

HB1212_L.029

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB19-1212 be amended as follows:

1 Amend reengrossed bill, page strike everything below the enacting clause
2 and substitute:

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

5 PART 10

6 COMMUNITY ASSOCIATION MANAGERS

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

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

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

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

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

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

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

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

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

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

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

39 (I) IN INTERACTIONS WITH MEMBERS OR NONMEMBERS OF THE

- 1 COMMON INTEREST COMMUNITY, ACTING WITH THE AUTHORITY OF THE
2 COMMON INTEREST COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL,
3 FINANCIAL, OR OTHER TRANSACTIONS;
- 4 (II) EXECUTING THE RESOLUTIONS AND DECISIONS OF THE
5 EXECUTIVE BOARD;
- 6 (III) ENFORCING THE RIGHTS OF THE COMMON INTEREST
7 COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE, OR
8 BYLAW;
- 9 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
10 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;
- 11 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;
- 12 (VI) ARRANGING, CONDUCTING, OR COORDINATING MEETINGS OF
13 THE COMMON INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE
14 BOARD;
- 15 (VII) MAINTAINING THE COMMON INTEREST COMMUNITY'S
16 RECORDS PURSUANT TO ITS GOVERNING DOCUMENTS AND APPLICABLE
17 PROVISIONS OF THE CCIOA; OR
- 18 (VIII) ADMINISTERING, OR OTHERWISE EXERCISING CONTROL OF,
19 A COMMON INTEREST COMMUNITY'S FUNDS, INCLUDING THE
20 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR
21 REPLACEMENT OF CAPITAL ASSETS.
- 22 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN
23 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
24 MAINTENANCE FUNCTION.
- 25 (5) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
26 MEANS ANY PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
27 ASSOCIATION, OR CORPORATION THAT, IN CONSIDERATION OF
28 COMPENSATION BY FEE, COMMISSION, SALARY, OR ANYTHING ELSE OF
29 VALUE OR WITH THE INTENTION OF RECEIVING OR COLLECTING SUCH
30 COMPENSATION, WHETHER OR NOT THE COMPENSATION IS RECEIVED BY
31 THE LICENSED MANAGER DIRECTLY OR BY THE LICENSED ENTITY THAT
32 EMPLOYS THE LICENSED MANAGER, ENGAGES IN OR OFFERS OR ATTEMPTS
33 TO ENGAGE IN COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO.
- 34 (b) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER" DOES
35 NOT INCLUDE:
- 36 (I) A PERSON WHO, UNDER THE DIRECT SUPERVISION OF A
37 MANAGER, PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
38 MAINTENANCE FUNCTION;
- 39 (II) ANY PUBLIC OFFICIAL IN THE CONDUCT OF HIS OR HER OFFICIAL
40 DUTIES;
- 41 (III) A RECEIVER, TRUSTEE, ADMINISTRATOR, CONSERVATOR,
42 EXECUTOR, OR GUARDIAN ACTING UNDER PROPER AUTHORIZATION;
- 43 (IV) A PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,

1 OR ASSOCIATION ACTING PERSONALLY OR A CORPORATION ACTING
2 THROUGH ITS OFFICERS OR REGULAR SALARIED EMPLOYEES, ON BEHALF OF
3 THAT PERSON OR ON ITS OWN BEHALF AS PRINCIPAL IN ACQUIRING OR IN
4 NEGOTIATING TO ACQUIRE ANY INTEREST IN REAL ESTATE;
5 (V) AN ATTORNEY-AT-LAW IN CONNECTION WITH HIS OR HER
6 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;
7 (VI) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
8 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED
9 EMPLOYEES, WHEN SUCH ACTS ARE INCIDENTAL AND NECESSARY IN THE
10 ORDINARY COURSE OF THE CORPORATION'S BUSINESS ACTIVITIES OF A
11 NON-PROPERTY MANAGEMENT NATURE. FOR THE PURPOSES OF THIS
12 SUBSECTION (5)(b), THE TERM "OFFICERS OR REGULAR SALARIED
13 EMPLOYEES" MEANS PERSONS REGULARLY EMPLOYED WHO DERIVE NOT
14 LESS THAN SEVENTY-FIVE PERCENT OF THEIR COMPENSATION FROM THE
15 CORPORATION IN THE FORM OF SALARIES;
16 (VII) AN INDEPENDENT CONTRACTOR WHO:
17 (A) PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
18 MAINTENANCE FUNCTION; OR
19 (B) IS NOT OTHERWISE ENGAGED IN THE PERFORMANCE OF
20 COMMUNITY ASSOCIATION MANAGEMENT; OR
21 (VIII) AN APPRENTICE WORKING UNDER THE DIRECT SUPERVISION
22 OF A LICENSED MANAGER.
23 (6) "DESIGNATED MANAGER" MEANS A PERSON WHO IS CURRENTLY
24 LICENSED AS A MANAGER AND WHO, ON BEHALF OF A LICENSED ENTITY, IS
25 RESPONSIBLE FOR PERFORMING COMMUNITY ASSOCIATION MANAGEMENT
26 PRACTICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT
27 PRACTICES PERFORMED BY PERSONS EMPLOYED BY, OR ACTING ON BEHALF
28 OF, THE LICENSED ENTITY.
29 (7) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION.
30 (8) "DIVISION" MEANS THE DIVISION OF REAL ESTATE IN THE
31 DEPARTMENT OF REGULATORY AGENCIES.
32 (9) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
33 38-33.3-103 (16).
34 (10) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN
35 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, AS DEFINED IN SECTION
36 38-33.3-103 (3), WHETHER ORGANIZED BEFORE, ON, OR AFTER JULY 1,
37 1992; EXCEPT THAT THE TERM DOES NOT INCLUDE AN ASSOCIATION OR
38 UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
39 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
40 SECTION 38-33-110 (7). AS USED IN THIS SUBSECTION (10), "MAJORITY OF
41 UNITS" MEANS THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY
42 PERCENT OF THE ALLOCATED INTERESTS IN THE COMMON INTEREST
43 COMMUNITY APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR

1 RESIDENTIAL USE.

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

4 **12-61-1002. License required - rule-making authority -**
5 **violations - administrative and legal remedies.** (1) IT IS UNLAWFUL FOR
6 ANY PERSON TO ENGAGE IN, OR TO HOLD OUT HIMSELF, HERSELF, OR ITSELF
7 AS QUALIFIED TO ENGAGE IN, THE BUSINESS OF COMMUNITY ASSOCIATION
8 MANAGEMENT WITHOUT FIRST HAVING OBTAINED A LICENSE FROM THE
9 DIRECTOR IN ACCORDANCE WITH SECTION 12-61-1003 OR DURING ANY
10 PERIOD IN WHICH THE MANAGER'S LICENSE IS REVOKED OR SUSPENDED.

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

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

18 (a) IF THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE THAT A
19 PERSON IS VIOLATING THIS PART 10 OR A RULE ADOPTED UNDER THIS PART
20 10, THE DIRECTOR MAY ENTER AN ORDER REQUIRING THE PERSON TO
21 CEASE AND DESIST THE VIOLATION.

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

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

34 **12-61-1003. Application for license - criminal history record**
35 **check - examination - rules.** (1) (a) A PERSON DESIRING TO BECOME A
36 COMMUNITY ASSOCIATION MANAGER OR APPRENTICE MUST APPLY TO THE
37 DIRECTOR FOR A LICENSE IN THE FORM AND MANNER PRESCRIBED BY THE
38 DIRECTOR.

