

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

HOUSE BILL 19-1212

BY REPRESENTATIVE(S) Titone and Duran, Exum, Kipp, Snyder;  
also SENATOR(S) Fields and Todd, Court, Gonzales.

CONCERNING THE RECREATION OF THE COMMUNITY ASSOCIATION MANAGER  
LICENSING PROGRAM.

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

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

## PART 10 COMMUNITY ASSOCIATION MANAGERS

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

(1) "APPRENTICE" MEANS A PERSON WHO:

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

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

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

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

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

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

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

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

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

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

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

(II) EXECUTING THE RESOLUTIONS AND DECISIONS OF THE

EXECUTIVE BOARD;

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

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

(V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;

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

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

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

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

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

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

(I) A PERSON WHO, UNDER THE DIRECT SUPERVISION OF A MANAGER,

PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR MAINTENANCE FUNCTION;

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

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

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

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

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

(VII) AN INDEPENDENT CONTRACTOR WHO:

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

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

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

(6) "DESIGNATED MANAGER" MEANS A PERSON WHO IS CURRENTLY

LICENSED AS A MANAGER AND WHO, ON BEHALF OF A LICENSED ENTITY, IS RESPONSIBLE FOR PERFORMING COMMUNITY ASSOCIATION MANAGEMENT PRACTICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT PRACTICES PERFORMED BY PERSONS EMPLOYED BY, OR ACTING ON BEHALF OF, THE LICENSED ENTITY.

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

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

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

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

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

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

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

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

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

(b) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT JURISDICTION FOR AN ORDER ENJOINING ANY ACT OR PRACTICE THAT CONSTITUTES A VIOLATION OF THIS PART 10 OR OF A RULE ADOPTED UNDER THIS PART 10, AND, UPON A SHOWING THAT A PERSON IS ENGAGING OR INTENDS TO ENGAGE IN ANY SUCH ACT OR PRACTICE, THE COURT SHALL GRANT AN INJUNCTION, RESTRAINING ORDER, OR OTHER APPROPRIATE ORDER REGARDLESS OF THE EXISTENCE OF ANOTHER REMEDY THEREFOR. ANY NOTICE, HEARING, OR DURATION OF ANY INJUNCTION OR RESTRAINING ORDER SHALL BE MADE IN ACCORDANCE WITH THE COLORADO RULES OF CIVIL PROCEDURE.

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

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

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

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

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

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

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

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

(I) THE NATURE OF THE CONVICTION;

(II) WHETHER THERE IS A DIRECT RELATIONSHIP BETWEEN THE CONVICTION AND THE DUTIES AND RESPONSIBILITIES OF LICENSURE AND THE BEARING, IF ANY, THE CONVICTION MAY HAVE ON THE APPLICANT'S FITNESS

OR ABILITY TO PERFORM ONE OR MORE SUCH DUTIES AND RESPONSIBILITIES, INCLUDING WHETHER THE CONVICTION WAS FOR UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION 16-22-102 (9), AND WHETHER THE APPLICANT WOULD PLACE A RESIDENT OR THE PUBLIC IN A VULNERABLE POSITION;

