 ACTION.

25 (q) WITHIN THE LAST FIVE YEARS, HAVING A LICENSE,
26 REGISTRATION, OR CERTIFICATION ISSUED BY COLORADO OR ANOTHER
27 STATE REVOKED OR SUSPENDED FOR FRAUD, DECEIT, MATERIAL

1 MISREPRESENTATION, THEFT, OR BREACH OF A FIDUCIARY DUTY, AND SUCH
2 DISCIPLINE DENIED THE PERSON AUTHORIZATION TO PRACTICE AS:
3 (I) A MORTGAGE BROKER OR MORTGAGE LOAN ORIGINATOR;
4 (II) A REAL ESTATE BROKER OR SALESPERSON;
5 (III) A REAL ESTATE APPRAISER, AS DEFINED BY SECTION
6 12-61-702 (11);
7 (IV) AN INSURANCE PRODUCER, AS DEFINED BY SECTION 10-2-103
8 (6);
9 (V) AN ATTORNEY;
10 (VI) A SECURITIES BROKER-DEALER, AS DEFINED BY SECTION
11 11-51-201 (2);
12 (VII) A SECURITIES SALES REPRESENTATIVE, AS DEFINED BY
13 SECTION 11-51-201 (14);
14 (VIII) AN INVESTMENT ADVISOR, AS DEFINED BY SECTION
15 11-51-201 (9.5); OR
16 (IX) AN INVESTMENT ADVISOR REPRESENTATIVE, AS DEFINED BY
17 SECTION 11-51-201 (9.6);
18 (r) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE
19 ISSUANCE OF A LICENSE; OR
20 (s) ANY OTHER CONDUCT, WHETHER OF THE SAME OR A DIFFERENT
21 CHARACTER THAN SPECIFIED IN THIS SUBSECTION (1), THAT CONSTITUTES
22 DISHONEST DEALING.
23 (2) IF A FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
24 ASSOCIATION, OR CORPORATION OPERATING UNDER THE LICENSE OF A
25 MANAGER DESIGNATED AND LICENSED AS A REPRESENTATIVE OF THE
26 ENTITY COMMITS ANY ACT OR PRACTICE LISTED IN SUBSECTION (1) OF THIS
27 SECTION, THE DIRECTOR MAY SUSPEND OR REVOKE THE RIGHT OF THE

1 ENTITY TO CONDUCT ITS BUSINESS UNDER THE LICENSE OF THE MANAGER,
2 WHETHER OR NOT THE DESIGNATED MANAGER HAD PERSONAL
3 KNOWLEDGE OF THE ACT OR PRACTICE AND WHETHER OR NOT THE
4 DIRECTOR SUSPENDS OR REVOKES THE INDIVIDUAL LICENSE OF ANY OTHER
5 PERSON.

6 (3) THIS PART 10 DOES NOT RELIEVE ANY PERSON FROM CIVIL
7 LIABILITY OR CRIMINAL PROSECUTION UNDER THE LAWS OF THIS STATE.

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

12 (5) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
13 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES
14 NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT SHOULD NOT BE
15 DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY SEND A LETTER
16 OF ADMONITION TO THE LICENSEE AGAINST WHOM THE COMPLAINT WAS
17 MADE AND A COPY OF THE LETTER TO THE PERSON MAKING THE
18 COMPLAINT, BUT THE LETTER MUST ADVISE THE LICENSEE THAT THE
19 LICENSEE HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS
20 AFTER RECEIPT, THAT FORMAL DISCIPLINARY PROCEEDINGS BE INITIATED
21 TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH THE LETTER
22 OF ADMONITION IS BASED. IF THE REQUEST IS TIMELY MADE, THE LETTER
23 OF ADMONITION IS VACATED, AND THE MATTER SHALL BE PROCESSED BY
24 MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

25 (6) ALL ADMINISTRATIVE FINES COLLECTED PURSUANT TO THIS
26 SECTION SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL
27 CREDIT THE SAME TO THE DIVISION OF REAL ESTATE CASH FUND, CREATED

1 IN SECTION 12-61-111.5 (2)(b).

2 (7) WHEN THE DIVISION BECOMES AWARE OF FACTS OR
3 CIRCUMSTANCES THAT FALL WITHIN THE JURISDICTION OF A CRIMINAL
4 JUSTICE OR OTHER LAW ENFORCEMENT AUTHORITY UPON INVESTIGATION
5 OF THE ACTIVITIES OF A LICENSEE, THE DIVISION SHALL, IN ADDITION TO
6 THE EXERCISE OF ITS AUTHORITY UNDER THIS PART 10, REFER AND
7 TRANSMIT SUCH INFORMATION, WHICH MAY INCLUDE ORIGINALS OR COPIES
8 OF DOCUMENTS AND MATERIALS, TO ONE OR MORE CRIMINAL JUSTICE OR
9 OTHER LAW ENFORCEMENT AUTHORITIES FOR INVESTIGATION AND
10 PROSECUTION AS AUTHORIZED BY LAW.

11 **12-61-1012. Hearings - use of administrative law judges -**
12 **subpoenas - judicial review - immunity.** (1) EXCEPT AS OTHERWISE
13 PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE DIRECTOR WITH
14 RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF LICENSURE UNDER
15 THIS PART 10, AT THE DISCRETION OF THE DIRECTOR, MAY BE CONDUCTED
16 BY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR OR BY AN
17 ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS 24-4-104 AND
18 24-4-105.

19 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
20 DIRECTOR HAS HIS OR HER OFFICE OR IN SUCH OTHER PLACE AS THE
21 DIRECTOR MAY DESIGNATE. IF THE LICENSEE IS EMPLOYED BY ANOTHER
22 LICENSED COMMUNITY ASSOCIATION MANAGER, THE DIRECTOR SHALL
23 ALSO NOTIFY THE LICENSEE'S EMPLOYER BY MAILING, BY FIRST-CLASS
24 MAIL, A COPY OF THE WRITTEN NOTICE REQUIRED UNDER SECTION
25 24-4-104 (3) TO THE EMPLOYER'S LAST-KNOWN BUSINESS ADDRESS.

