

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

February 14, 2024  
Date

Committee on Transportation, Housing & Local Government.

After consideration on the merits, the Committee recommends the following:

HB24-1078 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

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:

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

10           (b) In response to the department's 2012 sunrise report, the general  
11 assembly enacted House Bill 13-1277, which established a regulatory  
12 scheme that required all CAMs to obtain a license through the division of  
13 real estate;

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:

26           (a) Is important to protect the public and, in particular,  
27 homeowners from financial harm and ensure that business entities

1 engaged in the practice of community association management have  
2 knowledge of applicable laws and are able to perform community  
3 association management services in a manner that ensures homeowners  
4 are not financially harmed; and

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

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

11 **PART 10**  
12 **COMMUNITY ASSOCIATION MANAGEMENT COMPANIES**

13 **12-10-1001. Definitions - rules.** AS USED IN THIS PART 10, UNLESS  
14 THE CONTEXT OTHERWISE REQUIRES:

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

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

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

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

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

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

29 (4) (a) "COMMUNITY ASSOCIATION MANAGEMENT COMPANY" OR  
30 "MANAGEMENT COMPANY" MEANS A PERSON, A SOLE PROPRIETORSHIP,  
31 FIRM, A PARTNERSHIP, A LIMITED LIABILITY COMPANY, AN ASSOCIATION,  
32 A CORPORATION, OR ANOTHER LEGAL ENTITY THAT PROVIDES OR OFFERS  
33 OR ATTEMPTS TO PROVIDE COMMUNITY ASSOCIATION MANAGEMENT  
34 SERVICES IN COLORADO IN CONSIDERATION OF COMPENSATION BY FEE OR  
35 ANYTHING ELSE OF VALUE OR WITH THE INTENTION OF RECEIVING OR  
36 COLLECTING SUCH COMPENSATION.

37 (b) "COMMUNITY ASSOCIATION MANAGEMENT COMPANY" OR  
38 "MANAGEMENT COMPANY" DOES NOT INCLUDE:

39 (I) AN INDIVIDUAL WHO IS EMPLOYED OR OTHERWISE ENGAGED BY  
40 AN HOA TO PERFORM COMMUNITY ASSOCIATION MANAGEMENT SERVICES  
41 FOR THE HOA, SO LONG AS THE INDIVIDUAL PERFORMS COMMUNITY  
42 ASSOCIATION MANAGEMENT SERVICES FOR ONLY ONE HOA AND THE  
43 HOA, UPON ANNUAL REGISTRATION PURSUANT TO SECTION 38-33.3-401,

1 HAS DISCLOSED THE NAME OF THE INDIVIDUAL AS ITS MANAGING AGENT  
2 EMPLOYED OR ENGAGED BY THE HOA TO PERFORM COMMUNITY  
3 ASSOCIATION MANAGEMENT SERVICES FOR THE HOA; OR  
4 (II) (A) A CORPORATION, WITH RESPECT TO PROPERTY OWNED OR  
5 LEASED BY THE CORPORATION, ACTING THROUGH ITS OFFICERS OR  
6 REGULAR SALARIED EMPLOYEES, WHEN SUCH ACTS ARE INCIDENTAL AND  
7 NECESSARY IN THE ORDINARY COURSE OF THE CORPORATION'S BUSINESS  
8 ACTIVITIES AND ARE UNRELATED TO COMMUNITY ASSOCIATION  
9 MANAGEMENT SERVICES.  
10 (B) AS USED IN SUBSECTION (4)(b)(II)(A) OF THIS SECTION,  
11 "OFFICERS OR REGULAR SALARIED EMPLOYEES" MEANS INDIVIDUALS  
12 REGULARLY EMPLOYED WHO DERIVE NOT LESS THAN SEVENTY-FIVE  
13 PERCENT OF THEIR COMPENSATION FROM THE CORPORATION IN THE FORM  
14 OF SALARIES.  
15 (5) (a) "COMMUNITY ASSOCIATION MANAGEMENT SERVICES"  
16 MEANS ANY OF THE FOLLOWING SERVICES RELATING TO THE MANAGEMENT  
17 OF A COMMON INTEREST COMMUNITY AT THE DIRECTION OF THE  
18 EXECUTIVE BOARD OR AS SPECIFIED IN A CONTRACT FOR MANAGEMENT  
19 SERVICES EXECUTED AND IN EFFECT BETWEEN A COMMUNITY ASSOCIATION  
20 MANAGEMENT COMPANY AND THE COMMON INTEREST COMMUNITY:  
21 (I) IN INTERACTIONS WITH MEMBERS OR NONMEMBERS OF THE  
22 COMMON INTEREST COMMUNITY, ACTING WITH THE AUTHORITY OF THE  
23 COMMON INTEREST COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL,  
24 FINANCIAL, OR OTHER TRANSACTIONS;  
25 (II) ADMINISTERING THE RESOLUTIONS AND DECISIONS OF THE  
26 EXECUTIVE BOARD;  
27 (III) ENFORCING THE RIGHTS OF THE COMMON INTEREST  
28 COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE, OR  
29 BYLAW;  
30 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF  
31 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;  
32 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;  
33 (VI) ARRANGING OR COORDINATING MEETINGS OF THE COMMON  
34 INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE BOARD;  
35 (VII) MAINTAINING THE COMMON INTEREST COMMUNITY'S  
36 RECORDS PURSUANT TO ITS GOVERNING DOCUMENTS AND APPLICABLE  
37 PROVISIONS OF THE CCIOA; OR  
38 (VIII) ADMINISTERING, AS DIRECTED BY THE EXECUTIVE BOARD,  
39 A COMMON INTEREST COMMUNITY'S MONEY, INCLUDING THE  
40 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR  
41 REPLACEMENT OF CAPITAL ASSETS.  
42 (b) "COMMUNITY ASSOCIATION MANAGEMENT SERVICES" DO NOT  
43 INCLUDE THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, OR

