

CHAPTER 105

PROPERTY

HOUSE BILL 11-1124

BY REPRESENTATIVE(S) Williams A., Duran, Fields, Hulinghorst, Pace, Ryden, Todd;
also SENATOR(S) Carroll.

AN ACT

**CONCERNING CONFLICTS OF INTEREST OF MEMBERS OF THE EXECUTIVE BOARD OF A UNIT OWNERS'
ASSOCIATION.**

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

SECTION 1. 32-1-804.3 (4), Colorado Revised Statutes, is amended to read:

32-1-804.3. Candidates for director - self-nomination and acceptance form.

(4) The self-nomination and acceptance form or letter ~~shall state~~ **MUST CONTAIN** the name of the special district in which the election will be held, the special district director office sought by the candidate, the term of office sought if more than one length of a director's term is to be voted upon at the election, the date of the election, ~~and~~ the full name of the candidate as it is to appear on the ballot, **AND WHETHER THE CANDIDATE IS A MEMBER OF AN EXECUTIVE BOARD OF A UNIT OWNERS' ASSOCIATION, AS DEFINED IN SECTION 38-33.3-103, C.R.S., LOCATED WITHIN THE BOUNDARIES OF THE DIRECTOR DISTRICT FOR WHICH THE CANDIDATE IS RUNNING FOR OFFICE.** Unless physically unable, all candidates and witnesses shall sign their own signature and shall print their names, their respective residence addresses, including the street number and name, the city or town, the county, telephone number, and the date of signature on the self-nomination and acceptance form or letter.

SECTION 2. 38-33.3-209.5 (1) (b) (II), Colorado Revised Statutes, is amended, and the said 38-33.3-209.5 is further amended **BY THE ADDITION OF A NEW SUBSECTION**, to read:

38-33.3-209.5. Responsible governance policies - due process for imposition of fines. (1) To promote responsible governance, associations shall:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(b) Adopt policies, procedures, and rules and regulations concerning:

(II) Handling of conflicts of interest involving board members, WHICH POLICIES, PROCEDURES, AND RULES AND REGULATIONS MUST INCLUDE, AT A MINIMUM, THE CRITERIA DESCRIBED IN SUBSECTION (4) OF THIS SECTION;

(4) (a) THE POLICIES, PROCEDURES, AND RULES AND REGULATIONS ADOPTED BY AN ASSOCIATION UNDER SUBPARAGRAPH (II) OF PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION MUST, AT A MINIMUM:

(I) DEFINE OR DESCRIBE THE CIRCUMSTANCES UNDER WHICH A CONFLICT OF INTEREST EXISTS;

(II) SET FORTH PROCEDURES TO FOLLOW WHEN A CONFLICT OF INTEREST EXISTS, INCLUDING HOW, AND TO WHOM, THE CONFLICT OF INTEREST MUST BE DISCLOSED AND WHETHER A BOARD MEMBER MUST RECUSE HIMSELF OR HERSELF FROM DISCUSSING OR VOTING ON THE ISSUE; AND

(III) PROVIDE FOR THE PERIODIC REVIEW OF THE ASSOCIATION'S CONFLICT OF INTEREST POLICIES, PROCEDURES, AND RULES AND REGULATIONS.

(b) THE POLICIES, PROCEDURES, OR RULES AND REGULATIONS ADOPTED UNDER THIS SUBSECTION (4) MUST BE IN ACCORDANCE WITH SECTION 38-33.3-310.5.

SECTION 3. 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.

Approved: April 13, 2011