26 (3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE
27 DIRECTOR, OR AN ADMINISTRATIVE LAW JUDGE SHALL CONDUCT ALL

1 HEARINGS FOR DENYING, SUSPENDING, OR REVOKING A LICENSE OR
2 CERTIFICATE ON BEHALF OF THE DIRECTOR, SUBJECT TO APPROPRIATIONS
3 MADE TO THE DEPARTMENT OF PERSONNEL. EACH ADMINISTRATIVE LAW
4 JUDGE SHALL BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF
5 TITLE 24. THE ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING
6 IN ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. NO LICENSE MAY
7 BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE HIS
8 OR HER DECISION.

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

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

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

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

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

1 **12-61-1013. Stakeholder meetings - topics - frequency - report.**

2 (1) THE DIVISION SHALL ESTABLISH A STAKEHOLDER PROCESS WITH
3 REGULAR MEETINGS, NO LESS FREQUENTLY THAN EVERY THREE MONTHS,
4 EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION. THE PURPOSES
5 OF THE MEETINGS ARE TO GATHER INFORMATION AND FEEDBACK FROM
6 HOMEOWNERS AND MANAGERS; TO ACT AS A SOUNDING BOARD FOR
7 DISCUSSION OF ISSUES AFFECTING COMMON INTEREST COMMUNITIES; AND
8 TO MAKE RECOMMENDATIONS TO THE DIRECTOR CONCERNING:

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

11 (b) APPROPRIATE ADJUSTMENTS TO THE DEFINITION OF, AND
12 EXCLUSIONS FROM, THE PRACTICE OF COMMUNITY ASSOCIATION
13 MANAGEMENT AS SET FORTH IN SECTION 12-61-1001 (4);

14 (c) APPRENTICE CREDENTIALING, INCLUDING THE LEVEL OF
15 OVERSIGHT REQUIRED BY THE DIVISION, APPROPRIATE SUPERVISION,
16 EDUCATIONAL REQUIREMENTS, SPECIFIC DUTIES, AND ANY OTHER
17 NECESSARY COMPONENTS RELATED TO APPRENTICES;

18 (d) THE COMPLAINT PROCESS, INCLUDING:

19 (I) INFORMATION OR EDUCATION FOR HOMEOWNERS ON FILING A
20 COMPLAINT;

21 (II) THE TIME PERIODS AND PROCESSES THAT APPLY TO THE
22 RESPONSE BY A PERSON ACCUSED OF A VIOLATION AND THE
23 INVESTIGATION OF THE COMPLAINT;

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

26 (IV) COMMUNICATION AMONG THE COMPLAINANT, THE
27 RESPONDENT, AND INVESTIGATORS DURING THE PENDENCY OF A

1 COMPLAINT AND ANY SUBSEQUENT ACTION BY THE DIRECTOR; AND

2 (e) ANY OTHER ISSUES ABOUT WHICH THE DIRECTOR SEEKS
3 INFORMATION AND FEEDBACK FROM THE STAKEHOLDERS.

4 (2) THE STAKEHOLDER GROUP SHALL MEET AT LEAST FOUR TIMES
5 DURING THE 2019 INTERIM AND SHALL KEEP MINUTES OF ITS MEETINGS AS
6 WELL AS WRITTEN SUMMARIES OF ANY DISCUSSION OR OUTREACH,
7 WHETHER IN THE COURSE OF A MEETING OR OTHERWISE, ON THE ISSUES
8 LISTED IN SUBSECTION (1) OF THIS SECTION, INCLUDING FEEDBACK
9 RECEIVED, RECOMMENDATIONS FROM STAKEHOLDERS, AND ANY
10 ADMINISTRATIVE OR STATUTORY CHANGES THAT WOULD BE REQUIRED TO
11 ACHIEVE THE STAKEHOLDER RECOMMENDATIONS. THESE MINUTES AND
12 WRITTEN SUMMARIES MUST BE INCLUDED IN THE DIVISION'S ANNUAL
13 REPORT TO THE GENERAL ASSEMBLY REQUIRED UNDER THE "STATE
14 MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT
15 (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2. THE
16 DIRECTOR SHALL SHARE A DRAFT OF THE REPORT WITH THE STAKEHOLDER
17 GROUP AND INVITE REVISIONS BEFORE FINALIZING THE DIVISION'S
18 PRESENTATION.

19 **12-61-1014. Repeal of part.** THIS PART 10 IS REPEALED,
20 EFFECTIVE SEPTEMBER 1, 2020.

21 **SECTION 2.** In Colorado Revised Statutes, **add to article 10 of**
22 **title 12 as relocated by House Bill 19-1172** part 10 as follows:

23 PART 10

24 COMMUNITY ASSOCIATION MANAGERS

25 **12-10-1001. Definitions.** AS USED IN THIS PART 10, UNLESS THE
26 CONTEXT OTHERWISE REQUIRES:

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

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 DIRECT SUPERVISION OF A
5 LICENSED 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
18 DEFINED IN SECTION 12-10-501 (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) IN INTERACTIONS WITH MEMBERS OR NONMEMBERS OF THE
4 COMMON INTEREST COMMUNITY, ACTING WITH THE AUTHORITY OF THE
5 COMMON INTEREST COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL,
6 FINANCIAL, OR OTHER TRANSACTIONS:

7 (II) EXECUTING THE RESOLUTIONS AND DECISIONS OF THE
8 EXECUTIVE BOARD:

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

12 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
13 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY:

14 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW:

15 (VI) ARRANGING, CONDUCTING, OR COORDINATING MEETINGS OF
16 THE COMMON INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE
17 BOARD:

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

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

25 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN
26 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
27 MAINTENANCE FUNCTION.

1 (5) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
2 MEANS ANY PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
3 ASSOCIATION, OR CORPORATION THAT, IN CONSIDERATION OF
4 COMPENSATION BY FEE, COMMISSION, SALARY, OR ANYTHING ELSE OF
5 VALUE OR WITH THE INTENTION OF RECEIVING OR COLLECTING SUCH
6 COMPENSATION, WHETHER OR NOT THE COMPENSATION IS RECEIVED BY
7 THE LICENSED MANAGER DIRECTLY OR BY THE LICENSED ENTITY THAT
8 EMPLOYS THE LICENSED MANAGER, ENGAGES IN OR OFFERS OR ATTEMPTS
9 TO ENGAGE IN COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO.