1 ACCOUNTING FUNCTION.

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

3 (a) IS DESIGNATED BY THE LICENSED COMMUNITY ASSOCIATION

4 MANAGEMENT COMPANY;

5 (b) MEETS THE EDUCATION REQUIREMENTS ESTABLISHED BY THE

6 DIRECTOR BY RULE PURSUANT TO SECTION 12-10-1002;

7 (c) DEMONSTRATES KNOWLEDGE OF THE LAWS OF THIS STATE

8 THAT GOVERN COMMON INTEREST COMMUNITIES AND HOAs, INCLUDING

9 THE "COLORADO REVISED NONPROFIT CORPORATION ACT", ARTICLES 121

10 TO 137 OF TITLE 7; THE CCIOA; AND ANY OTHER LAWS SPECIFIED BY THE

11 DIRECTOR BY RULE; AND

12 (d) ON BEHALF OF A LICENSED COMMUNITY ASSOCIATION

13 MANAGEMENT COMPANY, IS RESPONSIBLE FOR:

14 (I) PERFORMING COMMUNITY ASSOCIATION MANAGEMENT

15 SERVICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT

16 SERVICES PERFORMED BY INDIVIDUALS EMPLOYED BY, OR ACTING ON

17 BEHALF OF, THE LICENSED MANAGEMENT COMPANY;

18 (II) TRAINING OR SECURING TRAINING FOR LICENSED

19 MANAGEMENT COMPANY EMPLOYEES CONCERNING COMPLIANCE WITH

20 THIS PART 10; AND

21 (III) RESPONDING TO THE DIVISION REGARDING ANY MATTER

22 RELATED TO THE REQUIREMENTS OF THIS PART 10.

23 (7) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION

24 38-33.3-103 (16).

25 (8) (a) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN

26 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, WHETHER ORGANIZED

27 BEFORE, ON, OR AFTER JULY 1, 1992.

28 (b) "HOA" OR "HOMEOWNERS' ASSOCIATION" DOES NOT INCLUDE

29 AN ASSOCIATION OR UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF

30 UNITS THAT ARE DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE

31 UNITS, AS DEFINED IN SECTION 38-33-110 (7).

32 (9) "LICENSED COMMUNITY ASSOCIATION MANAGEMENT

33 COMPANY" OR "LICENSED MANAGEMENT COMPANY" MEANS A COMMUNITY

34 ASSOCIATION MANAGEMENT COMPANY LICENSED PURSUANT TO SECTION

35 12-10-1004.

36 (10) "LIMITED LIABILITY COMPANY" HAS THE MEANING SET FORTH

37 IN SECTION 7-80-102 (7).

38 (11) "MAJORITY OF UNITS", AS USED IN SUBSECTIONS (3)(b)(I) AND

39 (8)(b) OF THIS SECTION, MEANS THE UNITS TO WHICH ARE ALLOCATED

40 MORE THAN FIFTY PERCENT OF THE ALLOCATED INTERESTS IN THE

41 COMMON INTEREST COMMUNITY APPURTENANT TO ALL UNITS THAT ARE

42 DESIGNATED FOR RESIDENTIAL USE.

43 **12-10-1002. Rule-making authority - audits.** (1) THE DIRECTOR

1 MAY PROMULGATE RULES AS NECESSARY TO CARRY OUT THE DIRECTOR'S  
2 DUTIES UNDER THIS PART 10, INCLUDING RULES ESTABLISHING EDUCATION  
3 REQUIREMENTS FOR CONTROLLING MANAGERS AND EDUCATION THAT A  
4 CONTROLLING MANAGER SHALL PROVIDE OR CAUSE TO BE PROVIDED TO  
5 EMPLOYEES OF A LICENSED MANAGEMENT COMPANY WHO PERFORM  
6 COMMUNITY ASSOCIATION MANAGEMENT SERVICES ON BEHALF OF THE  
7 LICENSED MANAGEMENT COMPANY.