39 (b) BEFORE SUBMITTING AN APPLICATION FOR A LICENSE
40 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, EACH APPLICANT MUST
41 SUBMIT A SET OF FINGERPRINTS TO THE COLORADO BUREAU OF
42 INVESTIGATION FOR THE PURPOSE OF CONDUCTING A STATE AND NATIONAL
43 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING

1 RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE
2 FEDERAL BUREAU OF INVESTIGATION. THE APPLICANT SHALL PAY THE FEE
3 ESTABLISHED BY THE COLORADO BUREAU OF INVESTIGATION FOR
4 CONDUCTING THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK
5 TO THE BUREAU. UPON COMPLETION OF THE CRIMINAL HISTORY RECORD
6 CHECK, THE BUREAU SHALL FORWARD THE RESULTS TO THE DIRECTOR.
7 THE DIRECTOR MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY RECORD
8 CHECK FOR AN APPLICANT WHO HAS TWICE SUBMITTED TO A
9 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AND WHOSE
10 FINGERPRINTS ARE UNCLASSIFIABLE.

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

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

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

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

39 (I) THE NATURE OF THE CONVICTION;

40 (II) WHETHER THERE IS A DIRECT RELATIONSHIP BETWEEN THE
41 CONVICTION AND THE DUTIES AND RESPONSIBILITIES OF LICENSURE AND
42 THE BEARING, IF ANY, THE CONVICTION MAY HAVE ON THE APPLICANT'S
43 FITNESS OR ABILITY TO PERFORM ONE OR MORE SUCH DUTIES AND

1 RESPONSIBILITIES, INCLUDING WHETHER THE CONVICTION WAS FOR
2 UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION 16-22-102 (9), AND
3 WHETHER THE APPLICANT WOULD PLACE A RESIDENT OR THE PUBLIC IN A
4 VULNERABLE POSITION;

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

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

9 (d) NOTWITHSTANDING SUBSECTION (3)(c) OF THIS SECTION, AN
10 APPLICANT IS INELIGIBLE FOR LICENSURE IF THE APPLICANT HAS, WITHIN
11 THE IMMEDIATELY PRECEDING TEN YEARS, BEEN CONVICTED OF AN
12 OFFENSE INVOLVING UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION
13 16-22-102 (9), A BURGLARY OFFENSE, AS DEFINED IN SECTION 18-4-202 OR
14 18-4-203, OR ANY FELONY INVOLVING FRAUD, THEFT, LARCENY,
15 EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF
16 PROPERTY.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

41 (d) THE DIVISION MAY ISSUE A LICENSE TO AN APPLICANT WHO HAS
42 HELD A COMMUNITY ASSOCIATION MANAGER LICENSE IN ANOTHER
43 JURISDICTION THAT REGULATES COMMUNITY ASSOCIATION MANAGERS

1 AND WHO HAS BEEN LICENSED FOR TWO OR MORE YEARS PRIOR TO
2 APPLYING FOR A COLORADO LICENSE IF THE APPLICANT ESTABLISHES THAT
3 HE OR SHE POSSESSES CREDENTIALS AND QUALIFICATIONS THAT ARE
4 SUBSTANTIVELY EQUIVALENT TO THE REQUIREMENTS IN COLORADO FOR
5 LICENSURE BY EXAMINATION, AS DETERMINED BY THE DIRECTOR BY RULE.
6 THE DIRECTOR MAY REQUIRE A PERSON SO LICENSED TO TAKE THE
7 PORTION OF THE EXAMINATION PERTAINING TO THE MATTERS DESCRIBED
8 IN SUBSECTION (5)(b)(I) OF THIS SECTION WITHIN A SPECIFIED TIME AFTER
9 FIRST RECEIVING A COLORADO LICENSE.

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

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

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

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

36 (8) A PERSON SHALL NOT:

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

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

42 (9) AN APPRENTICE SHALL NOT PERFORM AN ACT THAT OTHERWISE
43 REQUIRES A COMMUNITY ASSOCIATION MANAGER LICENSE EXCEPT WHEN

1 UNDER THE DIRECT SUPERVISION OF A LICENSED COMMUNITY ASSOCIATION
2 MANAGER.

3 **12-61-1004. Insurance required - rules.** EVERY LICENSEE UNDER
4 THIS PART 10, EXCEPT AN INACTIVE MANAGER OR AN ATTORNEY LICENSEE
5 WHO MAINTAINS A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE
6 THAT PROVIDES COVERAGE FOR HIS OR HER ACTIVITIES UNDER THIS PART
7 10, MUST BE INSURED UNDER INSURANCE NECESSARY TO COVER ALL
8 ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND
9 UNDER TERMS AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN
10 PROMULGATING RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT
11 AND CONSIDER INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

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

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

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

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

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

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

43 **12-61-1006. Licenses - issuance - contents - display.** THE

1 DIRECTOR SHALL MAKE AVAILABLE FOR EACH LICENSEE A LICENSE IN SUCH
2 FORM AND SIZE AS THE DIRECTOR MAY PRESCRIBE. THE LICENSE MUST
3 SHOW THE NAME OF THE LICENSEE AND MAY CONTAIN SUCH OTHER
4 MATTER AS THE DIRECTOR PRESCRIBES.

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

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

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

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

25 (c) FIVE DAYS AFTER MAILING.

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

30 **12-61-1008. Record of licensees - publications.** THE DIRECTOR
31 SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL
32 COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10,
33 TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE
34 ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE
35 DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER
36 NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE
37 PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF
38 ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE
39 EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

40 **12-61-1009. Change of location or employment status - notice**
41 **required.** (1) A COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
42 THIS PART 10 SHALL NOTIFY THE DIRECTOR WITHIN THIRTY DAYS AFTER
43 ANY CHANGE OF BUSINESS LOCATION OR EMPLOYMENT. A CHANGE OF

1 BUSINESS ADDRESS OR EMPLOYMENT STATUS WITHOUT NOTIFICATION TO
2 THE DIRECTOR AUTOMATICALLY INACTIVATES THE LICENSEE'S LICENSE.

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

7 **12-61-1010. License fees - partnership, limited liability**
8 **company, and corporation licenses - rules.** (1) THE DIRECTOR SHALL
9 ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE WITH
10 SECTION 12-61-111.5, FEES FOR:

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

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

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

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

33 **12-61-1011. Investigation - revocation - actions against**
34 **licensee.** (1) THE DIRECTOR, UPON THE DIRECTOR'S OWN MOTION, MAY,
35 AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON, SHALL,
36 INVESTIGATE THE ACTIVITIES OF ANY LICENSEE OR ANY PERSON WHO
37 ASSUMES TO ACT IN THE CAPACITY OF A LICENSEE WITHIN THE STATE. THE
38 DIRECTOR, AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE
39 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, MAY IMPOSE
40 AN ADMINISTRATIVE FINE NOT TO EXCEED TWO THOUSAND FIVE HUNDRED
41 DOLLARS FOR EACH SEPARATE OFFENSE, CENSURE A LICENSEE, PLACE THE
42 LICENSEE ON PROBATION AND SET THE TERMS OF PROBATION, OR
43 TEMPORARILY SUSPEND OR PERMANENTLY REVOKE A LICENSE WHEN THE