10 (b) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER" DOES
11 NOT INCLUDE:

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

15 (II) ANY PUBLIC OFFICIAL IN THE CONDUCT OF HIS OR HER OFFICIAL
16 DUTIES;

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

19 (IV) A PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
20 OR ASSOCIATION ACTING PERSONALLY OR A CORPORATION ACTING
21 THROUGH ITS OFFICERS OR REGULAR SALARIED EMPLOYEES, ON BEHALF OF
22 THAT PERSON OR ON ITS OWN BEHALF AS PRINCIPAL IN ACQUIRING OR IN
23 NEGOTIATING TO ACQUIRE ANY INTEREST IN REAL ESTATE;

24 (V) AN ATTORNEY-AT-LAW IN CONNECTION WITH HIS OR HER
25 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;

26 (VI) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
27 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED

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

8 (VII) AN INDEPENDENT CONTRACTOR WHO:

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

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

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

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

21 (7) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
22 38-33.3-103 (16).

23 (8) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN
24 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, AS DEFINED IN SECTION
25 38-33.3-103 (3), WHETHER ORGANIZED BEFORE, ON, OR AFTER JULY 1,
26 1992; EXCEPT THAT THE TERM DOES NOT INCLUDE AN ASSOCIATION OR
27 UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE

1 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
2 SECTION 38-33-110 (7). AS USED IN THIS SUBSECTION (8), "MAJORITY OF
3 UNITS" MEANS THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY
4 PERCENT OF THE ALLOCATED INTERESTS IN THE COMMON INTEREST
5 COMMUNITY APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR
6 RESIDENTIAL USE.

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

9 **12-10-1002. License required - rule-making authority -**
10 **violations - administrative and legal remedies.** (1) IT IS UNLAWFUL FOR
11 ANY PERSON TO ENGAGE IN, OR TO HOLD OUT HIMSELF, HERSELF, OR ITSELF
12 AS QUALIFIED TO ENGAGE IN, THE BUSINESS OF COMMUNITY ASSOCIATION
13 MANAGEMENT WITHOUT FIRST HAVING OBTAINED A LICENSE FROM THE
14 DIRECTOR IN ACCORDANCE WITH SECTION 12-10-1003 OR DURING ANY
15 PERIOD IN WHICH THE MANAGER'S LICENSE IS REVOKED OR SUSPENDED.

16 (2) THE DIRECTOR MAY PROMULGATE RULES AS NECESSARY TO
17 ENABLE THE DIRECTOR TO CARRY OUT THE DIRECTOR'S DUTIES UNDER THIS
18 PART 10.

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

23 (a) IF THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE THAT A
24 PERSON IS VIOLATING THIS PART 10 OR A RULE ADOPTED UNDER THIS PART
25 10, THE DIRECTOR MAY ENTER AN ORDER REQUIRING THE PERSON TO
26 CEASE AND DESIST THE VIOLATION.

27 (b) 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 OF A RULE ADOPTED
3 UNDER THIS PART 10, AND, UPON A SHOWING THAT A PERSON IS ENGAGING
4 OR 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 THEREFOR.
7 ANY NOTICE, HEARING, OR DURATION OF ANY INJUNCTION OR
8 RESTRAINING ORDER SHALL BE MADE IN ACCORDANCE WITH THE
9 COLORADO RULES OF CIVIL PROCEDURE.

10 (c) THE DIRECTOR MAY CONDUCT AUDITS OF BUSINESS RECORDS
11 AND ACCOUNTS OF LICENSEES.

12 **12-10-1003. Application for license - criminal history record**
13 **check - examination - rules.** (1) (a) A PERSON DESIRING TO BECOME A
14 COMMUNITY ASSOCIATION MANAGER OR APPRENTICE MUST APPLY TO THE
15 DIRECTOR FOR A LICENSE IN THE FORM AND MANNER PRESCRIBED BY THE
16 DIRECTOR.

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

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

5 (2) EVERY COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
6 THIS PART 10 SHALL MAINTAIN A PLACE OF BUSINESS WITHIN THIS STATE,
7 EXCEPT AS PROVIDED IN SECTION 12-10-1007. IF A COMMUNITY
8 ASSOCIATION MANAGER MAINTAINS MORE THAN ONE PLACE OF BUSINESS
9 WITHIN THE STATE, THE MANAGER IS RESPONSIBLE FOR SUPERVISING ALL
10 LICENSED ACTIVITIES ORIGINATING IN THOSE OFFICES.

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

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

1 IN COLORADO.

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

6 (I) THE NATURE OF THE CONVICTION;

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

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

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

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

27 (4) AN APPLICANT FOR A LICENSE MUST BE AT LEAST EIGHTEEN

1 YEARS OF AGE AND MUST FURNISH PROOF SATISFACTORY TO THE DIRECTOR
2 THAT THE APPLICANT HAS RECEIVED EITHER A HIGH SCHOOL DIPLOMA OR
3 THE EQUIVALENT GENERAL EDUCATION DEVELOPMENT CERTIFICATION.

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

5 (I) HOLD ONE OR MORE OF THE FOLLOWING CREDENTIALS:

6 (A) THE "CERTIFIED MANAGER OF COMMUNITY ASSOCIATIONS" OR
7 "CMCA" CERTIFICATION AWARDED BY THE COMMUNITY ASSOCIATION
8 MANAGERS INTERNATIONAL CERTIFICATION BOARD, PREVIOUSLY KNOWN
9 AS THE NATIONAL BOARD OF CERTIFICATION FOR COMMUNITY
10 ASSOCIATION MANAGERS;

11 (B) THE "ASSOCIATION MANAGEMENT SPECIALIST" OR "AMS"
12 DESIGNATION AWARDED BY THE COMMUNITY ASSOCIATIONS INSTITUTE;

13 (C) THE "PROFESSIONAL COMMUNITY ASSOCIATION MANAGER" OR
14 "PCAM" DESIGNATION AWARDED BY THE COMMUNITY ASSOCIATIONS
15 INSTITUTE; OR