8 (2) THE DIRECTOR MAY CONDUCT AUDITS OF BUSINESS RECORDS  
9 AND ACCOUNTS OF LICENSED MANAGEMENT COMPANIES AND MAY  
10 CONDUCT RANDOM COMPLIANCE AUDITS TO ENSURE COMPLIANCE WITH  
11 THIS PART 10.

12 **12-10-1003. Community association management company**  
13 **license required - violations - injunction.** (1) ON AND AFTER JULY 1,  
14 2025, IT IS UNLAWFUL FOR A COMMUNITY ASSOCIATION MANAGEMENT  
15 COMPANY TO OFFER OR PROVIDE COMMUNITY ASSOCIATION MANAGEMENT  
16 SERVICES IN THIS STATE WITHOUT A LICENSE FROM THE DIRECTOR  
17 PURSUANT TO SECTION 12-10-1004. THE DIRECTOR SHALL NOT GRANT A  
18 LICENSE TO A MANAGEMENT COMPANY UNTIL THE MANAGEMENT  
19 COMPANY DEMONSTRATES COMPLIANCE WITH THIS PART 10.

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

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

28 (b) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT  
29 JURISDICTION FOR AN ORDER ENJOINING AN ACT OR PRACTICE THAT  
30 CONSTITUTES A VIOLATION OF THIS PART 10, AND, UPON A SHOWING THAT  
31 A LICENSED COMMUNITY ASSOCIATION MANAGEMENT COMPANY OR THE  
32 CONTROLLING MANAGER OF THE LICENSED MANAGEMENT COMPANY IS  
33 ENGAGING OR INTENDS TO ENGAGE IN AN ACT OR PRACTICE THAT  
34 VIOLATES THIS PART 10, THE COURT SHALL GRANT AN INJUNCTION,  
35 RESTRAINING ORDER, OR OTHER APPROPRIATE ORDER, REGARDLESS OF THE  
36 EXISTENCE OF ANOTHER REMEDY FOR THE VIOLATION. ANY NOTICE,  
37 HEARING, OR DURATION OF AN INJUNCTION OR RESTRAINING ORDER SHALL  
38 BE MADE IN ACCORDANCE WITH THE COLORADO RULES OF CIVIL  
39 PROCEDURE.

40 (3) IF A COMMUNITY ASSOCIATION MANAGEMENT COMPANY  
41 VIOLATES THIS PART 10 BY OFFERING OR PROVIDING COMMUNITY  
42 ASSOCIATION MANAGEMENT SERVICES WITHOUT A LICENSE OR BY ACTING  
43 AS A LICENSED MANAGEMENT COMPANY AFTER THE MANAGEMENT

1 COMPANY'S LICENSE HAS BEEN REVOKED OR DURING ANY PERIOD FOR  
2 WHICH THE LICENSE WAS SUSPENDED, THE OWNER OF THE MANAGEMENT  
3 COMPANY OR LICENSED MANAGEMENT COMPANY COMMITS A CLASS 2  
4 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION  
5 18-1.3-501.

6 **12-10-1004. Community association management company**  
7 **license - application - requirements - criminal history record check.**

8 (1) A COMMUNITY ASSOCIATION MANAGEMENT COMPANY SHALL APPLY  
9 FOR A LICENSE TO THE DIRECTOR IN A MANNER PRESCRIBED BY THE  
10 DIRECTOR.

11 (2) UPON A COMMUNITY ASSOCIATION MANAGEMENT COMPANY'S  
12 COMPLIANCE WITH SUBSECTION (3) OF THIS SECTION, THE DIRECTOR MAY  
13 GRANT A COMMUNITY ASSOCIATION MANAGEMENT COMPANY LICENSE TO  
14 A MANAGEMENT COMPANY THAT:

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

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

19 (c) DESIGNATES A CONTROLLING MANAGER TO BE RESPONSIBLE  
20 FOR THE LICENSED PRACTICES OF THE MANAGEMENT COMPANY AND FOR  
21 ALL INDIVIDUALS EMPLOYED BY THE MANAGEMENT COMPANY WHO  
22 PROVIDE COMMUNITY ASSOCIATION MANAGEMENT SERVICES;

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

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

28 (3) (a) THE DIRECTOR SHALL NOT ISSUE OR RENEW A LICENSE TO  
29 ANY COMMUNITY ASSOCIATION MANAGEMENT COMPANY UNTIL THE  
30 OWNER OF THE MANAGEMENT COMPANY, THE INDIVIDUAL DESIGNATED BY  
31 THE MANAGEMENT COMPANY AS THE CONTROLLING MANAGER OF THE  
32 MANAGEMENT COMPANY, AND ANY EMPLOYEE OF THE MANAGEMENT  
33 COMPANY WHO PERFORMS COMMUNITY ASSOCIATION MANAGEMENT  
34 SERVICES ON BEHALF OF THE MANAGEMENT COMPANY SUBMITS TO A  
35 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. EACH  
36 INDIVIDUAL SUBMITTING A SET OF FINGERPRINTS OR THE MANAGEMENT  
37 COMPANY, ON BEHALF OF EACH INDIVIDUAL SUBMITTING A SET OF  
38 FINGERPRINTS, SHALL PAY THE COSTS ASSOCIATED WITH THE  
39 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK.