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

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

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

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

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

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

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

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

(C) THE "PROFESSIONAL COMMUNITY ASSOCIATION MANAGER" OR "PCAM" DESIGNATION AWARDED BY THE COMMUNITY ASSOCIATIONS



INSTITUTE; OR

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

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

(III) SUBMIT TO AND PASS AN EXAMINATION WITH TWO SEPARATE PORTIONS, WHICH MAY BE ADMINISTERED SEPARATELY. THE EXAMINATION MUST MEASURE THE COMPETENCY OF THE APPLICANT IN CARRYING OUT THE CORE FUNCTIONS OF COMMUNITY ASSOCIATION MANAGEMENT, REFERRED TO AS THE "GENERAL PORTION" OF THE EXAMINATION, AND IN UNDERSTANDING THE BASIC PROVISIONS OF LEGAL DOCUMENTS AND COLORADO LAW WITH WHICH MANAGERS ARE REQUIRED TO COMPLY, REFERRED TO AS THE "COLORADO LAW PORTION" OF THE EXAMINATION. THE EXAMINATION SHALL BE PREPARED BY OR UNDER THE SUPERVISION OF THE DIRECTOR OR THE DIRECTOR'S DESIGNATED CONTRACTOR OR CONTRACTORS. THE DIRECTOR MAY CONTRACT WITH ONE OR MORE INDEPENDENT TESTING SERVICES TO DEVELOP, ADMINISTER, OR GRADE EXAMINATIONS OR TO ADMINISTER LICENSEE RECORDS. THE CONTRACTS MAY ALLOW THE TESTING SERVICE TO RECOVER FROM THE APPLICANT THE COSTS OF THE EXAMINATION AND THE COSTS OF ADMINISTERING THE EXAMINATION AND LICENSE RECORDS. THE DIRECTOR MAY CONTRACT SEPARATELY FOR THESE FUNCTIONS AND ALLOW RECOVERED COSTS TO BE COLLECTED AND RETAINED BY A SINGLE CONTRACTOR FOR DISTRIBUTION TO OTHER CONTRACTORS. THE DIRECTOR MAY SET THE SEPARATE MINIMUM PASSING SCORES FOR THE GENERAL PORTION AND THE COLORADO LAW PORTION OF THE EXAMINATION. THE DIRECTOR SHALL PRESCRIBE THE TIMES AND PLACES AT WHICH THE EXAMINATION AS A WHOLE IS GIVEN OR AT WHICH THE SEPARATE PORTIONS OF THE EXAMINATION ARE GIVEN.

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

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

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

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

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

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

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

(b) A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION, IN ITS APPLICATION FOR A LICENSE, SHALL DESIGNATE A QUALIFIED, ACTIVE MANAGER TO BE RESPONSIBLE FOR MANAGEMENT AND SUPERVISION OF THE LICENSED ACTIONS OF THE ENTITY AND ALL PERSONS EMPLOYED BY, OR

ACTING AT ANY TIME ON BEHALF OF, THE ENTITY. A LICENSE MAY NOT BE ISSUED TO THE ENTITY UNLESS THE MANAGER SO DESIGNATED TAKES AND PASSES THE EXAMINATION REQUIRED BY THIS PART 10. UPON THE MANAGER SUCCESSFULLY PASSING THE EXAMINATION AND UPON COMPLIANCE WITH ALL OTHER REQUIREMENTS OF LAW BY THE ENTITY AS WELL AS BY THE MANAGER, THE DIRECTOR SHALL ISSUE A DESIGNATED MANAGER'S LICENSE TO THE MANAGER.

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

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

(8) A PERSON SHALL NOT:

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

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

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

**12-61-1004. Insurance required - rules.** EVERY LICENSEE UNDER THIS PART 10, EXCEPT AN INACTIVE MANAGER OR AN ATTORNEY LICENSEE WHO MAINTAINS A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE THAT PROVIDES COVERAGE FOR HIS OR HER ACTIVITIES UNDER THIS PART 10, MUST BE INSURED UNDER INSURANCE NECESSARY TO COVER ALL ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND UNDER TERMS AND

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

**12-61-1005. Fees and charges for contracted services and home sales - disclosure required.** (1) EVERY MANAGER, AND EVERY AGENT OR OTHER PERSON WHO REPRESENTS OR NEGOTIATES ON BEHALF OF A MANAGER, SHALL DISCLOSE TO THE EXECUTIVE BOARD OF EACH HOA FOR WHICH IT PROVIDES OR OFFERS TO PROVIDE SERVICES, DURING CONTRACT NEGOTIATIONS AND THEREAFTER ON AN ANNUAL BASIS, ALL FEES AND OTHER AMOUNTS THAT THE MANAGER CHARGES OR WILL CHARGE TO THE COMMON INTEREST COMMUNITY, UNIT OWNERS, AND PURCHASERS OF UNITS IN THE COMMON INTEREST COMMUNITY FOR OR AS A RESULT OF ANY SERVICE, PRODUCT, TRANSACTION, OR ITEM OF VALUE PROVIDED BY THE MANAGER, ANY EMPLOYEE OR CONTRACTOR OF THE MANAGER, OR ANY OTHER INDIVIDUAL OR ENTITY WITH WHOM THE MANAGER ASSOCIATES IN THE PERFORMANCE OF COMMUNITY ASSOCIATION MANAGEMENT SERVICES.