16 (D) ANOTHER CREDENTIAL IDENTIFIED BY THE DIRECTOR IN RULES;

17 (II) CERTIFY COMPLETION OF ANY EDUCATIONAL OR CONTINUING
18 EDUCATIONAL REQUIREMENTS AS DETERMINED BY THE DIRECTOR IN RULES
19 AND PUBLISHED ON THE DIVISION'S WEBSITE;

20 (III) SUBMIT TO AND PASS AN EXAMINATION WITH TWO SEPARATE
21 PORTIONS, WHICH MAY BE ADMINISTERED SEPARATELY. THE
22 EXAMINATION MUST MEASURE THE COMPETENCY OF THE APPLICANT IN
23 CARRYING OUT THE CORE FUNCTIONS OF COMMUNITY ASSOCIATION
24 MANAGEMENT, REFERRED TO AS THE "GENERAL PORTION" OF THE
25 EXAMINATION, AND IN UNDERSTANDING THE BASIC PROVISIONS OF LEGAL
26 DOCUMENTS AND COLORADO LAW WITH WHICH MANAGERS ARE REQUIRED
27 TO COMPLY, REFERRED TO AS THE "COLORADO LAW PORTION" OF THE

1 EXAMINATION. THE EXAMINATION SHALL BE PREPARED BY OR UNDER THE
2 SUPERVISION OF THE DIRECTOR OR THE DIRECTOR'S DESIGNATED
3 CONTRACTOR OR CONTRACTORS. THE DIRECTOR MAY CONTRACT WITH ONE
4 OR MORE INDEPENDENT TESTING SERVICES TO DEVELOP, ADMINISTER, OR
5 GRADE EXAMINATIONS OR TO ADMINISTER LICENSEE RECORDS. THE
6 CONTRACTS MAY ALLOW THE TESTING SERVICE TO RECOVER FROM THE
7 APPLICANT THE COSTS OF THE EXAMINATION AND THE COSTS OF
8 ADMINISTERING THE EXAMINATION AND LICENSE RECORDS. THE DIRECTOR
9 MAY CONTRACT SEPARATELY FOR THESE FUNCTIONS AND ALLOW
10 RECOVERED COSTS TO BE COLLECTED AND RETAINED BY A SINGLE
11 CONTRACTOR FOR DISTRIBUTION TO OTHER CONTRACTORS. THE DIRECTOR
12 MAY SET THE SEPARATE MINIMUM PASSING SCORES FOR THE GENERAL
13 PORTION AND THE COLORADO LAW PORTION OF THE EXAMINATION. THE
14 DIRECTOR SHALL PRESCRIBE THE TIMES AND PLACES AT WHICH THE
15 EXAMINATION AS A WHOLE IS GIVEN OR AT WHICH THE SEPARATE
16 PORTIONS OF THE EXAMINATION ARE GIVEN.

17 (IV) AN APPLICANT WHO IS CREDENTIALLED PURSUANT TO
18 SUBSECTION (5)(a)(I)(A), (5)(a)(I)(B), OR (5)(a)(I)(C) OF THIS SECTION
19 AND HAS MAINTAINED THE CREDENTIAL IN GOOD STANDING, INCLUDING
20 HAVING COMPLETED ALL ONGOING EDUCATION REQUIRED TO MAINTAIN
21 THE CREDENTIAL, MUST COMPLETE THE COLORADO LAW PORTION, BUT
22 NEED NOT COMPLETE THE GENERAL PORTION, OF THE EXAMINATION
23 DESCRIBED IN SUBSECTION (5)(a)(III) OF THIS SECTION.

24 (b) THE SEPARATE PORTIONS OF THE EXAMINATION DEVELOPED
25 UNDER SUBSECTION (5)(a)(III) OF THIS SECTION MUST ASSESS AN
26 APPLICANT'S COMPETENCY IN THE FOLLOWING SUBJECT MATTER AREAS:

27 (I) FOR THE COLORADO LAW PORTION OF THE EXAMINATION,

1 LEGAL DOCUMENTS; STATUTES, INCLUDING THE "COLORADO COMMON
2 INTEREST OWNERSHIP ACT"; AND OTHER APPLICABLE PROVISIONS OF
3 COLORADO LAW; AND

4 (II) FOR THE GENERAL PORTION OF THE EXAMINATION, OTHER
5 CORE COMPETENCIES OF COMMUNITY ASSOCIATION MANAGEMENT, AS
6 SPECIFIED BY THE DIRECTOR.

7 (c) EXAMINATION RESULTS MEASURING AN APPLICANT'S
8 KNOWLEDGE OF THE MATTERS DESCRIBED IN SUBSECTION (5)(b)(I) OF THIS
9 SECTION ARE VALID FOR ONE YEAR. A PERSON WHO TAKES THE
10 EXAMINATION AND DOES NOT APPLY FOR A LICENSE WITHIN ONE YEAR
11 THEREAFTER MUST RETAKE THAT PORTION OF THE EXAMINATION BEFORE
12 APPLYING.

13 (d) THE DIVISION MAY ISSUE A LICENSE TO AN APPLICANT WHO HAS
14 HELD A COMMUNITY ASSOCIATION MANAGER LICENSE IN ANOTHER
15 JURISDICTION THAT REGULATES COMMUNITY ASSOCIATION MANAGERS
16 AND WHO HAS BEEN LICENSED FOR TWO OR MORE YEARS PRIOR TO
17 APPLYING FOR A COLORADO LICENSE IF THE APPLICANT ESTABLISHES THAT
18 HE OR SHE POSSESSES CREDENTIALS AND QUALIFICATIONS THAT ARE
19 SUBSTANTIVELY EQUIVALENT TO THE REQUIREMENTS IN COLORADO FOR
20 LICENSURE BY EXAMINATION, AS DETERMINED BY THE DIRECTOR BY RULE.
21 THE DIRECTOR MAY REQUIRE A PERSON SO LICENSED TO TAKE THE
22 PORTION OF THE EXAMINATION PERTAINING TO THE MATTERS DESCRIBED
23 IN SUBSECTION (5)(b)(I) OF THIS SECTION WITHIN A SPECIFIED TIME AFTER
24 FIRST RECEIVING A COLORADO LICENSE.