40 (b) AN INDIVIDUAL DESCRIBED IN SUBSECTION (3)(a) OF THIS  
41 SECTION SHALL HAVE THE INDIVIDUAL'S FINGERPRINTS TAKEN BY A LOCAL  
42 LAW ENFORCEMENT AGENCY OR ANY THIRD PARTY APPROVED BY THE  
43 COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF OBTAINING

1 A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE  
2 INDIVIDUAL SHALL AUTHORIZE THE ENTITY TAKING THE FINGERPRINTS TO  
3 SUBMIT, AND THE ENTITY SHALL SUBMIT, THE COMPLETE SET OF THE  
4 APPLICANT'S FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION  
5 FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED CRIMINAL  
6 HISTORY RECORD CHECK.

7 (c) IF AN APPROVED THIRD PARTY TAKES AN INDIVIDUAL'S  
8 FINGERPRINTS PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, THE  
9 FINGERPRINTS MAY BE ELECTRONICALLY CAPTURED USING COLORADO  
10 BUREAU OF INVESTIGATION-APPROVED LIVESCAN EQUIPMENT.  
11 THIRD-PARTY VENDORS SHALL NOT KEEP THE INDIVIDUAL'S INFORMATION  
12 FOR MORE THAN THIRTY DAYS.

13 (d) THE COLORADO BUREAU OF INVESTIGATION SHALL USE AN  
14 INDIVIDUAL'S FINGERPRINTS COLLECTED PURSUANT TO THIS SUBSECTION  
15 (3) TO CONDUCT A CRIMINAL HISTORY RECORD CHECK USING THE  
16 BUREAU'S RECORDS. THE COLORADO BUREAU OF INVESTIGATION SHALL  
17 ALSO FORWARD THE FINGERPRINTS TO THE FEDERAL BUREAU OF  
18 INVESTIGATION FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED  
19 CRIMINAL HISTORY RECORD CHECK. THE COLORADO BUREAU OF  
20 INVESTIGATION, THE INDIVIDUAL SUBMITTING TO THE FINGERPRINT-BASED  
21 CRIMINAL HISTORY RECORD CHECK, THE DIRECTOR, AND THE ENTITY  
22 TAKING FINGERPRINTS SHALL COMPLY WITH THE FEDERAL BUREAU OF  
23 INVESTIGATION'S REQUIREMENTS TO CONDUCT A CRIMINAL HISTORY  
24 RECORD CHECK.

25 (e) THE COLORADO BUREAU OF INVESTIGATION SHALL RETURN THE  
26 RESULTS OF ITS CRIMINAL HISTORY RECORD CHECK TO THE DIVISION, AND  
27 THE DIVISION IS AUTHORIZED TO RECEIVE THE RESULTS OF THE FEDERAL  
28 BUREAU OF INVESTIGATION'S CRIMINAL HISTORY RECORD CHECK. THE  
29 DIVISION SHALL USE THE INFORMATION RESULTING FROM THE CRIMINAL  
30 HISTORY RECORD CHECKS TO INVESTIGATE AND DETERMINE WHETHER THE  
31 OWNER OF THE COMMUNITY ASSOCIATION MANAGEMENT COMPANY IS  
32 QUALIFIED TO HOLD A COMMUNITY ASSOCIATION MANAGEMENT COMPANY  
33 LICENSE PURSUANT TO THIS SECTION, THE DESIGNATED INDIVIDUAL MAY  
34 ACT AS THE CONTROLLING MANAGER OF THE MANAGEMENT COMPANY, OR  
35 AN INDIVIDUAL MAY PERFORM COMMUNITY ASSOCIATION MANAGEMENT  
36 SERVICES AS AN EMPLOYEE OF THE MANAGEMENT COMPANY.

37 (f) WHEN THE FEDERAL BUREAU OF INVESTIGATION IS UNABLE TO  
38 COMPLETE A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK OF  
39 AN INDIVIDUAL, THE COLORADO BUREAU OF INVESTIGATION SHALL  
40 INFORM THE DIVISION, AND THE DIVISION MAY CONDUCT A CRIMINAL  
41 HISTORY RECORD CHECK OF THE INDIVIDUAL USING THE COLORADO  
42 BUREAU OF INVESTIGATION'S RECORDS AS A SUBSTITUTE FOR THE  
43 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK REQUIRED IN THIS

