

Overhauled Ombudsman Bill Heading to the Governor (May 11)

The Colorado House concurred this afternoon with the Senate amendments to HB 1278. The bill will now be sent to Governor Ritter for action and we anticipate he will sign the bill into law. For an overview of the provisions of HB 1278 being sent to the Governor, please see our [May 10th](#) posting on HOA Legi-Slate.

<http://www.hoalegislature.com/archives/current-year-legislation-overhauled-ombudsman-bill-heading-to-the-governor.html>

Overhauled Ombudsman Bill Passed by the Senate (May 10)

This morning, a newly amended version of [HB 1278](#) was passed by the full Senate on a 21 to 14 vote and is headed back to the House for concurrence. The amended version of HB 1278, which is expected to be adopted by the House as early as today and ultimately signed into law by Governor Ritter, contains the following provisions:

- The Colorado Division of Real Estate will create an HOA Information and Resource Center that will be run by an HOA Information Officer. The Center will act as an information clearing house relating to the basic rights and duties of unit owners, declarants and associations. The Center will also track inquiries and complaints relating to HOAs and provide an annual report on this data to the Director of the Division of Real Estate.
- The Division of Real Estate will create a registry for associations. Associations will be required to register with the Division on an annual basis. The fiscal note distributed to legislators estimated the cost of registering at \$20.00 for the first year with a reduction to around \$15.00 for subsequent years. However, the cost associated with registration is capped at \$50.00 per year for an association and the fee cannot exceed the actual amount needed by the Division to fund the operations of the HOA Information and Resource Center. While every association in Colorado will be required to register with the Division, the following associations will not be required to pay the registration fee:
 - Associations with annual revenue of \$5,000 or less; or
 - Associations not authorized to levy assessments and do not have any revenue.
- Associations that fail to register or keep a registration current, will not be permitted to enforce liens for delinquent assessments or to enforce any covenants pertaining to building restrictions until the registration is brought current. In addition, associations will not be permitted to recover attorney fees associated with litigation in which an association is the prevailing party unless the association's registration is current.
- The effective date of this new law is January 1, 2011. At that time, associations will be required to register with the Division. There is currently no information available on the actual process for registering. We will provide you with updates on the registration process as it becomes available from the Division of Real Estate.

<http://www.hoalegislature.com/>