1 LICENSEE HAS PERFORMED, IS PERFORMING, OR IS ATTEMPTING TO
2 PERFORM ANY OF THE FOLLOWING ACTS AND IS GUILTY OF:

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

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

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

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

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

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

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

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

33 (i) PERFORMING ANY ACT THAT LEADS TO A CONVICTION OF,
34 ENTRY OF A PLEA OF GUILTY TO, OR ENTRY OF A PLEA OF NOLO
35 CONTENDERE TO ANY CRIME IN ARTICLE 3 OF TITLE 18; PARTS 1 TO 4 OF
36 ARTICLE 4 OF TITLE 18; PARTS 1 TO 5 AND 7 TO 9 OF ARTICLE 5 OF TITLE 18;
37 ARTICLE 5.5 OF TITLE 18; PARTS 3, 4, AND 6 TO 8 OF ARTICLE 6 OF TITLE 18;
38 PARTS 1 AND 3 TO 8 OF ARTICLE 7 OF TITLE 18; PART 3 OF ARTICLE 8 OF
39 TITLE 18; ARTICLE 15 OF TITLE 18; ARTICLE 17 OF TITLE 18; SECTION
40 18-18-405, 18-18-411, 18-18-412.5, 18-18-412.7, 18-18-415, 18-18-422,
41 OR 18-18-423; OR ANY OTHER LIKE CRIME UNDER COLORADO LAW,
42 FEDERAL LAW, OR THE LAWS OF OTHER STATES. A CERTIFIED COPY OF THE
43 JUDGMENT OF A COURT OF COMPETENT JURISDICTION OF SUCH CONVICTION

1 OR OTHER OFFICIAL RECORD INDICATING THAT SUCH PLEA WAS ENTERED
2 IS CONCLUSIVE EVIDENCE OF SUCH CONVICTION OR PLEA IN ANY HEARING
3 UNDER THIS PART 10.

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

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

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

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

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

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

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

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

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

41 (II) A REAL ESTATE BROKER OR SALESPERSON;

42 (III) A REAL ESTATE APPRAISER, AS DEFINED BY SECTION
43 12-61-702 (11);

1 (IV) AN INSURANCE PRODUCER, AS DEFINED BY SECTION 10-2-103
2 (6);
3 (V) AN ATTORNEY;
4 (VI) A SECURITIES BROKER-DEALER, AS DEFINED BY SECTION
5 11-51-201 (2);
6 (VII) A SECURITIES SALES REPRESENTATIVE, AS DEFINED BY
7 SECTION 11-51-201 (14);
8 (VIII) AN INVESTMENT ADVISOR, AS DEFINED BY SECTION
9 11-51-201 (9.5); OR
10 (IX) AN INVESTMENT ADVISOR REPRESENTATIVE, AS DEFINED BY
11 SECTION 11-51-201 (9.6);
12 (r) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE
13 ISSUANCE OF A LICENSE; OR
14 (s) ANY OTHER CONDUCT, WHETHER OF THE SAME OR A DIFFERENT
15 CHARACTER THAN SPECIFIED IN THIS SUBSECTION (1), THAT CONSTITUTES
16 DISHONEST DEALING.
17 (2) IF A FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
18 ASSOCIATION, OR CORPORATION OPERATING UNDER THE LICENSE OF A
19 MANAGER DESIGNATED AND LICENSED AS A REPRESENTATIVE OF THE
20 ENTITY COMMITS ANY ACT OR PRACTICE LISTED IN SUBSECTION (1) OF THIS
21 SECTION, THE DIRECTOR MAY SUSPEND OR REVOKE THE RIGHT OF THE
22 ENTITY TO CONDUCT ITS BUSINESS UNDER THE LICENSE OF THE MANAGER,
23 WHETHER OR NOT THE DESIGNATED MANAGER HAD PERSONAL
24 KNOWLEDGE OF THE ACT OR PRACTICE AND WHETHER OR NOT THE
25 DIRECTOR SUSPENDS OR REVOKES THE INDIVIDUAL LICENSE OF ANY OTHER
26 PERSON.
27 (3) THIS PART 10 DOES NOT RELIEVE ANY PERSON FROM CIVIL
28 LIABILITY OR CRIMINAL PROSECUTION UNDER THE LAWS OF THIS STATE.
29 (4) COMPLAINTS OF RECORD IN THE OFFICE OF THE DIRECTOR AND
30 DIVISION INVESTIGATIONS, INCLUDING INVESTIGATIVE FILES, ARE CLOSED
31 TO PUBLIC INSPECTION. STIPULATIONS AND FINAL AGENCY ORDERS ARE
32 PUBLIC RECORDS SUBJECT TO SECTIONS 24-72-203 AND 24-72-204.
33 (5) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
34 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES
35 NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT SHOULD NOT BE
36 DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY SEND A LETTER
37 OF ADMONITION TO THE LICENSEE AGAINST WHOM THE COMPLAINT WAS
38 MADE AND A COPY OF THE LETTER TO THE PERSON MAKING THE
39 COMPLAINT, BUT THE LETTER MUST ADVISE THE LICENSEE THAT THE
40 LICENSEE HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS
41 AFTER RECEIPT, THAT FORMAL DISCIPLINARY PROCEEDINGS BE INITIATED
42 TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH THE LETTER
43 OF ADMONITION IS BASED. IF THE REQUEST IS TIMELY MADE, THE LETTER

1 OF ADMONITION IS VACATED, AND THE MATTER SHALL BE PROCESSED BY
2 MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

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

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

16 **12-61-1012. Hearings - use of administrative law judges -**
17 **subpoenas - judicial review - immunity.** (1) EXCEPT AS OTHERWISE
18 PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE DIRECTOR WITH
19 RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF LICENSURE UNDER
20 THIS PART 10, AT THE DISCRETION OF THE DIRECTOR, MAY BE CONDUCTED
21 BY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR OR BY AN
22 ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS 24-4-104 AND
23 24-4-105.

24 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
25 DIRECTOR HAS HIS OR HER OFFICE OR IN SUCH OTHER PLACE AS THE
26 DIRECTOR MAY DESIGNATE. IF THE LICENSEE IS EMPLOYED BY ANOTHER
27 LICENSED COMMUNITY ASSOCIATION MANAGER, THE DIRECTOR SHALL
28 ALSO NOTIFY THE LICENSEE'S EMPLOYER BY MAILING, BY FIRST-CLASS
29 MAIL, A COPY OF THE WRITTEN NOTICE REQUIRED UNDER SECTION
30 24-4-104 (3) TO THE EMPLOYER'S LAST-KNOWN BUSINESS ADDRESS.

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

41 (4) THE DIRECTOR, OR THE ADMINISTRATIVE LAW JUDGE
42 APPOINTED FOR HEARINGS, MAY ISSUE A SUBPOENA COMPELLING THE
43 ATTENDANCE AND TESTIMONY OF WITNESSES AND THE PRODUCTION OF

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

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

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

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

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

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

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

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

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

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

18 (d) THE COMPLAINT PROCESS, INCLUDING:

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

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

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

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

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

31 (2) THE DIRECTOR SHALL APPOINT AT LEAST FIVE MEMBERS TO THE
32 STAKEHOLDER GROUP. THE MEMBERSHIP MUST INCLUDE HOMEOWNERS
33 THAT LIVE IN MANAGED COMMUNITIES; LICENSED COMMUNITY
34 ASSOCIATION MANAGERS; COMPANIES THAT ARE IN THE BUSINESS OF
35 COMMUNITY ASSOCIATION MANAGEMENT; REALTORS AND COMPANIES
36 THAT EMPLOY REALTORS; INDIVIDUALS OR COMPANIES IN THE BUSINESS OF
37 PROVIDING LAND TITLE INSURANCE AND CLOSING SERVICES; ASSOCIATIONS
38 THAT REPRESENT HOMEOWNERS; COMMUNITY ASSOCIATION MANAGERS;
39 AND BUSINESSES THAT SERVE MANAGED COMMUNITIES.