1 SUBSECTION (3).

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

9 (h) THE DIRECTOR MAY DENY AN APPLICATION FOR LICENSURE OR  
10 REFUSE TO RENEW A LICENSE BASED ON THE OUTCOME OF A CRIMINAL  
11 HISTORY RECORD CHECK CONDUCTED PURSUANT TO THIS SUBSECTION (3)  
12 AND SHALL DENY AN APPLICATION IF THE OUTCOME OF THE CRIMINAL  
13 HISTORY RECORD CHECK INDICATES THAT THE OWNER OF THE COMMUNITY  
14 ASSOCIATION MANAGEMENT COMPANY, THE INDIVIDUAL DESIGNATED AS  
15 THE CONTROLLING MANAGER, OR AN INDIVIDUAL WHO PERFORMS  
16 COMMUNITY ASSOCIATION MANAGEMENT SERVICES ON BEHALF OF THE  
17 MANAGEMENT COMPANY HAS, WITHIN THE IMMEDIATELY PRECEDING FIVE  
18 YEARS, BEEN CONVICTED OF AN OFFENSE INVOLVING UNLAWFUL SEXUAL  
19 BEHAVIOR LISTED IN SECTION 16-22-102 (9); FIRST DEGREE BURGLARY, AS  
20 DESCRIBED IN SECTION 18-4-202; SECOND DEGREE BURGLARY, AS  
21 DESCRIBED IN SECTION 18-4-203; OR ANY FELONY INVOLVING FRAUD,  
22 THEFT, LARCENY, EMBEZZLEMENT, FRAUDULENT CONVERSION, OR  
23 MISAPPROPRIATION OF PROPERTY.

24 (4) (a) THE DIRECTOR MAY DENY A LICENSE TO A COMMUNITY  
25 ASSOCIATION MANAGEMENT COMPANY IF:

26 (I) THE OWNER OF THE MANAGEMENT COMPANY, THE INDIVIDUAL  
27 DESIGNATED AS THE CONTROLLING MANAGER, OR AN EMPLOYEE OF THE  
28 MANAGEMENT COMPANY WHO PERFORMS COMMUNITY ASSOCIATION  
29 MANAGEMENT SERVICES ON BEHALF OF THE MANAGEMENT COMPANY HAS  
30 PREVIOUSLY HAD, IN ANY STATE, A COMMUNITY ASSOCIATION  
31 MANAGEMENT COMPANY LICENSE OR COMMUNITY ASSOCIATION MANAGER  
32 REGISTRATION, LICENSE, OR CERTIFICATE REFUSED, DENIED, CANCELED,  
33 SURRENDERED IN LIEU OF REVOCATION, OR REVOKED; OR

34 (II) THE MANAGEMENT COMPANY IS OWNED, IN WHOLE OR IN PART,  
35 DIRECTLY OR INDIRECTLY, BY ANY PERSON WHO HAS HAD, IN ANY STATE,  
36 A COMMUNITY ASSOCIATION MANAGEMENT COMPANY LICENSE OR  
37 COMMUNITY ASSOCIATION MANAGER LICENSE, REGISTRATION, OR  
38 CERTIFICATE REFUSED, DENIED, CANCELED, SURRENDERED IN LIEU OF  
39 REVOCATION, OR REVOKED.

40 (b) IN EXERCISING THE DIRECTOR'S DISCRETION PURSUANT TO  
41 SUBSECTION (4)(a) OF THIS SECTION, THE DIRECTOR SHALL CONSIDER THE  
42 CIRCUMSTANCES UNDER WHICH A REGISTRATION, LICENSE, OR  
43 CERTIFICATE WAS REFUSED, DENIED, CANCELED, SURRENDERED IN LIEU OF



1 REVOCATION, OR REVOKED AND WHETHER THE UNDERLYING ACTIONS ARE  
2 LAWFUL AND CONSISTENT WITH PROFESSIONAL CONDUCT AND STANDARDS  
3 OF CARE UNDER COLORADO LAW.

4 (5) EACH LICENSED COMMUNITY ASSOCIATION MANAGEMENT  
5 COMPANY SHALL MAINTAIN A DEFINITE PLACE OF BUSINESS. IF A  
6 MANAGEMENT COMPANY IS DOMICILED IN ANOTHER STATE, THE  
7 CONTROLLING MANAGER DESIGNATED BY THE MANAGEMENT COMPANY IS  
8 RESPONSIBLE FOR SUPERVISING ALL LICENSED ACTIVITIES THAT OCCUR IN  
9 COLORADO. ALL LICENSED ACTIVITIES OCCURRING WITHIN THE STATE OF  
10 COLORADO MUST OCCUR UNDER THE NAME UNDER WHICH THE LICENSED  
11 MANAGEMENT COMPANY IS LICENSED OR ITS TRADE NAME ADOPTED IN  
12 ACCORDANCE WITH COLORADO LAW.