25 (6) (a) COMMUNITY ASSOCIATION MANAGERS' LICENSES MAY BE
26 GRANTED TO INDIVIDUALS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES,
27 OR CORPORATIONS.

1 (b) A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR
2 CORPORATION, IN ITS APPLICATION FOR A LICENSE, SHALL DESIGNATE A
3 QUALIFIED, ACTIVE MANAGER TO BE RESPONSIBLE FOR MANAGEMENT AND
4 SUPERVISION OF THE LICENSED ACTIONS OF THE ENTITY AND ALL PERSONS
5 EMPLOYED BY, OR ACTING AT ANY TIME ON BEHALF OF, THE ENTITY. A
6 LICENSE MAY NOT BE ISSUED TO THE ENTITY UNLESS THE MANAGER SO
7 DESIGNATED TAKES AND PASSES THE EXAMINATION REQUIRED BY THIS
8 PART 10. UPON THE MANAGER SUCCESSFULLY PASSING THE EXAMINATION
9 AND UPON COMPLIANCE WITH ALL OTHER REQUIREMENTS OF LAW BY THE
10 ENTITY AS WELL AS BY THE MANAGER, THE DIRECTOR SHALL ISSUE A
11 DESIGNATED MANAGER'S LICENSE TO THE MANAGER.

12 (c) IF THE DESIGNATED MANAGER IS REFUSED A LICENSE BY THE
13 DIRECTOR OR CEASES TO BE THE DESIGNATED MANAGER OF THE ENTITY,
14 THE ENTITY MAY DESIGNATE ANOTHER PERSON TO APPLY FOR A LICENSE,
15 AND THE DIRECTOR MAY ISSUE A TEMPORARY LICENSE TO PREVENT
16 HARDSHIP FOR A PERIOD NOT TO EXCEED NINETY DAYS TO THE PERSON SO
17 DESIGNATED.

18 (7) THE DESIGNATED MANAGER FOR ANY PARTNERSHIP, LIMITED
19 LIABILITY COMPANY, OR CORPORATION IS PERSONALLY RESPONSIBLE FOR
20 THE HANDLING OF ANY AND ALL COMMON INTEREST COMMUNITY FUNDS
21 RECEIVED OR DISBURSED BY THE ENTITY. IN THE EVENT OF ANY BREACH
22 OF DUTY BY THE ENTITY, ANY PERSON AGGRIEVED OR DAMAGED BY THE
23 BREACH MAY MAKE A CLAIM FOR RELIEF AGAINST THE ENTITY.

24 (8) A PERSON SHALL NOT:

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

27 (b) CONDUCT OR PROMOTE BUSINESS AS A COMMUNITY

1 ASSOCIATION MANAGER EXCEPT UNDER THE NAME UNDER WHICH THE
2 PERSON IS LICENSED.

3 (9) AN APPRENTICE SHALL NOT PERFORM AN ACT THAT OTHERWISE
4 REQUIRES A COMMUNITY ASSOCIATION MANAGER LICENSE EXCEPT WHEN
5 UNDER THE DIRECT SUPERVISION OF A LICENSED COMMUNITY ASSOCIATION
6 MANAGER.

7 **12-10-1004. 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 HIS OR HER ACTIVITIES UNDER THIS PART
11 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 **12-10-1005. 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 PRINCIPAL THEREOF FOR
19 A VIOLATION OF THIS SECTION.

20 **12-10-1006. 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 **12-10-1007. 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 **12-10-1008. 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 **12-10-1009. 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 MANAGER ACTING FOR
15 A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION.

16 **12-10-1010. License fees - partnership, limited liability**
17 **company, and corporation licenses - rules.** (1) THE DIRECTOR SHALL
18 ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE WITH
19 SECTION 12-10-215, FEES FOR:

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

1 TREASURER, WHO SHALL CREDIT THEM TO THE DIVISION OF REAL ESTATE
2 CASH FUND, CREATED IN SECTION 12-10-215 (2)(b). FEES COLLECTED
3 UNDER SUBSECTIONS (1)(b), (1)(c), (1)(d), AND (1)(e) OF THIS SECTION
4 ARE NONREFUNDABLE.

5 (3) EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS SECTION,
6 LICENSES ARE VALID FOR UP TO THREE YEARS, SUBJECT TO EXPIRATION
7 AND RENEWAL ON A SCHEDULE DETERMINED BY THE DIRECTOR. THE
8 DIRECTOR SHALL ESTABLISH, BY RULE, THE REQUIREMENTS FOR
9 CONTINUING EDUCATION, REEXAMINATION, AND SUBSEQUENT CRIMINAL
10 HISTORY RECORD CHECKS; EXCEPT THAT THESE REQUIREMENTS MUST NOT
11 BE MORE STRINGENT THAN THE EQUIVALENT REQUIREMENTS FOR REAL
12 ESTATE BROKERS UNDER PART 2 OF THIS ARTICLE 10.

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

15 **12-10-1011. Investigation - revocation - actions against**
16 **licensee.** (1) THE DIRECTOR, UPON THE DIRECTOR'S OWN MOTION, MAY,
17 AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON, SHALL,
18 INVESTIGATE THE ACTIVITIES OF ANY LICENSEE OR ANY PERSON WHO
19 ASSUMES TO ACT IN THE CAPACITY OF A LICENSEE WITHIN THE STATE. THE
20 DIRECTOR, AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE
21 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, MAY IMPOSE
22 AN ADMINISTRATIVE FINE NOT TO EXCEED TWO THOUSAND FIVE HUNDRED
23 DOLLARS FOR EACH SEPARATE OFFENSE, CENSURE A LICENSEE, PLACE THE
24 LICENSEE ON PROBATION AND SET THE TERMS OF PROBATION, OR
25 TEMPORARILY SUSPEND OR PERMANENTLY REVOKE A LICENSE WHEN THE
26 LICENSEE HAS PERFORMED, IS PERFORMING, OR IS ATTEMPTING TO
27 PERFORM ANY OF THE FOLLOWING ACTS AND IS GUILTY OF:

1 (a) KNOWINGLY MAKING ANY MISREPRESENTATION OR
2 KNOWINGLY MAKING USE OF ANY FALSE OR MISLEADING ADVERTISING;

3 (b) MAKING ANY PROMISE OF A CHARACTER THAT INFLUENCES,
4 PERSUADES, OR INDUCES ANOTHER PERSON WHEN HE OR SHE COULD NOT
5 OR DID NOT INTEND TO KEEP SUCH PROMISE;

6 (c) KNOWINGLY MISREPRESENTING OR MAKING FALSE PROMISES
7 THROUGH AGENTS, ADVERTISING, OR OTHERWISE;

8 (d) VIOLATING, DIRECTLY OR INDIRECTLY, ANY APPLICABLE
9 PROVISION OF COLORADO OR FEDERAL FAIR HOUSING LAWS;

10 (e) KNOWINGLY VIOLATING OR KNOWINGLY DIRECTING OTHERS TO
11 VIOLATE CCIOA;

12 (f) FAILING TO ACCOUNT FOR OR TO REMIT, WITHIN A REASONABLE
13 TIME, ANY MONEY COMING INTO THE LICENSEE'S POSSESSION THAT
14 BELONGS TO OTHERS, WHETHER ACTING AS A COMMUNITY ASSOCIATION
15 MANAGER, APPRENTICE, OR OTHERWISE, AND FAILING TO KEEP RECORDS
16 RELATIVE TO SAID MONEY, WHICH RECORDS MUST CONTAIN ANY
17 INFORMATION REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO
18 AUDIT BY THE DIRECTOR;

19 (g) CONVERTING FUNDS OF OTHERS, DIVERTING FUNDS OF OTHERS
20 WITHOUT PROPER AUTHORIZATION, COMMINGLING FUNDS OF OTHERS WITH
21 THE MANAGER'S OWN FUNDS, OR FAILING TO KEEP SUCH FUNDS OF OTHERS
22 IN A SEGREGATED ACCOUNT WITH SOME BANK OR RECOGNIZED
23 DEPOSITORY IN THIS STATE, WHICH ACCOUNT MAY BE ANY TYPE OF
24 CHECKING, DEMAND, PASSBOOK, OR STATEMENT ACCOUNT INSURED BY AN
25 AGENCY OF THE UNITED STATES GOVERNMENT, AND TO SO KEEP RECORDS
26 RELATIVE TO THE DEPOSIT THAT CONTAIN ANY INFORMATION REQUIRED BY
27 RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE DIRECTOR;

1 (h) DISREGARDING OR VIOLATING, OR AIDING OR ABETTING ANY
2 VIOLATION OF, THIS PART 10 OR ANY APPLICABLE RULE OR ORDER OF THE
3 DIRECTOR;

4 (i) PERFORMING ANY ACT THAT LEADS TO A CONVICTION OF,
5 ENTRY OF A PLEA OF GUILTY TO, OR ENTRY OF A PLEA OF NOLO
6 CONTENDERE TO ANY CRIME IN ARTICLE 3 OF TITLE 18; PARTS 1 TO 4 OF
7 ARTICLE 4 OF TITLE 18; PARTS 1 TO 5 AND 7 TO 9 OF ARTICLE 5 OF TITLE 18;
8 ARTICLE 5.5 OF TITLE 18; PARTS 3, 4, AND 6 TO 8 OF ARTICLE 6 OF TITLE 18;
9 PARTS 1 AND 3 TO 8 OF ARTICLE 7 OF TITLE 18; PART 3 OF ARTICLE 8 OF
10 TITLE 18; ARTICLE 15 OF TITLE 18; ARTICLE 17 OF TITLE 18; SECTION
11 18-18-405, 18-18-411, 18-18-412.5, 18-18-412.7, 18-18-415, 18-18-422,
12 OR 18-18-423; OR ANY OTHER LIKE CRIME UNDER COLORADO LAW,
13 FEDERAL LAW, OR THE LAWS OF OTHER STATES. A CERTIFIED COPY OF THE
14 JUDGMENT OF A COURT OF COMPETENT JURISDICTION OF SUCH CONVICTION
15 OR OTHER OFFICIAL RECORD INDICATING THAT SUCH PLEA WAS ENTERED
16 IS CONCLUSIVE EVIDENCE OF SUCH CONVICTION OR PLEA IN ANY HEARING
17 UNDER THIS PART 10.

18 (j) FAILING TO IMMEDIATELY NOTIFY THE DIRECTOR IN WRITING OF
19 A CONVICTION, PLEA, OR VIOLATION PURSUANT TO SUBSECTION (1)(i) OF
20 THIS SECTION;

21 (k) HAVING DEMONSTRATED UNWORTHINESS OR INCOMPETENCY
22 TO ACT AS A COMMUNITY ASSOCIATION MANAGER BY CONDUCTING
23 BUSINESS IN SUCH A MANNER AS TO ENDANGER THE INTEREST OF THE
24 PUBLIC;

25 (l) IN THE CASE OF A MANAGER WHO EMPLOYS OTHERS OR IS
26 DESIGNATED TO ACT ON BEHALF OF A LICENSED ENTITY, FAILING TO
27 EXERCISE REASONABLE SUPERVISION OVER THE ACTIVITIES OF EMPLOYEES;

1 (m) FAILING TO MAKE A FULL AND TRUE DISCLOSURE OF FEES,
2 CHARGES, AND REMUNERATION AS REQUIRED BY SECTION 12-10-1005;

3 (n) PROCURING, OR ATTEMPTING TO PROCURE, A LICENSE OR
4 RENEWING, REINSTATING, OR REACTIVATING, OR ATTEMPTING TO RENEW,
5 REINSTATE, OR REACTIVATE, A LICENSE BY FRAUD, MISREPRESENTATION,
6 OR DECEIT OR BY MAKING A MATERIAL MISSTATEMENT OF FACT IN AN
7 APPLICATION FOR A LICENSE;