40 (3) THE STAKEHOLDER GROUP SHALL MEET AT LEAST FOUR TIMES
41 DURING THE 2019 INTERIM AND SHALL REPORT ITS FINDINGS AND
42 RECOMMENDATIONS ON THE TOPICS LISTED IN SUBSECTION (1) OF THIS
43 SECTION TO THE DIRECTOR, WHO SHALL INCLUDE THEM IN THE DIVISION'S

1 ANNUAL REPORT TO THE GENERAL ASSEMBLY REQUIRED UNDER THE
2 "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND
3 TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF
4 TITLE 2. THE DIRECTOR SHALL SHARE A DRAFT OF THE REPORT WITH THE
5 STAKEHOLDER GROUP AND INVITE REVISIONS BEFORE FINALIZING THE
6 DIVISION'S PRESENTATION.

7 **12-61-1014. Repeal of part.** THIS PART 10 IS REPEALED,
8 EFFECTIVE SEPTEMBER 1, 2020.

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

11 PART 10
12 COMMUNITY ASSOCIATION MANAGERS

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

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

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

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

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

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

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

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

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

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

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

- 1 EXECUTIVE BOARD:
- 2 (I) IN INTERACTIONS WITH MEMBERS OR NONMEMBERS OF THE
3 COMMON INTEREST COMMUNITY, ACTING WITH THE AUTHORITY OF THE
4 COMMON INTEREST COMMUNITY WITH RESPECT TO ITS BUSINESS, LEGAL,
5 FINANCIAL, OR OTHER TRANSACTIONS;
- 6 (II) EXECUTING THE RESOLUTIONS AND DECISIONS OF THE
7 EXECUTIVE BOARD;
- 8 (III) ENFORCING THE RIGHTS OF THE COMMON INTEREST
9 COMMUNITY SECURED BY STATUTE, CONTRACT, COVENANT, RULE, OR
10 BYLAW;
- 11 (IV) ADMINISTERING OR COORDINATING MAINTENANCE OF
12 PROPERTY OR FACILITIES OF THE COMMON INTEREST COMMUNITY;
- 13 (V) ADMINISTERING APPLICATIONS FOR ARCHITECTURAL REVIEW;
- 14 (VI) ARRANGING, CONDUCTING, OR COORDINATING MEETINGS OF
15 THE COMMON INTEREST COMMUNITY'S MEMBERSHIP OR EXECUTIVE
16 BOARD;
- 17 (VII) MAINTAINING THE COMMON INTEREST COMMUNITY'S
18 RECORDS PURSUANT TO ITS GOVERNING DOCUMENTS AND APPLICABLE
19 PROVISIONS OF THE CCIOA; OR
- 20 (VIII) ADMINISTERING, OR OTHERWISE EXERCISING CONTROL OF,
21 A COMMON INTEREST COMMUNITY'S FUNDS, INCLUDING THE
22 ADMINISTRATION OF A RESERVE PROGRAM FOR THE MAJOR REPAIR OR
23 REPLACEMENT OF CAPITAL ASSETS.
- 24 (b) "COMMUNITY ASSOCIATION MANAGEMENT" DOES NOT MEAN
25 THE PERFORMANCE OF ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
26 MAINTENANCE FUNCTION.
- 27 (5) (a) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER"
28 MEANS ANY PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
29 ASSOCIATION, OR CORPORATION THAT, IN CONSIDERATION OF
30 COMPENSATION BY FEE, COMMISSION, SALARY, OR ANYTHING ELSE OF
31 VALUE OR WITH THE INTENTION OF RECEIVING OR COLLECTING SUCH
32 COMPENSATION, WHETHER OR NOT THE COMPENSATION IS RECEIVED BY
33 THE LICENSED MANAGER DIRECTLY OR BY THE LICENSED ENTITY THAT
34 EMPLOYS THE LICENSED MANAGER, ENGAGES IN OR OFFERS OR ATTEMPTS
35 TO ENGAGE IN COMMUNITY ASSOCIATION MANAGEMENT IN COLORADO.
- 36 (b) "COMMUNITY ASSOCIATION MANAGER" OR "MANAGER" DOES
37 NOT INCLUDE:
- 38 (I) A PERSON WHO, UNDER THE DIRECT SUPERVISION OF A
39 MANAGER, PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
40 MAINTENANCE FUNCTION;
- 41 (II) ANY PUBLIC OFFICIAL IN THE CONDUCT OF HIS OR HER OFFICIAL
42 DUTIES;
- 43 (III) A RECEIVER, TRUSTEE, ADMINISTRATOR, CONSERVATOR,

1 EXECUTOR, OR GUARDIAN ACTING UNDER PROPER AUTHORIZATION;
2 (IV) A PERSON, FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
3 OR ASSOCIATION ACTING PERSONALLY OR A CORPORATION ACTING
4 THROUGH ITS OFFICERS OR REGULAR SALARIED EMPLOYEES, ON BEHALF OF
5 THAT PERSON OR ON ITS OWN BEHALF AS PRINCIPAL IN ACQUIRING OR IN
6 NEGOTIATING TO ACQUIRE ANY INTEREST IN REAL ESTATE;
7 (V) AN ATTORNEY-AT-LAW IN CONNECTION WITH HIS OR HER
8 REPRESENTATION OF CLIENTS IN THE PRACTICE OF LAW;
9 (VI) A CORPORATION WITH RESPECT TO PROPERTY OWNED OR
10 LEASED BY IT, ACTING THROUGH ITS OFFICERS OR REGULAR SALARIED
11 EMPLOYEES, WHEN SUCH ACTS ARE INCIDENTAL AND NECESSARY IN THE
12 ORDINARY COURSE OF THE CORPORATION'S BUSINESS ACTIVITIES OF A
13 NON-PROPERTY MANAGEMENT NATURE. FOR THE PURPOSES OF THIS
14 SUBSECTION (5)(b), THE TERM "OFFICERS OR REGULAR SALARIED
15 EMPLOYEES" MEANS PERSONS REGULARLY EMPLOYED WHO DERIVE NOT
16 LESS THAN SEVENTY-FIVE PERCENT OF THEIR COMPENSATION FROM THE
17 CORPORATION IN THE FORM OF SALARIES;
18 (VII) AN INDEPENDENT CONTRACTOR WHO:
19 (A) PERFORMS ANY CLERICAL, MINISTERIAL, ACCOUNTING, OR
20 MAINTENANCE FUNCTION; OR
21 (B) IS NOT OTHERWISE ENGAGED IN THE PERFORMANCE OF
22 COMMUNITY ASSOCIATION MANAGEMENT; OR
23 (VIII) AN APPRENTICE WORKING UNDER THE DIRECT SUPERVISION
24 OF A LICENSED MANAGER.
25 (6) "DESIGNATED MANAGER" MEANS A PERSON WHO IS CURRENTLY
26 LICENSED AS A MANAGER AND WHO, ON BEHALF OF A LICENSED ENTITY, IS
27 RESPONSIBLE FOR PERFORMING COMMUNITY ASSOCIATION MANAGEMENT
28 PRACTICES AND SUPERVISING COMMUNITY ASSOCIATION MANAGEMENT
29 PRACTICES PERFORMED BY PERSONS EMPLOYED BY, OR ACTING ON BEHALF
30 OF, THE LICENSED ENTITY.
31 (7) "EXECUTIVE BOARD" HAS THE MEANING SET FORTH IN SECTION
32 38-33.3-103 (16).
33 (8) "HOA" OR "HOMEOWNERS' ASSOCIATION" MEANS AN
34 ASSOCIATION OR UNIT OWNERS' ASSOCIATION, AS DEFINED IN SECTION
35 38-33.3-103 (3), WHETHER ORGANIZED BEFORE, ON, OR AFTER JULY 1,
36 1992; EXCEPT THAT THE TERM DOES NOT INCLUDE AN ASSOCIATION OR
37 UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE
38 DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN
39 SECTION 38-33-110 (7). AS USED IN THIS SUBSECTION (8), "MAJORITY OF
40 UNITS" MEANS THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY
41 PERCENT OF THE ALLOCATED INTERESTS IN THE COMMON INTEREST
42 COMMUNITY APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR
43 RESIDENTIAL USE.

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

3 **12-10-1002. License required - rule-making authority -**
4 **violations - administrative and legal remedies.** (1) IT IS UNLAWFUL FOR
5 ANY PERSON TO ENGAGE IN, OR TO HOLD OUT HIMSELF, HERSELF, OR ITSELF
6 AS QUALIFIED TO ENGAGE IN, THE BUSINESS OF COMMUNITY ASSOCIATION
7 MANAGEMENT WITHOUT FIRST HAVING OBTAINED A LICENSE FROM THE
8 DIRECTOR IN ACCORDANCE WITH SECTION 12-10-1003 OR DURING ANY
9 PERIOD IN WHICH THE MANAGER'S LICENSE IS REVOKED OR SUSPENDED.

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

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

17 (a) IF THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE THAT A
18 PERSON IS VIOLATING THIS PART 10 OR A RULE ADOPTED UNDER THIS PART
19 10, THE DIRECTOR MAY ENTER AN ORDER REQUIRING THE PERSON TO
20 CEASE AND DESIST THE VIOLATION.

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

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

33 **12-10-1003. Application for license - criminal history record**
34 **check - examination - rules.** (1) (a) A PERSON DESIRING TO BECOME A
35 COMMUNITY ASSOCIATION MANAGER OR APPRENTICE MUST APPLY TO THE
36 DIRECTOR FOR A LICENSE IN THE FORM AND MANNER PRESCRIBED BY THE
37 DIRECTOR.

38 (b) BEFORE SUBMITTING AN APPLICATION FOR A LICENSE
39 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, EACH APPLICANT MUST
40 SUBMIT A SET OF FINGERPRINTS TO THE COLORADO BUREAU OF
41 INVESTIGATION FOR THE PURPOSE OF CONDUCTING A STATE AND NATIONAL
42 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING
43 RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE

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

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

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

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

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

38 (I) THE NATURE OF THE CONVICTION;

39 (II) WHETHER THERE IS A DIRECT RELATIONSHIP BETWEEN THE
40 CONVICTION AND THE DUTIES AND RESPONSIBILITIES OF LICENSURE AND
41 THE BEARING, IF ANY, THE CONVICTION MAY HAVE ON THE APPLICANT'S
42 FITNESS OR ABILITY TO PERFORM ONE OR MORE SUCH DUTIES AND
43 RESPONSIBILITIES, INCLUDING WHETHER THE CONVICTION WAS FOR

1 UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION 16-22-102 (9), AND
2 WHETHER THE APPLICANT WOULD PLACE A RESIDENT OR THE PUBLIC IN A
3 VULNERABLE POSITION;

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

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

8 (d) NOTWITHSTANDING SUBSECTION (3)(c) OF THIS SECTION, AN
9 APPLICANT IS INELIGIBLE FOR LICENSURE IF THE APPLICANT HAS, WITHIN
10 THE IMMEDIATELY PRECEDING TEN YEARS, BEEN CONVICTED OF AN
11 OFFENSE INVOLVING UNLAWFUL SEXUAL BEHAVIOR AS LISTED IN SECTION
12 16-22-102 (9), A BURGLARY OFFENSE, AS DEFINED IN SECTION 18-4-202 OR
13 18-4-203, OR ANY FELONY INVOLVING FRAUD, THEFT, LARCENY,
14 EMBEZZLEMENT, FRAUDULENT CONVERSION, OR MISAPPROPRIATION OF
15 PROPERTY.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

40 (d) THE DIVISION MAY ISSUE A LICENSE TO AN APPLICANT WHO HAS
41 HELD A COMMUNITY ASSOCIATION MANAGER LICENSE IN ANOTHER
42 JURISDICTION THAT REGULATES COMMUNITY ASSOCIATION MANAGERS
43 AND WHO HAS BEEN LICENSED FOR TWO OR MORE YEARS PRIOR TO

1 APPLYING FOR A COLORADO LICENSE IF THE APPLICANT ESTABLISHES THAT
2 HE OR SHE POSSESSES CREDENTIALS AND QUALIFICATIONS THAT ARE
3 SUBSTANTIVELY EQUIVALENT TO THE REQUIREMENTS IN COLORADO FOR
4 LICENSURE BY EXAMINATION, AS DETERMINED BY THE DIRECTOR BY RULE.
5 THE DIRECTOR MAY REQUIRE A PERSON SO LICENSED TO TAKE THE
6 PORTION OF THE EXAMINATION PERTAINING TO THE MATTERS DESCRIBED
7 IN SUBSECTION (5)(b)(I) OF THIS SECTION WITHIN A SPECIFIED TIME AFTER
8 FIRST RECEIVING A COLORADO LICENSE.

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

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

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

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

35 (8) A PERSON SHALL NOT:

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

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

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

1 MANAGER.

2 **12-10-1004. Insurance required - rules.** EVERY LICENSEE UNDER
3 THIS PART 10, EXCEPT AN INACTIVE MANAGER OR AN ATTORNEY LICENSEE
4 WHO MAINTAINS A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE
5 THAT PROVIDES COVERAGE FOR HIS OR HER ACTIVITIES UNDER THIS PART
6 10, MUST BE INSURED UNDER INSURANCE NECESSARY TO COVER ALL
7 ACTIVITIES CONTEMPLATED UNDER THIS PART 10 IN AN AMOUNT AND
8 UNDER TERMS AND CONDITIONS SPECIFIED BY THE DIRECTOR BY RULE. IN
9 PROMULGATING RULES UNDER THIS SECTION, THE DIRECTOR SHALL SOLICIT
10 AND CONSIDER INFORMATION AND COMMENTS FROM INTERESTED PERSONS.

11 **12-10-1005. Fees and charges for contracted services and**
12 **home sales - disclosure required.** (1) EVERY MANAGER, AND EVERY
13 AGENT OR OTHER PERSON WHO REPRESENTS OR NEGOTIATES ON BEHALF
14 OF A MANAGER, SHALL DISCLOSE TO THE EXECUTIVE BOARD OF EACH HOA
15 FOR WHICH IT PROVIDES OR OFFERS TO PROVIDE SERVICES, DURING
16 CONTRACT NEGOTIATIONS AND THEREAFTER ON AN ANNUAL BASIS, ALL
17 FEES AND OTHER AMOUNTS THAT THE MANAGER CHARGES OR WILL
18 CHARGE TO THE COMMON INTEREST COMMUNITY, UNIT OWNERS, AND
19 PURCHASERS OF UNITS IN THE COMMON INTEREST COMMUNITY FOR OR AS
20 A RESULT OF ANY SERVICE, PRODUCT, TRANSACTION, OR ITEM OF VALUE
21 PROVIDED BY THE MANAGER, ANY EMPLOYEE OR CONTRACTOR OF THE
22 MANAGER, OR ANY OTHER INDIVIDUAL OR ENTITY WITH WHOM THE
23 MANAGER ASSOCIATES IN THE PERFORMANCE OF COMMUNITY
24 ASSOCIATION MANAGEMENT SERVICES.

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

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

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

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

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

42 **12-10-1006. Licenses - issuance - contents - display.** THE
43 DIRECTOR SHALL MAKE AVAILABLE FOR EACH LICENSEE A LICENSE IN SUCH

1 FORM AND SIZE AS THE DIRECTOR MAY PRESCRIBE. THE LICENSE MUST
2 SHOW THE NAME OF THE LICENSEE AND MAY CONTAIN SUCH OTHER
3 MATTER AS THE DIRECTOR PRESCRIBES.

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

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

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

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

24 (c) FIVE DAYS AFTER MAILING.

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

29 **12-10-1008. Record of licensees - publications.** THE DIRECTOR
30 SHALL MAINTAIN A RECORD OF THE NAMES AND ADDRESSES OF ALL
31 COMMUNITY ASSOCIATION MANAGERS LICENSED UNDER THIS PART 10,
32 TOGETHER WITH SUCH OTHER INFORMATION RELATIVE TO THE
33 ENFORCEMENT OF THIS PART 10 AS THE DIRECTOR DEEMS NECESSARY. THE
34 DIRECTOR SHALL PUBLISH THE NAME AND ADDRESS RECORD AND OTHER
35 NONPROPRIETARY INFORMATION THE DIRECTOR DEEMS USEFUL TO THE
36 PUBLIC ON THE DIVISION'S WEBSITE. PUBLICATION OF THE RECORD AND OF
37 ANY OTHER INFORMATION CIRCULATED IN QUANTITY OUTSIDE THE
38 EXECUTIVE BRANCH MUST BE IN ACCORDANCE WITH SECTION 24-1-136.

39 **12-10-1009. Change of location or employment status - notice**
40 **required.** (1) A COMMUNITY ASSOCIATION MANAGER LICENSED UNDER
41 THIS PART 10 SHALL NOTIFY THE DIRECTOR WITHIN THIRTY DAYS AFTER
42 ANY CHANGE OF BUSINESS LOCATION OR EMPLOYMENT. A CHANGE OF
43 BUSINESS ADDRESS OR EMPLOYMENT STATUS WITHOUT NOTIFICATION TO

1 THE DIRECTOR AUTOMATICALLY INACTIVATES THE LICENSEE'S LICENSE.
2 (2) FOR PURPOSES OF THIS SECTION, A CHANGE IN EMPLOYMENT
3 STATUS INCLUDES THE DESIGNATION OF A LICENSED COMMUNITY
4 ASSOCIATION MANAGER AS A NEW OR SUCCESSOR MANAGER ACTING FOR
5 A PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION.

6 **12-10-1010. License fees - partnership, limited liability**
7 **company, and corporation licenses - rules.** (1) THE DIRECTOR SHALL
8 ESTABLISH, COLLECT, AND PERIODICALLY ADJUST, IN ACCORDANCE WITH
9 SECTION 12-10-215, FEES FOR:

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

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

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

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

32 **12-10-1011. Investigation - revocation - actions against**
33 **licensee.** (1) THE DIRECTOR, UPON THE DIRECTOR'S OWN MOTION, MAY,
34 AND, UPON THE COMPLAINT IN WRITING OF ANY PERSON, SHALL,
35 INVESTIGATE THE ACTIVITIES OF ANY LICENSEE OR ANY PERSON WHO
36 ASSUMES TO ACT IN THE CAPACITY OF A LICENSEE WITHIN THE STATE. THE
37 DIRECTOR, AFTER HOLDING A HEARING IN ACCORDANCE WITH THE "STATE
38 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, MAY IMPOSE
39 AN ADMINISTRATIVE FINE NOT TO EXCEED TWO THOUSAND FIVE HUNDRED
40 DOLLARS FOR EACH SEPARATE OFFENSE, CENSURE A LICENSEE, PLACE THE
41 LICENSEE ON PROBATION AND SET THE TERMS OF PROBATION, OR
42 TEMPORARILY SUSPEND OR PERMANENTLY REVOKE A LICENSE WHEN THE
43 LICENSEE HAS PERFORMED, IS PERFORMING, OR IS ATTEMPTING TO

1 PERFORM ANY OF THE FOLLOWING ACTS AND IS GUILTY OF:
2 (a) KNOWINGLY MAKING ANY MISREPRESENTATION OR
3 KNOWINGLY MAKING USE OF ANY FALSE OR MISLEADING ADVERTISING;
4 (b) MAKING ANY PROMISE OF A CHARACTER THAT INFLUENCES,
5 PERSUADES, OR INDUCES ANOTHER PERSON WHEN HE OR SHE COULD NOT
6 OR DID NOT INTEND TO KEEP SUCH PROMISE;
7 (c) KNOWINGLY MISREPRESENTING OR MAKING FALSE PROMISES
8 THROUGH AGENTS, ADVERTISING, OR OTHERWISE;
9 (d) VIOLATING, DIRECTLY OR INDIRECTLY, ANY APPLICABLE
10 PROVISION OF COLORADO OR FEDERAL FAIR HOUSING LAWS;
11 (e) KNOWINGLY VIOLATING OR KNOWINGLY DIRECTING OTHERS TO
12 VIOLATE CCIOA;
13 (f) FAILING TO ACCOUNT FOR OR TO REMIT, WITHIN A REASONABLE
14 TIME, ANY MONEY COMING INTO THE LICENSEE'S POSSESSION THAT
15 BELONGS TO OTHERS, WHETHER ACTING AS A COMMUNITY ASSOCIATION
16 MANAGER, APPRENTICE, OR OTHERWISE, AND FAILING TO KEEP RECORDS
17 RELATIVE TO SAID MONEY, WHICH RECORDS MUST CONTAIN ANY
18 INFORMATION REQUIRED BY RULES OF THE DIRECTOR AND ARE SUBJECT TO
19 AUDIT BY THE DIRECTOR;
20 (g) CONVERTING FUNDS OF OTHERS, DIVERTING FUNDS OF OTHERS
21 WITHOUT PROPER AUTHORIZATION, COMMINGLING FUNDS OF OTHERS WITH
22 THE MANAGER'S OWN FUNDS, OR FAILING TO KEEP SUCH FUNDS OF OTHERS
23 IN A SEGREGATED ACCOUNT WITH SOME BANK OR RECOGNIZED
24 DEPOSITORY IN THIS STATE, WHICH ACCOUNT MAY BE ANY TYPE OF
25 CHECKING, DEMAND, PASSBOOK, OR STATEMENT ACCOUNT INSURED BY AN
26 AGENCY OF THE UNITED STATES GOVERNMENT, AND TO SO KEEP RECORDS
27 RELATIVE TO THE DEPOSIT THAT CONTAIN ANY INFORMATION REQUIRED BY
28 RULES OF THE DIRECTOR AND ARE SUBJECT TO AUDIT BY THE DIRECTOR;
29 (h) DISREGARDING OR VIOLATING, OR AIDING OR ABETTING ANY
30 VIOLATION OF, THIS PART 10 OR ANY APPLICABLE RULE OR ORDER OF THE
31 DIRECTOR;
32 (i) PERFORMING ANY ACT THAT LEADS TO A CONVICTION OF,
33 ENTRY OF A PLEA OF GUILTY TO, OR ENTRY OF A PLEA OF NOLO
34 CONTENDERE TO ANY CRIME IN ARTICLE 3 OF TITLE 18; PARTS 1 TO 4 OF
35 ARTICLE 4 OF TITLE 18; PARTS 1 TO 5 AND 7 TO 9 OF ARTICLE 5 OF TITLE 18;
36 ARTICLE 5.5 OF TITLE 18; PARTS 3, 4, AND 6 TO 8 OF ARTICLE 6 OF TITLE 18;
37 PARTS 1 AND 3 TO 8 OF ARTICLE 7 OF TITLE 18; PART 3 OF ARTICLE 8 OF
38 TITLE 18; ARTICLE 15 OF TITLE 18; ARTICLE 17 OF TITLE 18; SECTION
39 18-18-405, 18-18-411, 18-18-412.5, 18-18-412.7, 18-18-415, 18-18-422,
40 OR 18-18-423; OR ANY OTHER LIKE CRIME UNDER COLORADO LAW,
41 FEDERAL LAW, OR THE LAWS OF OTHER STATES. A CERTIFIED COPY OF THE
42 JUDGMENT OF A COURT OF COMPETENT JURISDICTION OF SUCH CONVICTION
43 OR OTHER OFFICIAL RECORD INDICATING THAT SUCH PLEA WAS ENTERED

- 1 IS CONCLUSIVE EVIDENCE OF SUCH CONVICTION OR PLEA IN ANY HEARING
2 UNDER THIS PART 10.
- 3 (j) FAILING TO IMMEDIATELY NOTIFY THE DIRECTOR IN WRITING OF
4 A CONVICTION, PLEA, OR VIOLATION PURSUANT TO SUBSECTION (1)(i) OF
5 THIS SECTION;
- 6 (k) HAVING DEMONSTRATED UNWORTHINESS OR INCOMPETENCY
7 TO ACT AS A COMMUNITY ASSOCIATION MANAGER BY CONDUCTING
8 BUSINESS IN SUCH A MANNER AS TO ENDANGER THE INTEREST OF THE
9 PUBLIC;
- 10 (l) IN THE CASE OF A MANAGER WHO EMPLOYS OTHERS OR IS
11 DESIGNATED TO ACT ON BEHALF OF A LICENSED ENTITY, FAILING TO
12 EXERCISE REASONABLE SUPERVISION OVER THE ACTIVITIES OF EMPLOYEES;
- 13 (m) FAILING TO MAKE A FULL AND TRUE DISCLOSURE OF FEES,
14 CHARGES, AND REMUNERATION AS REQUIRED BY SECTION 12-10-1005;
- 15 (n) PROCURING, OR ATTEMPTING TO PROCURE, A LICENSE OR
16 RENEWING, REINSTATING, OR REACTIVATING, OR ATTEMPTING TO RENEW,
17 REINSTATE, OR REACTIVATE, A LICENSE BY FRAUD, MISREPRESENTATION,
18 OR DECEIT OR BY MAKING A MATERIAL MISSTATEMENT OF FACT IN AN
19 APPLICATION FOR A LICENSE;
- 20 (o) CLAIMING, ARRANGING FOR, OR TAKING ANY SECRET OR
21 UNDISCLOSED AMOUNT OF COMPENSATION, COMMISSION, OR PROFIT OR
22 FAILING TO REVEAL TO THE LICENSEE'S PRINCIPAL OR EMPLOYER THE FULL
23 AMOUNT OF THE LICENSEE'S COMPENSATION, COMMISSION, OR PROFIT IN
24 CONNECTION WITH ANY ACTS FOR WHICH A LICENSE IS REQUIRED UNDER
25 THIS PART 10;
- 26 (p) HAVING HAD A LICENSE OR A SUBDIVISION DEVELOPER'S
27 REGISTRATION SUSPENDED OR REVOKED IN ANY JURISDICTION, OR HAVING
28 HAD ANY DISCIPLINARY ACTION TAKEN AGAINST THE MANAGER OR
29 SUBDIVISION DEVELOPER IN ANY OTHER JURISDICTION IF THE LICENSEE'S
30 OR SUBDIVISION DEVELOPER'S ACTION WOULD CONSTITUTE A VIOLATION
31 OF THIS SUBSECTION (1). A CERTIFIED COPY OF THE ORDER OF
32 DISCIPLINARY ACTION IS PRIMA FACIE EVIDENCE OF SUCH DISCIPLINARY
33 ACTION.
- 34 (q) WITHIN THE LAST FIVE YEARS, HAVING A LICENSE,
35 REGISTRATION, OR CERTIFICATION ISSUED BY COLORADO OR ANOTHER
36 STATE REVOKED OR SUSPENDED FOR FRAUD, DECEIT, MATERIAL
37 MISREPRESENTATION, THEFT, OR BREACH OF A FIDUCIARY DUTY, AND SUCH
38 DISCIPLINE DENIED THE PERSON AUTHORIZATION TO PRACTICE AS:
- 39 (I) A MORTGAGE BROKER OR MORTGAGE LOAN ORIGINATOR;
40 (II) A REAL ESTATE BROKER OR SALESPERSON;
41 (III) A REAL ESTATE APPRAISER, AS DEFINED BY SECTION
42 12-10-602 (9);
43 (IV) AN INSURANCE PRODUCER, AS DEFINED BY SECTION 10-2-103

1 (6);
2 (V) AN ATTORNEY;
3 (VI) A SECURITIES BROKER-DEALER, AS DEFINED BY SECTION
4 11-51-201 (2);
5 (VII) A SECURITIES SALES REPRESENTATIVE, AS DEFINED BY
6 SECTION 11-51-201 (14);
7 (VIII) AN INVESTMENT ADVISOR, AS DEFINED BY SECTION
8 11-51-201 (9.5); OR
9 (IX) AN INVESTMENT ADVISOR REPRESENTATIVE, AS DEFINED BY
10 SECTION 11-51-201 (9.6);
11 (r) ACTING OUTSIDE THE SCOPE OF AUTHORITY GRANTED BY THE
12 ISSUANCE OF A LICENSE; OR
13 (s) ANY OTHER CONDUCT, WHETHER OF THE SAME OR A DIFFERENT
14 CHARACTER THAN SPECIFIED IN THIS SUBSECTION (1), THAT CONSTITUTES
15 DISHONEST DEALING.
16 (2) IF A FIRM, PARTNERSHIP, LIMITED LIABILITY COMPANY,
17 ASSOCIATION, OR CORPORATION OPERATING UNDER THE LICENSE OF A
18 MANAGER DESIGNATED AND LICENSED AS A REPRESENTATIVE OF THE
19 ENTITY COMMITS ANY ACT OR PRACTICE LISTED IN SUBSECTION (1) OF THIS
20 SECTION, THE DIRECTOR MAY SUSPEND OR REVOKE THE RIGHT OF THE
21 ENTITY TO CONDUCT ITS BUSINESS UNDER THE LICENSE OF THE MANAGER,
22 WHETHER OR NOT THE DESIGNATED MANAGER HAD PERSONAL
23 KNOWLEDGE OF THE ACT OR PRACTICE AND WHETHER OR NOT THE
24 DIRECTOR SUSPENDS OR REVOKES THE INDIVIDUAL LICENSE OF ANY OTHER
25 PERSON.
26 (3) THIS PART 10 DOES NOT RELIEVE ANY PERSON FROM CIVIL
27 LIABILITY OR CRIMINAL PROSECUTION UNDER THE LAWS OF THIS STATE.
28 (4) COMPLAINTS OF RECORD IN THE OFFICE OF THE DIRECTOR AND
29 DIVISION INVESTIGATIONS, INCLUDING INVESTIGATIVE FILES, ARE CLOSED
30 TO PUBLIC INSPECTION. STIPULATIONS AND FINAL AGENCY ORDERS ARE
31 PUBLIC RECORDS SUBJECT TO SECTIONS 24-72-203 AND 24-72-204.
32 (5) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
33 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES
34 NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT SHOULD NOT BE
35 DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY SEND A LETTER
36 OF ADMONITION TO THE LICENSEE AGAINST WHOM THE COMPLAINT WAS
37 MADE AND A COPY OF THE LETTER TO THE PERSON MAKING THE
38 COMPLAINT, BUT THE LETTER MUST ADVISE THE LICENSEE THAT THE
39 LICENSEE HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS
40 AFTER RECEIPT, THAT FORMAL DISCIPLINARY PROCEEDINGS BE INITIATED
41 TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH THE LETTER
42 OF ADMONITION IS BASED. IF THE REQUEST IS TIMELY MADE, THE LETTER
43 OF ADMONITION IS VACATED, AND THE MATTER SHALL BE PROCESSED BY

1 MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

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

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

15 **12-10-1012. Hearings - use of administrative law judges -**
16 **subpoenas - judicial review - immunity.** (1) EXCEPT AS OTHERWISE
17 PROVIDED IN THIS SECTION, ALL PROCEEDINGS BEFORE THE DIRECTOR WITH
18 RESPECT TO DISCIPLINARY ACTIONS AND DENIAL OF LICENSURE UNDER
19 THIS PART 10, AT THE DISCRETION OF THE DIRECTOR, MAY BE CONDUCTED
20 BY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR OR BY AN
21 ADMINISTRATIVE LAW JUDGE PURSUANT TO SECTIONS 24-4-104 AND
22 24-4-105.

23 (2) VENUE FOR PROCEEDINGS IS IN THE COUNTY WHERE THE
24 DIRECTOR HAS HIS OR HER OFFICE OR IN SUCH OTHER PLACE AS THE
25 DIRECTOR MAY DESIGNATE. IF THE LICENSEE IS EMPLOYED BY ANOTHER
26 LICENSED COMMUNITY ASSOCIATION MANAGER, THE DIRECTOR SHALL
27 ALSO NOTIFY THE LICENSEE'S EMPLOYER BY MAILING, BY FIRST-CLASS
28 MAIL, A COPY OF THE WRITTEN NOTICE REQUIRED UNDER SECTION
29 24-4-104 (3) TO THE EMPLOYER'S LAST-KNOWN BUSINESS ADDRESS.

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

40 (4) THE DIRECTOR, OR THE ADMINISTRATIVE LAW JUDGE
41 APPOINTED FOR HEARINGS, MAY ISSUE A SUBPOENA COMPELLING THE
42 ATTENDANCE AND TESTIMONY OF WITNESSES AND THE PRODUCTION OF
43 BOOKS, PAPERS, RECORDS, OR OTHER EVIDENCE PURSUANT TO AN

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

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

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

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

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

43 **12-10-1013. Stakeholder meetings - topics - frequency - report.**

1 (1) THE DIVISION SHALL ESTABLISH A STAKEHOLDER PROCESS WITH
2 REGULAR MEETINGS, NO LESS FREQUENTLY THAN EVERY THREE MONTHS,
3 EXCEPT AS PROVIDED IN SUBSECTION (3) OF THIS SECTION. THE PURPOSES
4 OF THE MEETINGS ARE TO GATHER INFORMATION AND FEEDBACK FROM
5 HOMEOWNERS AND MANAGERS; TO ACT AS A SOUNDING BOARD FOR
6 DISCUSSION OF ISSUES AFFECTING COMMON INTEREST COMMUNITIES; AND
7 TO MAKE RECOMMENDATIONS TO THE DIRECTOR CONCERNING:
8 (a) ANY NECESSARY UPDATES OR CHANGES TO THE RULES
9 PROMULGATED BY THE DIRECTOR PURSUANT TO THIS PART 10;
10 (b) APPROPRIATE ADJUSTMENTS TO THE DEFINITION OF, AND
11 EXCLUSIONS FROM, THE PRACTICE OF COMMUNITY ASSOCIATION
12 MANAGEMENT AS SET FORTH IN SECTION 12-10-1001 (4);
13 (c) APPRENTICE CREDENTIALING, INCLUDING THE LEVEL OF
14 OVERSIGHT REQUIRED BY THE DIVISION, APPROPRIATE SUPERVISION,
15 EDUCATIONAL REQUIREMENTS, SPECIFIC DUTIES, AND ANY OTHER
16 NECESSARY COMPONENTS RELATED TO APPRENTICES;
17 (d) THE COMPLAINT PROCESS, INCLUDING:
18 (I) INFORMATION OR EDUCATION FOR HOMEOWNERS ON FILING A
19 COMPLAINT;
20 (II) THE TIME PERIODS AND PROCESSES THAT APPLY TO THE
21 RESPONSE BY A PERSON ACCUSED OF A VIOLATION AND THE
22 INVESTIGATION OF THE COMPLAINT;
23 (III) THE TYPES OF RECORDS AND OTHER EVIDENCE THAT SHOULD
24 BE PRODUCED OR PRESERVED WHEN A COMPLAINT IS FILED; AND
25 (IV) COMMUNICATION AMONG THE COMPLAINANT, THE
26 RESPONDENT, AND INVESTIGATORS DURING THE PENDENCY OF A
27 COMPLAINT AND ANY SUBSEQUENT ACTION BY THE DIRECTOR; AND
28 (e) ANY OTHER ISSUES ABOUT WHICH THE DIRECTOR SEEKS
29 INFORMATION AND FEEDBACK FROM THE STAKEHOLDERS.
30 (2) THE DIRECTOR SHALL APPOINT AT LEAST FIVE MEMBERS TO THE
31 STAKEHOLDER GROUP. THE MEMBERSHIP MUST INCLUDE HOMEOWNERS
32 THAT LIVE IN MANAGED COMMUNITIES; LICENSED COMMUNITY
33 ASSOCIATION MANAGERS; COMPANIES THAT ARE IN THE BUSINESS OF
34 COMMUNITY ASSOCIATION MANAGEMENT; REALTORS AND COMPANIES
35 THAT EMPLOY REALTORS; INDIVIDUALS OR COMPANIES IN THE BUSINESS OF
36 PROVIDING LAND TITLE INSURANCE AND CLOSING SERVICES; ASSOCIATIONS
37 THAT REPRESENT HOMEOWNERS; COMMUNITY ASSOCIATION MANAGERS;
38 AND BUSINESSES THAT SERVE MANAGED COMMUNITIES.
39 (3) THE STAKEHOLDER GROUP SHALL MEET AT LEAST FOUR TIMES
40 DURING THE 2019 INTERIM AND SHALL REPORT ITS FINDINGS AND
41 RECOMMENDATIONS ON THE TOPICS LISTED IN SUBSECTION (1) OF THIS
42 SECTION TO THE DIRECTOR, WHO SHALL INCLUDE THEM IN THE DIVISION'S
43 ANNUAL REPORT TO THE GENERAL ASSEMBLY REQUIRED UNDER THE

1 "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND
2 TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF
3 TITLE 2. THE DIRECTOR SHALL SHARE A DRAFT OF THE REPORT WITH THE
4 STAKEHOLDER GROUP AND INVITE REVISIONS BEFORE FINALIZING THE
5 DIVISION'S PRESENTATION.

6 **12-10-1014. Repeal of part.** THIS PART 10 IS REPEALED,
7 EFFECTIVE SEPTEMBER 1, 2020.

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

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

** *** ** *** **