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

15 (a) A PARTNERSHIP, THE PARTNERSHIP MUST BE PROPERLY  
16 REGISTERED WITH THE COLORADO DEPARTMENT OF REVENUE OR  
17 PROPERLY FILED WITH THE COLORADO SECRETARY OF STATE AND IN GOOD  
18 STANDING, PROOF OF WHICH MUST BE INCLUDED IN THE APPLICATION. IF  
19 AN ASSUMED OR TRADE NAME IS TO BE USED, THE NAME MUST BE  
20 PROPERLY FILED WITH THE COLORADO DEPARTMENT OF REVENUE OR FILED  
21 AND ACCEPTED BY THE COLORADO SECRETARY OF STATE, PROOF OF WHICH  
22 MUST BE INCLUDED WITH THE APPLICATION.

23 (b) A LIMITED LIABILITY COMPANY, THE LIMITED LIABILITY  
24 COMPANY MUST BE PROPERLY REGISTERED WITH THE COLORADO  
25 SECRETARY OF STATE AND IN GOOD STANDING, PROOF OF WHICH MUST BE  
26 INCLUDED WITH THE APPLICATION. IF AN ASSUMED OR TRADE NAME IS TO  
27 BE USED, THE NAME MUST BE PROPERLY FILED WITH THE COLORADO  
28 SECRETARY OF STATE, PROOF OF WHICH MUST BE INCLUDED WITH THE  
29 APPLICATION.

30 (c) A CORPORATION, THE CORPORATION MUST BE REGISTERED AS  
31 A FOREIGN CORPORATION OR PROPERLY INCORPORATED WITH THE  
32 COLORADO SECRETARY OF STATE AND IN GOOD STANDING, PROOF OF  
33 WHICH MUST BE INCLUDED WITH THE APPLICATION. IF AN ASSUMED OR  
34 TRADE NAME IS TO BE USED, THE NAME MUST BE PROPERLY FILED WITH  
35 THE COLORADO SECRETARY OF STATE, PROOF OF WHICH MUST BE  
36 INCLUDED WITH THE APPLICATION.

37 **12-10-1005. Insurance required - rules.** A COMMUNITY  
38 ASSOCIATION MANAGEMENT COMPANY LICENSED PURSUANT TO THIS PART  
39 10 MUST BE INSURED AS NECESSARY TO COVER ALL ACTIVITIES  
40 CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND UNDER TERMS  
41 AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN PROMULGATING  
42 RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT AND CONSIDER  
43 INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

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

5           (I) EACH COMMUNITY ASSOCIATION MANAGEMENT COMPANY'S  
6 ORIGINAL APPLICATION AND LICENSE;

7           (II) EACH RENEWAL OR REINSTATEMENT OF A MANAGEMENT  
8 COMPANY LICENSE; AND

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

11           (b) THE DIRECTOR SHALL ENGAGE IN RULE-MAKING TO ESTABLISH  
12 AN EQUITABLE FEE STRUCTURE THAT CONTEMPLATES THE SIZE OF A  
13 LICENSED MANAGEMENT COMPANY, THE NUMBER OF EMPLOYEES  
14 PERFORMING COMMUNITY ASSOCIATION MANAGEMENT SERVICES FOR THE  
15 LICENSED MANAGEMENT COMPANY, AND THE NUMBER AND SIZE OF THE  
16 ASSETS MANAGED.

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

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

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

26           **12-10-1007. Investigation - disciplinary actions - grounds for**  
27 **discipline - rules.** (1) (a) THE DIRECTOR, UPON THE DIRECTOR'S OWN  
28 MOTION, MAY, AND, UPON THE WRITTEN SUBMISSION OF A PERSON OF A  
29 VALID AND ACTIONABLE COMPLAINT, AS DETERMINED BY THE DIRECTOR,  
30 SHALL, INVESTIGATE THE ACTIVITIES OF ANY LICENSED COMMUNITY  
31 ASSOCIATION MANAGEMENT COMPANY OR ANY UNLICENSED COMMUNITY  
32 ASSOCIATION MANAGEMENT COMPANY THAT ASSUMES TO ACT IN THE  
33 CAPACITY OF A LICENSED MANAGEMENT COMPANY WITHIN THIS STATE.  
34 AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE  
35 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, AND FINDING  
36 THAT A LICENSED MANAGEMENT COMPANY HAS PERFORMED, IS  
37 PERFORMING, OR IS ATTEMPTING TO PERFORM ANY OF THE ACTS SPECIFIED  
38 IN SUBSECTION (2) OF THIS SECTION, THE DIRECTOR MAY:

39           (I) IMPOSE AN ADMINISTRATIVE FINE NOT TO EXCEED FIVE  
40 THOUSAND DOLLARS;

41           (II) CENSURE THE LICENSED MANAGEMENT COMPANY;

42           (III) ISSUE A LETTER OF ADMONITION;

43           (IV) ISSUE A LETTER OF CONCERN;

1 (V) ENTER INTO A STIPULATION WITH THE LICENSED MANAGEMENT  
2 COMPANY FOR DIVERSION;

3 (VI) PLACE THE LICENSED MANAGEMENT COMPANY ON PROBATION  
4 AND SET THE TERMS OF PROBATION;

5 (VII) TEMPORARILY SUSPEND THE LICENSED MANAGEMENT  
6 COMPANY'S LICENSE; OR

7 (VIII) PERMANENTLY REVOKE THE LICENSED MANAGEMENT  
8 COMPANY'S LICENSE.

