

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0826.01 Duane Gall x4335

SENATE BILL 15-209

SENATE SPONSORSHIP

Balmer, Todd

HOUSE SPONSORSHIP

Williams,

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 CONCERNING AN AMENDMENT TO SPECIFIED STATUTES GOVERNING
102 THE MANAGEMENT OF THE FINANCIAL AFFAIRS OF A UNIT
103 OWNERS' ASSOCIATION UNDER THE "COLORADO COMMON
104 INTEREST OWNERSHIP ACT" SO AS TO EXEMPT COMMUNITIES IN
105 WHICH A MAJORITY OF UNITS DESIGNATED FOR RESIDENTIAL
106 USE ARE TIME SHARE UNITS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills summaries>.)

The bill amends key definitions in the statute requiring licensure

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

of professional community association managers to exclude the managers of communities in which a majority of units that are designated for residential use are time share units. A similar exclusion is made from the statute requiring the association to adopt and comply with a collections policy and to attempt to coordinate with the unit owner to set up a payment plan for the collection of past-due assessments and other delinquent payments.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-61-1001, **amend**
3 (2) and (8) as follows:

4 **12-61-1001. Definitions.** As used in this part 10, unless the
5 context otherwise requires:

6 (2) "Common interest community" has the meaning set forth in
7 section 38-33.3-103 (8), C.R.S.; EXCEPT THAT "COMMON INTEREST
8 COMMUNITY" DOES NOT INCLUDE A COMMUNITY MANAGED BY AN
9 ASSOCIATION OR UNIT OWNERS' ASSOCIATION IN WHICH A MAJORITY OF
10 UNITS THAT ARE DESIGNATED FOR RESIDENTIAL USE ARE TIME SHARE
11 UNITS, AS DEFINED IN SECTION 38-33-110 (7), C.R.S. AS USED IN THIS
12 SUBSECTION (2), "MAJORITY OF UNITS" MEANS THE UNITS TO WHICH ARE
13 ALLOCATED MORE THAN FIFTY PERCENT OF THE ALLOCATED INTERESTS IN
14 THE COMMON INTEREST COMMUNITY APPURTENANT TO ALL UNITS THAT
15 ARE DESIGNATED FOR RESIDENTIAL USE.

16 (8) "HOA" or "homeowners' association" means an association or
17 unit owners' association, as defined in section 38-33.3-103 (3), C.R.S.,
18 whether organized before, on, or after July 1, 1992; EXCEPT THAT THE
19 TERM DOES NOT INCLUDE AN ASSOCIATION OR UNIT OWNERS' ASSOCIATION
20 IN WHICH A MAJORITY OF UNITS THAT ARE DESIGNATED FOR RESIDENTIAL
21 USE ARE TIME SHARE UNITS, AS DEFINED IN SECTION 38-33-110 (7), C.R.S.
22 AS USED IN THIS SUBSECTION (8), "MAJORITY OF UNITS" MEANS THE UNITS

1 TO WHICH ARE ALLOCATED MORE THAN FIFTY PERCENT OF THE
2 ALLOCATED INTERESTS IN THE COMMON INTEREST COMMUNITY
3 APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR RESIDENTIAL
4 USE.

5 **SECTION 2.** In Colorado Revised Statutes, 38-33.3-316.3,
6 **amend** (1) (b) as follows:

7 **38-33.3-316.3. Collections - limitations.** (1) In collecting
8 past-due assessments and other delinquent payments under this article, an
9 association or a holder or assignee of the association's debt, whether the
10 holder or assignee of the association's debt is an entity or a natural person,
11 shall:

12 (b) Make a good-faith effort to coordinate with the unit owner to
13 set up a payment plan that meets the requirements of this section; except
14 that:

15 (I) This section does not apply if the unit owner does not occupy
16 the unit and has acquired the property as a result of:

17 (A) A default of a security interest encumbering the unit; or

18 (B) Foreclosure of the association's lien; ~~and~~

19 (II) The association or a holder or assignee of the association's
20 debt is not obligated to negotiate a payment plan with a unit owner who
21 has previously entered into a payment plan under this section; AND

22 (III) THIS SECTION DOES NOT APPLY IF THE UNIT IS PART OF AN
23 ASSOCIATION IN WHICH A MAJORITY OF UNITS THAT ARE DESIGNATED FOR
24 RESIDENTIAL USE ARE TIME SHARE UNITS, AS DEFINED IN SECTION
25 38-33-110 (7). AS USED IN THIS SUBPARAGRAPH (III), "MAJORITY OF
26 UNITS" MEANS THE UNITS TO WHICH ARE ALLOCATED MORE THAN FIFTY
27 PERCENT OF THE ALLOCATED INTERESTS IN THE COMMON INTEREST

1 COMMUNITY APPURTENANT TO ALL UNITS THAT ARE DESIGNATED FOR
2 RESIDENTIAL USE.

3 **SECTION 3. Act subject to petition - effective date.** This act
4 takes effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly
6 (August 5, 2015, if adjournment sine die is on May 6, 2015); except that,
7 if a referendum petition is filed pursuant to section 1 (3) of article V of
8 the state constitution against this act or an item, section, or part of this act
9 within such period, then the act, item, section, or part will not take effect
10 unless approved by the people at the general election to be held in
11 November 2016 and, in such case, will take effect on the date of the
12 official declaration of the vote thereon by the governor.