

Community Association Management Licensure

Background

The licensing program for community association managers (CAMs), who assist executive boards of common interest communities in handling operational management of their communities, was created in 2013 and sunset on July 1, 2018. Consistent, flexible, and fair regulatory oversight assures consumers, professionals and businesses an equitable playing field. All Coloradans share a long-term, common interest in a fair marketplace where consumers are protected. As regulatory programs relate to individual professionals, such programs typically entail the establishment of minimum standards for initial entry and continued participation in a given profession or occupation. This serves to protect the public from bad actors and poor professional standards. Similarly, such programs provide a vehicle for limiting or removing from practice those practitioners deemed to have harmed the public. From a practitioner perspective, regulation can lead to increased prestige and higher income.

Concerning the Recreation of the Community Association Manager Licensing Program

Overall, HB19-1212 seeks to reestablish professional licensure for community association managers under the Division of Real Estate within the Colorado Department of Regulatory Agencies. While the bill reenacts the program as it existed on June 30, 2018, it also takes into account the recommendations of the department of regulatory agencies as contained in its 2017 sunset report as well as other changes.

Changes based on DORA's Key Recommendations

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

Additional Changes

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

Requested Amendments based on Stakeholder Feedback

- L001 – Updates the definition of Community Association Manager to include provisions for:
 - Communities managed directly by Association Executive Boards
 - Allowance of contracts review, administration of contracts for maintenance, and evaluation of architectural designs as additional manager duties
- L002 - Improvements to DORA's current complaint process that detail:
 - The division's responsibility for following up with complaints and the likelihood of success when a complaint is filed anonymously as well as the right of complainants to maintain confidentiality.
 - Types of violations from which a complainant may choose, suggestions for resolving consumer complaints prior to filing, and a timeline for follow up of complaints.