9 (b) THE DIRECTOR SHALL DEVELOP, BY RULE, A POINTS-BASED  
10 DISCIPLINARY SYSTEM TO DETERMINE THE LEVEL OF DISCIPLINE TO IMPOSE  
11 ON A LICENSED MANAGEMENT COMPANY BASED ON THE POINTS ASSIGNED  
12 TO EACH ACT SPECIFIED IN SUBSECTION (2) OF THIS SECTION. THE  
13 POINTS-BASED DISCIPLINARY SYSTEM MUST INCLUDE A PROCESS FOR  
14 REDUCING OR ELIMINATING POINTS AFTER A PERIOD OF TIME WITH NO  
15 ADDITIONAL VIOLATIONS.

16 (c) THE DIRECTOR SHALL POST ON THE DIVISION'S WEBSITE A LIST  
17 OF ALL LICENSED COMMUNITY ASSOCIATION MANAGEMENT COMPANIES IN  
18 THIS STATE AND ANY POINTS ATTRIBUTED TO EACH LICENSED  
19 MANAGEMENT COMPANY PURSUANT TO THE POINTS-BASED DISCIPLINARY  
20 SYSTEM.

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

26 (a) MISMANAGING OR MISAPPROPRIATING HOA MONEY;

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

29 (c) FAILING TO ACCOUNT FOR OR TO REMIT, WITHIN A REASONABLE  
30 TIME, ANY MONEY IN THE LICENSED MANAGEMENT COMPANY'S POSSESSION  
31 THAT BELONGS TO OTHERS, WHETHER WHILE PERFORMING COMMUNITY  
32 ASSOCIATION MANAGEMENT SERVICES OR OTHERWISE, OR FAILING TO KEEP  
33 RECORDS RELATIVE TO SUCH MONEY, WHICH RECORDS MUST CONTAIN ANY  
34 INFORMATION REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO  
35 AUDIT BY THE DIRECTOR;

36 (d) CONVERTING THE MONEY OF AN HOA OR OTHERS, DIVERTING  
37 THE MONEY OF AN HOA OR OTHERS WITHOUT PROPER AUTHORIZATION,  
38 COMMINGLING THE MONEY OF AN HOA OR OTHERS WITH THE LICENSED  
39 MANAGEMENT COMPANY'S OWN MONEY, OR FAILING TO KEEP:

40 (I) THE MONEY OF AN HOA OR OTHERS IN A SEGREGATED  
41 ACCOUNT WITH A BANK OR RECOGNIZED DEPOSITORY IN THIS STATE,  
42 WHICH ACCOUNT MAY BE ANY TYPE OF CHECKING, DEMAND, PASSBOOK,  
43 OR STATEMENT ACCOUNT INSURED BY AN AGENCY OF THE UNITED STATES

1 GOVERNMENT; AND  
2 (II) RECORDS RELATIVE TO THE DEPOSIT OF THE FUNDS IN A  
3 SEGREGATED ACCOUNT THAT INCLUDE ANY INFORMATION REQUIRED BY  
4 RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE DIRECTOR;  
5 (e) DISREGARDING OR VIOLATING, OR AIDING OR ABETTING ANY  
6 VIOLATION OF, THIS PART 10 OR ANY APPLICABLE RULE OR ORDER OF THE  
7 DIRECTOR;  
8 (f) IN THE CASE OF A CONTROLLING MANAGER ACTING ON BEHALF  
9 OF THE LICENSED MANAGEMENT COMPANY, FAILING TO EXERCISE  
10 REASONABLE SUPERVISION OVER THE ACTIVITIES OF EMPLOYEES OR OTHER  
11 INDIVIDUALS PERFORMING COMMUNITY ASSOCIATION MANAGEMENT  
12 SERVICES ON BEHALF OF THE LICENSED MANAGEMENT COMPANY;  
13 (g) PROCURING A LICENSE OR RENEWING, REINSTATING, OR  
14 REACTIVATING A LICENSE BY FRAUD, MISREPRESENTATION, OR DECEIT OR  
15 BY MAKING A MATERIAL MISSTATEMENT OF FACT IN AN APPLICATION FOR  
16 A LICENSE;  
17 (h) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE  
18 ISSUANCE OF A LICENSE;  
19 (i) FAILING TO COOPERATE IN A LEGAL OR REGULATORY  
20 INVESTIGATION;  
21 (j) IN MAKING RECOMMENDATIONS FOR CONTRACTORS OR  
22 VENDORS TO THE EXECUTIVE BOARD, FAILING TO DISCLOSE ANY  
23 CONFLICTS OF INTEREST, SUCH AS FINANCIAL BENEFITS THAT MAY ACCRUE  
24 TO THE LICENSED MANAGEMENT COMPANY FROM SUCH CONTRACTOR OR  
25 VENDOR, INCLUDING A CONTRACTOR OR VENDOR THAT IS OWNED BY OR  
26 AFFILIATED WITH THE LICENSED MANAGEMENT COMPANY;  
27 (k) FAILING TO PROVIDE TO THE EXECUTIVE BOARD RECORDS OF  
28 THE ASSOCIATION IN THE CUSTODY OF THE LICENSED MANAGEMENT  
29 COMPANY OR THE CONTROLLING MANAGER;  
30 (l) SELLING MEMBERSHIP LISTS TO A THIRD PARTY;  
31 (m) SHARING PERSONAL IDENTIFYING INFORMATION OF  
32 HOMEOWNERS WITHOUT PRIOR APPROVAL OF THE EXECUTIVE BOARD;  
33 (n) FAILING TO PROVIDE TO THE DIRECTOR THE CRIMINAL HISTORY  
34 RECORDS, IF ANY, RELATING TO THE HANDLING OR ACCOUNTING OF CLIENT  
35 MONEY BY THE LICENSED MANAGEMENT COMPANY'S CONTROLLING  
36 MANAGER OR AN EMPLOYEE OF THE LICENSED MANAGEMENT COMPANY  
37 WHO HANDLES OR PROVIDES ACCOUNTING FOR CLIENT MONEY;  
38 (o) FAILING TO ENSURE THE LICENSED MANAGEMENT COMPANY'S  
39 CONTROLLING MANAGER AND ANY EMPLOYEES WHO PERFORM  
40 COMMUNITY ASSOCIATION MANAGEMENT SERVICES ON BEHALF OF THE  
41 LICENSED MANAGEMENT COMPANY MEET THE EDUCATION REQUIREMENTS  
42 ESTABLISHED BY THE DIRECTOR BY RULE PURSUANT TO SECTION  
43 12-10-1002 (1); OR

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

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

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

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

22 **12-10-1008. Hearings - use of administrative law judges -**  
23 **subpoenas - judicial review - immunity - rules.** (1) EXCEPT AS  
24 OTHERWISE PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE  
25 DIRECTOR WITH RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF  
26 LICENSURE UNDER THIS PART 10, AT THE DISCRETION OF THE DIRECTOR,  
27 MAY BE CONDUCTED BY AN AUTHORIZED REPRESENTATIVE OF THE  
28 DIRECTOR OR BY AN ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS  
29 24-4-104 AND 24-4-105.

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

33 (3) THE DIRECTOR, AN AUTHORIZED REPRESENTATIVE OF THE  
34 DIRECTOR, OR, SUBJECT TO APPROPRIATIONS MADE TO THE DEPARTMENT  
35 OF PERSONNEL, AN ADMINISTRATIVE LAW JUDGE ON BEHALF OF THE  
36 DIRECTOR SHALL CONDUCT ALL HEARINGS FOR DENYING A LICENSE OR  
37 TAKING DISCIPLINARY ACTION. EACH ADMINISTRATIVE LAW JUDGE SHALL  
38 BE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF TITLE 24. THE  
39 ADMINISTRATIVE LAW JUDGE SHALL CONDUCT THE HEARING IN  
40 ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105. A LICENSE SHALL  
41 NOT BE DENIED, SUSPENDED, OR REVOKED UNTIL THE DIRECTOR HAS MADE  
42 A DECISION.

43 (4) THE DIRECTOR, AUTHORIZED REPRESENTATIVE OF THE

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

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

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

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

30 **12-10-1009. Repeal of part.** THIS PART 10 IS REPEALED,  
31 EFFECTIVE SEPTEMBER 1, 2029. BEFORE THE REPEAL, THIS PART 10 IS  
32 SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

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

35 **24-34-104. General assembly review of regulatory agencies**  
36 **and functions for repeal, continuation, or reestablishment - legislative**  
37 **declaration - repeal.** (30) (a) The following agencies, functions, or both,  
38 are scheduled for repeal on September 1, 2029:

39 (IX) THE LICENSING OF COMMUNITY ASSOCIATION MANAGEMENT  
40 COMPANIES BY THE DIRECTOR OF THE DIVISION OF REAL ESTATE IN THE  
41 DEPARTMENT OF REGULATORY AGENCIES IN ACCORDANCE WITH PART 10  
42 OF ARTICLE 10 OF TITLE 12.

43 **SECTION 4.** In Colorado Revised Statutes, 12-10-215, **amend**

1 (1) and (2)(a)(I) as follows:

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

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

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

12 **13-4-102. Jurisdiction.** (2) The court of appeals has initial  
13 jurisdiction to:

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

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

25 Page 1, line 102, strike "MANAGERS" and substitute "MANAGEMENT  
26 COMPANIES".

\*\* \*\* \*\* \*\* \*\*