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

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

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

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

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

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

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

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

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

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

(c) FIVE DAYS AFTER MAILING.

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

**12-61-1008. Record of licensees - publications.** THE DIRECTOR SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10,

TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

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

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

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

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

(2) THE DIRECTOR SHALL TRANSMIT ALL FEES TO THE STATE TREASURER, WHO SHALL CREDIT THEM TO THE DIVISION OF REAL ESTATE CASH FUND, CREATED IN SECTION 12-61-111.5 (2)(b). FEES COLLECTED

UNDER SUBSECTIONS (1)(b), (1)(c), (1)(d), AND (1)(e) OF THIS SECTION ARE NONREFUNDABLE.

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

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

**12-61-1011. Investigation - revocation - actions against licensee.**

(1) THE DIRECTOR, UPON THE DIRECTOR'S OWN MOTION, MAY, AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON, SHALL, INVESTIGATE THE ACTIVITIES OF ANY LICENSEE OR ANY PERSON WHO ASSUMES TO ACT IN THE CAPACITY OF A LICENSEE WITHIN THE STATE. THE DIRECTOR, AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, MAY IMPOSE AN ADMINISTRATIVE FINE NOT TO EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS FOR EACH SEPARATE OFFENSE, CENSURE A LICENSEE, PLACE THE LICENSEE ON PROBATION AND SET THE TERMS OF PROBATION, OR TEMPORARILY SUSPEND OR PERMANENTLY REVOKE A LICENSE WHEN THE LICENSEE HAS PERFORMED, IS PERFORMING, OR IS ATTEMPTING TO PERFORM ANY OF THE FOLLOWING ACTS AND IS GUILTY OF:

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

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

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

(d) VIOLATING, DIRECTLY OR INDIRECTLY, ANY APPLICABLE

PROVISION OF COLORADO OR FEDERAL FAIR HOUSING LAWS;

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

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

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

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

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



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

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

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

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

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

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

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

(q) WITHIN THE LAST FIVE YEARS, HAVING A LICENSE, REGISTRATION, OR CERTIFICATION ISSUED BY COLORADO OR ANOTHER STATE REVOKED OR SUSPENDED FOR FRAUD, DECEIT, MATERIAL MISREPRESENTATION, THEFT, OR BREACH OF A FIDUCIARY DUTY, AND SUCH DISCIPLINE DENIED THE PERSON

AUTHORIZATION TO PRACTICE AS:

- (I) A MORTGAGE BROKER OR MORTGAGE LOAN ORIGINATOR;
- (II) A REAL ESTATE BROKER OR SALESPERSON;
- (III) A REAL ESTATE APPRAISER, AS DEFINED BY SECTION 12-61-702 (11);
- (IV) AN INSURANCE PRODUCER, AS DEFINED BY SECTION 10-2-103 (6);
- (V) AN ATTORNEY;
- (VI) A SECURITIES BROKER-DEALER, AS DEFINED BY SECTION 11-51-201 (2);
- (VII) A SECURITIES SALES REPRESENTATIVE, AS DEFINED BY SECTION 11-51-201 (14);
- (VIII) AN INVESTMENT ADVISOR, AS DEFINED BY SECTION 11-51-201 (9.5); OR
- (IX) AN INVESTMENT ADVISOR REPRESENTATIVE, AS DEFINED BY SECTION 11-51-201 (9.6);
- (r) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE ISSUANCE OF A LICENSE; OR
- (s) ANY OTHER CONDUCT, WHETHER OF THE SAME OR A DIFFERENT CHARACTER THAN SPECIFIED IN THIS SUBSECTION (1), THAT CONSTITUTES DISHONEST DEALING.

(2) IF A FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY, ASSOCIATION, OR CORPORATION OPERATING UNDER THE LICENSE OF A MANAGER DESIGNATED AND LICENSED AS A REPRESENTATIVE OF THE ENTITY COMMITS ANY ACT OR PRACTICE LISTED IN SUBSECTION (1) OF THIS SECTION, THE DIRECTOR MAY SUSPEND OR REVOKE THE RIGHT OF THE ENTITY TO CONDUCT ITS BUSINESS UNDER THE LICENSE OF THE MANAGER, WHETHER OR NOT THE DESIGNATED MANAGER HAD PERSONAL KNOWLEDGE OF THE ACT OR

PRACTICE AND WHETHER OR NOT THE DIRECTOR SUSPENDS OR REVOKES THE INDIVIDUAL LICENSE OF ANY OTHER PERSON.

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

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

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

(6) ALL ADMINISTRATIVE FINES COLLECTED PURSUANT TO THIS SECTION SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE DIVISION OF REAL ESTATE CASH FUND, CREATED IN SECTION 12-61-111.5 (2)(b).

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

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

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

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

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

PENALTY OF PUNISHMENT FOR CONTEMPT.

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

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

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

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

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

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

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

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

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

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

(d) THE COMPLAINT PROCESS, INCLUDING:

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

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

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

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

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

(2) THE STAKEHOLDER GROUP SHALL MEET AT LEAST FOUR TIMES DURING THE 2019 INTERIM AND SHALL KEEP MINUTES OF ITS MEETINGS AS WELL AS WRITTEN SUMMARIES OF ANY DISCUSSION OR OUTREACH, WHETHER

IN THE COURSE OF A MEETING OR OTHERWISE, ON THE ISSUES LISTED IN SUBSECTION (1) OF THIS SECTION, INCLUDING FEEDBACK RECEIVED, RECOMMENDATIONS FROM STAKEHOLDERS, AND ANY ADMINISTRATIVE OR STATUTORY CHANGES THAT WOULD BE REQUIRED TO ACHIEVE THE STAKEHOLDER RECOMMENDATIONS. THESE MINUTES AND WRITTEN SUMMARIES MUST BE INCLUDED IN THE DIVISION'S ANNUAL REPORT TO THE GENERAL ASSEMBLY REQUIRED UNDER THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2. THE DIRECTOR SHALL SHARE A DRAFT OF THE REPORT WITH THE STAKEHOLDER GROUP AND INVITE REVISIONS BEFORE FINALIZING THE DIVISION'S PRESENTATION.

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

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

PART 10  
COMMUNITY ASSOCIATION MANAGERS

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

(1) "APPRENTICE" MEANS A PERSON WHO:

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

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

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

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

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

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

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

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

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

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

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

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

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

(V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;

(VI) ARRANGING, CONDUCTING, OR COORDINATING MEETINGS OF



THE COMMON INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE BOARD;

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

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

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

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

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

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

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

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

(IV) A PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY, OR ASSOCIATION ACTING PERSONALLY OR A CORPORATION ACTING THROUGH

ITS OFFICERS OR REGULAR SALARIED EMPLOYEES, ON BEHALF OF THAT PERSON OR ON ITS OWN BEHALF AS PRINCIPAL IN ACQUIRING OR IN NEGOTIATING TO ACQUIRE ANY INTEREST IN REAL ESTATE;

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

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

(VII) AN INDEPENDENT CONTRACTOR WHO:

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

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

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

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

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

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

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

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

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

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

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

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

(b) THE DIRECTOR MAY APPLY TO A COURT OF COMPETENT JURISDICTION FOR AN ORDER ENJOINING ANY ACT OR PRACTICE THAT CONSTITUTES A VIOLATION OF THIS PART 10 OR OF A RULE ADOPTED UNDER THIS PART 10, AND, UPON A SHOWING THAT A PERSON IS ENGAGING OR INTENDS TO ENGAGE IN ANY SUCH ACT OR PRACTICE, THE COURT SHALL

GRANT AN INJUNCTION, RESTRAINING ORDER, OR OTHER APPROPRIATE ORDER REGARDLESS OF THE EXISTENCE OF ANOTHER REMEDY THEREFOR. ANY NOTICE, HEARING, OR DURATION OF ANY INJUNCTION OR RESTRAINING ORDER SHALL BE MADE IN ACCORDANCE WITH THE COLORADO RULES OF CIVIL PROCEDURE.

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

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

(b) BEFORE SUBMITTING AN APPLICATION FOR A LICENSE PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, EACH APPLICANT MUST SUBMIT A SET OF FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING A STATE AND NATIONAL FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE FEDERAL BUREAU OF INVESTIGATION. THE APPLICANT SHALL PAY THE FEE ESTABLISHED BY THE COLORADO BUREAU OF INVESTIGATION FOR CONDUCTING THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO THE BUREAU. UPON COMPLETION OF THE CRIMINAL HISTORY RECORD CHECK, THE BUREAU SHALL FORWARD THE RESULTS TO THE DIRECTOR. THE DIRECTOR MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY RECORD CHECK FOR AN APPLICANT WHO HAS TWICE SUBMITTED TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AND WHOSE FINGERPRINTS ARE UNCLASSIFIABLE.

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

(3) (a) THE DIRECTOR MAY REQUIRE AND PROCURE ANY PROOF NECESSARY IN REFERENCE TO THE TRUTHFULNESS, HONESTY, AND GOOD MORAL CHARACTER OF ANY APPLICANT FOR A LICENSE OR, IF THE APPLICANT

IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION, OF ANY PARTNER, MANAGER, DIRECTOR, OFFICER, MEMBER, OR STOCKHOLDER IF SUCH PERSON HAS, EITHER DIRECTLY OR INDIRECTLY, A SUBSTANTIAL INTEREST IN THE APPLICANT PRIOR TO THE ISSUANCE OF THE LICENSE.

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

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

(I) THE NATURE OF THE CONVICTION;

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

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

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

(d) NOTWITHSTANDING SUBSECTION (3)(c) OF THIS SECTION, AN APPLICANT IS INELIGIBLE FOR LICENSURE IF THE APPLICANT HAS, WITHIN THE IMMEDIATELY PRECEDING TEN YEARS, BEEN CONVICTED OF AN OFFENSE

INVOLVING UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION 16-22-102 (9), A BURGLARY OFFENSE, AS DEFINED IN SECTION 18-4-202 OR 18-4-203, OR ANY FELONY INVOLVING FRAUD, THEFT, LARCENY, EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF PROPERTY.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) EXAMINATION RESULTS MEASURING AN APPLICANT'S KNOWLEDGE OF THE MATTERS DESCRIBED IN SUBSECTION (5)(b)(I) OF THIS SECTION ARE

VALID FOR ONE YEAR. A PERSON WHO TAKES THE EXAMINATION AND DOES NOT APPLY FOR A LICENSE WITHIN ONE YEAR THEREAFTER MUST RETAKE THAT PORTION OF THE EXAMINATION BEFORE APPLYING.

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

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

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

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

(7) THE DESIGNATED MANAGER FOR ANY PARTNERSHIP, LIMITED



LIABILITY COMPANY, OR CORPORATION IS PERSONALLY RESPONSIBLE FOR THE HANDLING OF ANY AND ALL COMMON INTEREST COMMUNITY FUNDS RECEIVED OR DISBURSED BY THE ENTITY. IN THE EVENT OF ANY BREACH OF DUTY BY THE ENTITY, ANY PERSON AGGRIEVED OR DAMAGED BY THE BREACH MAY MAKE A CLAIM FOR RELIEF AGAINST THE ENTITY.

(8) A PERSON SHALL NOT:

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

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

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

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

**12-10-1005. Fees and charges for contracted services and home sales - disclosure required.** (1) EVERY MANAGER, AND EVERY AGENT OR OTHER PERSON WHO REPRESENTS OR NEGOTIATES ON BEHALF OF A MANAGER, SHALL DISCLOSE TO THE EXECUTIVE BOARD OF EACH HOA FOR WHICH IT PROVIDES OR OFFERS TO PROVIDE SERVICES, DURING CONTRACT NEGOTIATIONS AND THEREAFTER ON AN ANNUAL BASIS, ALL FEES AND OTHER AMOUNTS THAT THE MANAGER CHARGES OR WILL CHARGE TO THE COMMON INTEREST COMMUNITY, UNIT OWNERS, AND PURCHASERS OF UNITS IN THE COMMON INTEREST COMMUNITY FOR OR AS A RESULT OF ANY SERVICE, PRODUCT, TRANSACTION, OR ITEM OF VALUE PROVIDED BY THE MANAGER, ANY EMPLOYEE OR CONTRACTOR OF THE MANAGER, OR ANY

OTHER INDIVIDUAL OR ENTITY WITH WHOM THE MANAGER ASSOCIATES IN THE PERFORMANCE OF COMMUNITY ASSOCIATION MANAGEMENT SERVICES.

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

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

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

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

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

**12-10-1006. Licenses - issuance - contents - display.** THE DIRECTOR SHALL MAKE AVAILABLE FOR EACH LICENSEE A LICENSE IN SUCH FORM AND SIZE AS THE DIRECTOR MAY PRESCRIBE. THE LICENSE MUST SHOW THE NAME OF THE LICENSEE AND MAY CONTAIN SUCH OTHER MATTER AS THE DIRECTOR PRESCRIBES.

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

(2) IF A MANAGER HAS NO REGISTERED AGENT REGISTERED IN THIS

STATE AS CONTEMPLATED BY SECTION 7-90-701, THE REGISTERED AGENT IS NOT LOCATED UNDER ITS REGISTERED AGENT NAME AT ITS REGISTERED AGENT ADDRESS, OR THE REGISTERED AGENT CANNOT WITH REASONABLE DILIGENCE BE SERVED, NOTWITHSTANDING SECTION 7-90-704, THE MANAGER MAY BE SERVED BY REGISTERED MAIL OR BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO THE MANAGER AT THE MANAGER'S LAST-KNOWN ADDRESS. SERVICE IS PERFECTED UNDER THIS SUBSECTION (2) AT THE EARLIEST OF:

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

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

(c) FIVE DAYS AFTER MAILING.

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

**12-10-1008. Record of licensees - publications.** THE DIRECTOR SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10, TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

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

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

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

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

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

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

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

**12-10-1011. Investigation - revocation - actions against licensee.**

(1) THE DIRECTOR, UPON THE DIRECTOR'S OWN MOTION, MAY, AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON, SHALL, INVESTIGATE THE ACTIVITIES OF ANY LICENSEE OR ANY PERSON WHO ASSUMES TO ACT IN THE CAPACITY OF A LICENSEE WITHIN THE STATE. THE DIRECTOR, AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, MAY IMPOSE AN ADMINISTRATIVE FINE NOT TO EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS FOR EACH SEPARATE OFFENSE, CENSURE A LICENSEE, PLACE THE LICENSEE ON PROBATION AND SET THE TERMS OF PROBATION, OR TEMPORARILY SUSPEND OR PERMANENTLY REVOKE A LICENSE WHEN THE LICENSEE HAS PERFORMED, IS PERFORMING, OR IS ATTEMPTING TO PERFORM ANY OF THE FOLLOWING ACTS AND IS GUILTY OF:

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

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

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

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

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

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

(g) CONVERTING FUNDS OF OTHERS, DIVERTING FUNDS OF OTHERS WITHOUT PROPER AUTHORIZATION, COMMINGLING FUNDS OF OTHERS WITH THE MANAGER'S OWN FUNDS, OR FAILING TO KEEP SUCH FUNDS OF OTHERS

IN A SEGREGATED ACCOUNT WITH SOME BANK OR RECOGNIZED DEPOSITORY IN THIS STATE, WHICH ACCOUNT MAY BE ANY TYPE OF CHECKING, DEMAND, PASSBOOK, OR STATEMENT ACCOUNT INSURED BY AN AGENCY OF THE UNITED STATES GOVERNMENT, AND TO SO KEEP RECORDS RELATIVE TO THE DEPOSIT THAT CONTAIN ANY INFORMATION REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE DIRECTOR;

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

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

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

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

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

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

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

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

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

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

(I) A MORTGAGE BROKER OR MORTGAGE LOAN ORIGINATOR;

(II) A REAL ESTATE BROKER OR SALESPERSON;

(III) A REAL ESTATE APPRAISER, AS DEFINED BY SECTION 12-10-602 (9);

(IV) AN INSURANCE PRODUCER, AS DEFINED BY SECTION 10-2-103 (6);

(V) AN ATTORNEY;

(VI) A SECURITIES BROKER-DEALER, AS DEFINED BY SECTION

11-51-201 (2);

(VII) A SECURITIES SALES REPRESENTATIVE, AS DEFINED BY SECTION 11-51-201 (14);

(VIII) AN INVESTMENT ADVISOR, AS DEFINED BY SECTION 11-51-201 (9.5); OR

(IX) AN INVESTMENT ADVISOR REPRESENTATIVE, AS DEFINED BY SECTION 11-51-201 (9.6);

(r) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE ISSUANCE OF A LICENSE; OR

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

(2) IF A FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY, ASSOCIATION, OR CORPORATION OPERATING UNDER THE LICENSE OF A MANAGER DESIGNATED AND LICENSED AS A REPRESENTATIVE OF THE ENTITY COMMITS ANY ACT OR PRACTICE LISTED IN SUBSECTION (1) OF THIS SECTION, THE DIRECTOR MAY SUSPEND OR REVOKE THE RIGHT OF THE ENTITY TO CONDUCT ITS BUSINESS UNDER THE LICENSE OF THE MANAGER, WHETHER OR NOT THE DESIGNATED MANAGER HAD PERSONAL KNOWLEDGE OF THE ACT OR PRACTICE AND WHETHER OR NOT THE DIRECTOR SUSPENDS OR REVOKES THE INDIVIDUAL LICENSE OF ANY OTHER PERSON.

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

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

(5) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT SHOULD NOT BE DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY SEND A LETTER OF



ADMNITION TO THE LICENSEE AGAINST WHOM THE COMPLAINT WAS MADE AND A COPY OF THE LETTER TO THE PERSON MAKING THE COMPLAINT, BUT THE LETTER MUST ADVISE THE LICENSEE THAT THE LICENSEE HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS AFTER RECEIPT, THAT FORMAL DISCIPLINARY PROCEEDINGS BE INITIATED TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH THE LETTER OF ADMNITION IS BASED. IF THE REQUEST IS TIMELY MADE, THE LETTER OF ADMNITION IS VACATED, AND THE MATTER SHALL BE PROCESSED BY MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

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

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

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

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

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

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

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

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

BOND AND ADEQUACY OF THE SURETY, WHICH BOND MUST BE CONDITIONED UPON THE FAITHFUL PERFORMANCE BY THE PETITIONER OF ALL OBLIGATIONS AS A COMMUNITY ASSOCIATION MANAGER AND UPON THE PROMPT PAYMENT OF ALL DAMAGES ARISING FROM OR CAUSED BY THE DELAY IN THE TAKING EFFECT OR ENFORCEMENT OF THE ORDER COMPLAINED OF AND FOR ALL COSTS THAT MAY BE ASSESSED OR REQUIRED TO BE PAID IN CONNECTION WITH THE PROCEEDINGS.

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

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

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

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

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

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

(c) APPRENTICE CREDENTIALING, INCLUDING THE LEVEL OF OVERSIGHT REQUIRED BY THE DIVISION, APPROPRIATE SUPERVISION, EDUCATIONAL REQUIREMENTS, SPECIFIC DUTIES, AND ANY OTHER

NECESSARY COMPONENTS RELATED TO APPRENTICES;

(d) THE COMPLAINT PROCESS, INCLUDING:

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

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

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

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

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

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

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

**SECTION 3. Effective date.** This act takes effect upon passage;

except that section 2 of this act takes effect October 1, 2019.

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

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KC Becker  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_  
(Date and Time)

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Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO