

**FINAL
FISCAL NOTE**

Drafting Number: LLS 11-0898**Date:** June 6, 2011**Prime Sponsor(s):** Sen. Carroll
Rep. Williams A.**Bill Status:** Deemed Lost**Fiscal Analyst:** Harry Zeid (303-866-4753)

TITLE: CONCERNING CLARIFICATION OF THE REQUIREMENTS FOR REGISTRATION OF A UNIT OWNERS' ASSOCIATION UNDER THE "COLORADO COMMON INTEREST OWNERSHIP ACT".

Summary of Legislation

Current law requires unit owners' associations (HOAs) to register annually with the Division of Real Estate in the Department of Regulatory Agencies. An annual registration fee is required to support the operation of the HOA information and resource center, as established by HB10-1278. This bill amends the registration provisions by:

- removing a citation to Section 38-33.3-209.4 (1), C.R.S., under which most, but not all, HOAs are organized, effectively closing a potential loophole;
- limiting the information that an HOA must provide to a specific list of items, including the official name of the HOA and the name and contact information for the HOA's managing agent;
- clarifying that an HOA that fails to register will have its right to pursue legal remedies suspended, without prejudice, and that upon valid registration it will not have permanently lost its rights or otherwise been penalized for the gap in registration;
- clarifying the means by which an HOA can prove that it is registered;
- specifying that a registration may not be invalidated solely as a result of a technical or typographical error; and
- codifying the effective date of the registration requirement.

The bill was deemed lost on May 11, 2011. The bill remained on the House Second Reading calendar, but no further action was taken.

Assessment

The clarification of the requirements for registration of a unit owners' association under the Colorado Common Interest Ownership Act is assessed as no fiscal impact. The bill codifies legislative intent from HB10-1278 to require every unit owners' association to register annually with the Division of Real Estate. Since the registration database is currently in place and will be able to handle any changes in the number of annual registrants, the bill will not affect the workload of the division.

Departments Contacted

Regulatory Agencies