8 (o) CLAIMING, ARRANGING FOR, OR TAKING ANY SECRET OR
9 UNDISCLOSED AMOUNT OF COMPENSATION, COMMISSION, OR PROFIT OR
10 FAILING TO REVEAL TO THE LICENSEE'S PRINCIPAL OR EMPLOYER THE FULL
11 AMOUNT OF THE LICENSEE'S COMPENSATION, COMMISSION, OR PROFIT IN
12 CONNECTION WITH ANY ACTS FOR WHICH A LICENSE IS REQUIRED UNDER
13 THIS PART 10;

14 (p) HAVING HAD A LICENSE OR A SUBDIVISION DEVELOPER'S
15 REGISTRATION SUSPENDED OR REVOKED IN ANY JURISDICTION, OR HAVING
16 HAD ANY DISCIPLINARY ACTION TAKEN AGAINST THE MANAGER OR
17 SUBDIVISION DEVELOPER IN ANY OTHER JURISDICTION IF THE LICENSEE'S
18 OR SUBDIVISION DEVELOPER'S ACTION WOULD CONSTITUTE A VIOLATION
19 OF THIS SUBSECTION (1). A CERTIFIED COPY OF THE ORDER OF
20 DISCIPLINARY ACTION IS PRIMA FACIE EVIDENCE OF SUCH DISCIPLINARY
21 ACTION.

22 (q) WITHIN THE LAST FIVE YEARS, HAVING A LICENSE,
23 REGISTRATION, OR CERTIFICATION ISSUED BY COLORADO OR ANOTHER
24 STATE REVOKED OR SUSPENDED FOR FRAUD, DECEIT, MATERIAL
25 MISREPRESENTATION, THEFT, OR BREACH OF A FIDUCIARY DUTY, AND SUCH
26 DISCIPLINE DENIED THE PERSON AUTHORIZATION TO PRACTICE AS:

27 (I) A MORTGAGE BROKER OR MORTGAGE LOAN ORIGINATOR;

- 1 (II) A REAL ESTATE BROKER OR SALESPERSON;
- 2 (III) A REAL ESTATE APPRAISER, AS DEFINED BY SECTION
3 12-10-602 (9);
- 4 (IV) AN INSURANCE PRODUCER, AS DEFINED BY SECTION 10-2-103
5 (6);
- 6 (V) AN ATTORNEY;
- 7 (VI) A SECURITIES BROKER-DEALER, AS DEFINED BY SECTION
8 11-51-201 (2);
- 9 (VII) A SECURITIES SALES REPRESENTATIVE, AS DEFINED BY
10 SECTION 11-51-201 (14);
- 11 (VIII) AN INVESTMENT ADVISOR, AS DEFINED BY SECTION
12 11-51-201 (9.5); OR
- 13 (IX) AN INVESTMENT ADVISOR REPRESENTATIVE, AS DEFINED BY
14 SECTION 11-51-201 (9.6);
- 15 (r) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE
16 ISSUANCE OF A LICENSE; OR
- 17 (s) ANY OTHER CONDUCT, WHETHER OF THE SAME OR A DIFFERENT
18 CHARACTER THAN SPECIFIED IN THIS SUBSECTION (1), THAT CONSTITUTES
19 DISHONEST DEALING.
- 20 (2) IF A FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
21 ASSOCIATION, OR CORPORATION OPERATING UNDER THE LICENSE OF A
22 MANAGER DESIGNATED AND LICENSED AS A REPRESENTATIVE OF THE
23 ENTITY COMMITS ANY ACT OR PRACTICE LISTED IN SUBSECTION (1) OF THIS
24 SECTION, THE DIRECTOR MAY SUSPEND OR REVOKE THE RIGHT OF THE
25 ENTITY TO CONDUCT ITS BUSINESS UNDER THE LICENSE OF THE MANAGER,
26 WHETHER OR NOT THE DESIGNATED MANAGER HAD PERSONAL
27 KNOWLEDGE OF THE ACT OR PRACTICE AND WHETHER OR NOT THE

1 DIRECTOR SUSPENDS OR REVOKES THE INDIVIDUAL LICENSE OF ANY OTHER
2 PERSON.

3 (3) THIS PART 10 DOES NOT RELIEVE ANY PERSON FROM CIVIL
4 LIABILITY OR CRIMINAL PROSECUTION UNDER THE LAWS OF THIS STATE.

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

9 (5) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
10 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES
11 NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT SHOULD NOT BE
12 DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY SEND A LETTER
13 OF ADMONITION TO THE LICENSEE AGAINST WHOM THE COMPLAINT WAS
14 MADE AND A COPY OF THE LETTER TO THE PERSON MAKING THE
15 COMPLAINT, BUT THE LETTER MUST ADVISE THE LICENSEE THAT THE
16 LICENSEE HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS
17 AFTER RECEIPT, THAT FORMAL DISCIPLINARY PROCEEDINGS BE INITIATED
18 TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH THE LETTER
19 OF ADMONITION IS BASED. IF THE REQUEST IS TIMELY MADE, THE LETTER
20 OF ADMONITION IS VACATED, AND THE MATTER SHALL BE PROCESSED BY
21 MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

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

26 (7) WHEN THE DIVISION BECOMES AWARE OF FACTS OR
27 CIRCUMSTANCES THAT FALL WITHIN THE JURISDICTION OF A CRIMINAL

1 JUSTICE OR OTHER LAW ENFORCEMENT AUTHORITY UPON INVESTIGATION
2 OF THE ACTIVITIES OF A LICENSEE, THE DIVISION SHALL, IN ADDITION TO
3 THE EXERCISE OF ITS AUTHORITY UNDER THIS PART 10, REFER AND
4 TRANSMIT SUCH INFORMATION, WHICH MAY INCLUDE ORIGINALS OR COPIES
5 OF 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 **12-10-1012. Hearings - use of administrative law judges -**
9 **subpoenas - judicial review - immunity.** (1) EXCEPT AS OTHERWISE
10 PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE DIRECTOR WITH
11 RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF LICENSURE UNDER
12 THIS PART 10, AT THE DISCRETION OF THE DIRECTOR, MAY BE CONDUCTED
13 BY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR OR BY AN
14 ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS 24-4-104 AND
15 24-4-105.

16 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
17 DIRECTOR HAS HIS OR HER OFFICE OR IN SUCH OTHER PLACE AS THE
18 DIRECTOR MAY DESIGNATE. IF THE LICENSEE IS EMPLOYED BY ANOTHER
19 LICENSED COMMUNITY ASSOCIATION MANAGER, THE DIRECTOR SHALL
20 ALSO NOTIFY THE LICENSEE'S EMPLOYER BY MAILING, BY FIRST-CLASS
21 MAIL, A COPY OF THE WRITTEN NOTICE REQUIRED UNDER SECTION
22 24-4-104 (3) TO THE EMPLOYER'S LAST-KNOWN BUSINESS ADDRESS.

23 (3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE
24 DIRECTOR, OR AN ADMINISTRATIVE LAW JUDGE SHALL CONDUCT ALL
25 HEARINGS FOR DENYING, SUSPENDING, OR REVOKING A LICENSE OR
26 CERTIFICATE ON BEHALF OF THE DIRECTOR, SUBJECT TO APPROPRIATIONS
27 MADE TO THE DEPARTMENT OF PERSONNEL. EACH ADMINISTRATIVE LAW

1 JUDGE SHALL BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF
2 TITLE 24. THE ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING
3 IN ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. NO LICENSE MAY
4 BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE HIS
5 OR HER DECISION.

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

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

25 (6) IN A JUDICIAL REVIEW PROCEEDING, THE COURT MAY STAY THE
26 EXECUTION OR EFFECT OF ANY FINAL ORDER OF THE DIRECTOR; BUT A
27 HEARING SHALL BE HELD AFFORDING THE PARTIES AN OPPORTUNITY TO BE

1 HEARD FOR THE PURPOSE OF DETERMINING WHETHER THE PUBLIC HEALTH,
2 SAFETY, AND WELFARE WOULD BE ENDANGERED BY STAYING THE
3 DIRECTOR'S ORDER. IF THE COURT DETERMINES THAT THE ORDER SHOULD
4 BE STAYED, THE COURT SHALL ALSO DETERMINE AT THE HEARING
5 WHETHER THE PETITIONER SHOULD BE REQUIRED TO POST A BOND AND THE
6 AMOUNT OF THE BOND AND ADEQUACY OF THE SURETY, WHICH BOND
7 MUST BE CONDITIONED UPON THE FAITHFUL PERFORMANCE BY THE
8 PETITIONER OF ALL OBLIGATIONS AS A COMMUNITY ASSOCIATION
9 MANAGER AND UPON THE PROMPT PAYMENT OF ALL DAMAGES ARISING
10 FROM OR CAUSED BY THE DELAY IN THE TAKING EFFECT OR ENFORCEMENT
11 OF THE ORDER COMPLAINED OF AND FOR ALL COSTS THAT MAY BE
12 ASSESSED OR REQUIRED TO BE PAID IN CONNECTION WITH THE
13 PROCEEDINGS.

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

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

25 **12-10-1013. Stakeholder meetings - topics - frequency - report.**

26 (1) THE DIVISION SHALL ESTABLISH A STAKEHOLDER PROCESS WITH
27 REGULAR MEETINGS, NO LESS FREQUENTLY THAN EVERY THREE MONTHS,

1 EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION. THE PURPOSES
2 OF THE MEETINGS ARE TO GATHER INFORMATION AND FEEDBACK FROM
3 HOMEOWNERS AND MANAGERS; TO ACT AS A SOUNDING BOARD FOR
4 DISCUSSION OF ISSUES AFFECTING COMMON INTEREST COMMUNITIES; AND
5 TO MAKE RECOMMENDATIONS TO THE DIRECTOR CONCERNING:

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

8 (b) APPROPRIATE ADJUSTMENTS TO THE DEFINITION OF, AND
9 EXCLUSIONS FROM, THE PRACTICE OF COMMUNITY ASSOCIATION
10 MANAGEMENT AS SET FORTH IN SECTION 12-10-1001 (4);

11 (c) APPRENTICE CREDENTIALING, INCLUDING THE LEVEL OF
12 OVERSIGHT REQUIRED BY THE DIVISION, APPROPRIATE SUPERVISION,
13 EDUCATIONAL REQUIREMENTS, SPECIFIC DUTIES, AND ANY OTHER
14 NECESSARY COMPONENTS RELATED TO APPRENTICES;

15 (d) 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 (e) ANY OTHER ISSUES ABOUT WHICH THE DIRECTOR SEEKS
27 INFORMATION AND FEEDBACK FROM THE STAKEHOLDERS.

1 (2) THE STAKEHOLDER GROUP SHALL MEET AT LEAST FOUR TIMES
2 DURING THE 2019 INTERIM AND SHALL KEEP MINUTES OF ITS MEETINGS AS
3 WELL AS WRITTEN SUMMARIES OF ANY DISCUSSION OR OUTREACH,
4 WHETHER IN THE COURSE OF A MEETING OR OTHERWISE, ON THE ISSUES
5 LISTED IN SUBSECTION (1) OF THIS SECTION, INCLUDING FEEDBACK
6 RECEIVED, RECOMMENDATIONS FROM STAKEHOLDERS, AND ANY
7 ADMINISTRATIVE OR STATUTORY CHANGES THAT WOULD BE REQUIRED TO
8 ACHIEVE THE STAKEHOLDER RECOMMENDATIONS. THESE MINUTES AND
9 WRITTEN SUMMARIES MUST BE INCLUDED IN THE DIVISION'S ANNUAL
10 REPORT TO THE GENERAL ASSEMBLY REQUIRED UNDER THE "STATE
11 MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT
12 (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2. THE
13 DIRECTOR SHALL SHARE A DRAFT OF THE REPORT WITH THE STAKEHOLDER
14 GROUP AND INVITE REVISIONS BEFORE FINALIZING THE DIVISION'S
15 PRESENTATION.

16 **12-10-1014. Repeal of part.** THIS PART 10 IS REPEALED,
17 EFFECTIVE SEPTEMBER 1, 2020.

18 **SECTION 3. Effective date.** This act takes effect upon passage;
19 except that section 2 of this act takes effect October 1, 2019.

20 **SECTION 4. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety.