



Senate

General Assembly

File No. 546

February Session, 2008

Substitute Senate Bill No. 706

Senate, April 9, 2008

The Committee on Judiciary reported through SEN. MCDONALD of the 27th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CONDOMINIUMS AND OTHER COMMON INTEREST COMMUNITIES AND THE LICENSING OF COMMUNITY ASSOCIATION MANAGERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 20-450 of the 2008 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective January 1, 2009*):

4 As used in sections 20-450 to 20-462, inclusive, as amended by this
5 act, and sections 13 to 16, inclusive, of this act, unless the context
6 otherwise requires:

7 (1) "Association" means (A) an association, as defined in section 47-
8 202, and an association of unit owners, as defined in section 47-68a and
9 in section 47-68 of the general statutes, revision of 1958, revised to
10 January 1, 1975, and (B) the mandatory owners organization of any
11 common interest community, as defined in section 47-202, which
12 community was not created under chapter 825 or 828 or under chapter

13 825 of the general statutes, revision of 1958, revised to January 1, 1975.
14 "Association" does not include an association of a common interest
15 community which contains only units restricted to nonresidential use;

16 (2) "Community association manager" means a person who
17 provides association management services, and includes any partner,
18 director, officer, employee or agent of such person who directly
19 provides association management services on behalf of such person;

20 (3) "Association management services" means services provided to
21 an association for remuneration, including one or more of the
22 following: (A) Collecting, controlling or disbursing funds of the
23 association or having the authority to do so; (B) preparing budgets or
24 other financial documents for the association; (C) assisting in the
25 conduct of or conducting association meetings; (D) advising or
26 assisting the association in obtaining insurance; (E) coordinating or
27 supervising the overall operations of the association; and (F) advising
28 the association on the overall operations of the association. Any person
29 licensed in this state under any provision of the general statutes or
30 rules of court who provides the services for which such person is
31 licensed to an association for remuneration shall not be deemed to be
32 providing association management services. Any director, officer or
33 other member of an association who provides services specified in this
34 subdivision to the association of which he or she is a member shall not
35 be deemed to be providing association management services unless
36 such director, officer or other member owns or controls more than
37 two-thirds but less than all of the votes in such association;

38 (4) "Commission" means the Connecticut [Real Estate Commission
39 appointed under the provisions of section 20-311a] Community
40 Association Commission appointed under section 13 of this act;

41 (5) "Department" means the Department of Consumer Protection;
42 and

43 (6) "Person" means an individual, partnership, corporation, limited
44 liability company or other legal entity.

45 Sec. 2. Section 20-451 of the general statutes is repealed and the
46 following is substituted in lieu thereof (*Effective January 1, 2009*):

47 No person shall hold himself or herself out to be a community
48 association manager or provide association management services
49 without first obtaining a [certificate of registration] license as provided
50 in sections 20-450 to 20-462, inclusive, as amended by this act, and
51 sections 13 to 16, inclusive, of this act.

52 Sec. 3. Section 20-452 of the general statutes is repealed and the
53 following is substituted in lieu thereof (*Effective January 1, 2009*):

54 (a) Any person seeking a [certificate of registration] license as a
55 community association manager shall apply to the department, in
56 writing, on a form provided by the department. Such application shall
57 include the applicant's name, residence address, business address,
58 business telephone number and such other information as the
59 department may require.

60 (b) Each application for a [certificate of registration] license as a
61 community association manager shall be accompanied by an
62 application fee of sixty dollars and a [registration] license fee of one
63 hundred dollars. The department shall refund the [registration] license
64 fee if it refuses to issue a [certificate of registration] license. The
65 payment of an application fee shall entitle an applicant who otherwise
66 meets the requirements established by the commission to take the
67 written examination, as provided in subsection (c) of this section, four
68 times within the one-year period from the date of payment. In addition
69 to the application fee, applicants taking an examination administered
70 by a national testing service shall be required to pay directly to such
71 testing service an examination fee covering the cost of such
72 examination.

73 (c) The commission shall subject any applicant for a license under
74 this section to personal written examination as to the applicant's
75 competency to act as a community association manager. Such
76 examination shall be prepared by the Department of Consumer

77 Protection or by a national testing service designated by the
78 Commissioner of Consumer Protection and shall be administered to
79 applicants by the Department of Consumer Protection or by such
80 testing service at such times and places as the commissioner deems
81 necessary. The commission may waive the written examination
82 requirement in the case of an applicant who, in the opinion of the
83 commission, has taken an equivalent written examination in another
84 state and has received a score deemed satisfactory by the commission.

85 (d) Each applicant for a license as a community association manager
86 shall, before being admitted to an examination as provided in
87 subsection (c) of this section, prove to the satisfaction of the
88 commission that the applicant has successfully completed a course
89 approved by the commission in community association management
90 principles and practices, or that the applicant has equivalent
91 experience or education as determined by the commission.

92 Sec. 4. Section 20-453 of the general statutes is repealed and the
93 following is substituted in lieu thereof (*Effective January 1, 2009*):

94 Upon receipt of a completed application and the appropriate fees,
95 and after an examination as provided in subsection (c) of section 20-
96 452, as amended by this act, the department, upon authorization of the
97 commission, shall: (1) Issue and deliver to the applicant a [certificate of
98 registration] license as a community association manager; or (2) refuse
99 to issue [the certificate] or renew such license. The commission may
100 suspend, revoke or refuse to issue or renew any [certificate] license
101 issued under sections 20-450 to 20-462, inclusive, as amended by this
102 act, and sections 13 to 16, inclusive, of this act, or may place a
103 [registrant] licensee on probation or issue a letter of reprimand for any
104 of the reasons stated in subsection (a) of section 20-456, as amended by
105 this act. No application for the reinstatement of a [certificate] license
106 which has been revoked shall be accepted by the department within
107 one year after the date of such revocation.

108 Sec. 5. Section 20-254 of the general statutes is repealed and the
109 following is substituted in lieu thereof (*Effective January 1, 2009*):

110 (a) Upon refusal to issue or renew a [certificate] license as a
111 community association manager, the department shall notify the
112 applicant of the denial and of [his] the applicant's right to request a
113 hearing within ten days from the date of receipt of the notice of denial.

114 (b) In the event the applicant requests a hearing within such ten
115 days, the commission shall give notice of the grounds for its refusal
116 and shall conduct a hearing concerning such refusal in accordance
117 with the provisions of chapter 54 concerning contested cases.

118 (c) In the event the commission's denial of a [certificate] license is
119 sustained after such hearing, an applicant may make new application
120 not less than one year after the date on which such denial was
121 sustained.

122 Sec. 6. Section 20-455 of the general statutes is repealed and the
123 following is substituted in lieu thereof (*Effective January 1, 2009*):

124 (a) The commission may hold hearings on any matter under the
125 provisions of sections 20-450 to 20-462, inclusive, as amended by this
126 act, and sections 13 to 16, inclusive, of this act, and any matter
127 concerning a violation of chapter 825 or 828 by an association or the
128 governing board or any officer of such association. The commission or
129 department may issue subpoenas, administer oaths, compel testimony
130 and order the production of books, records and documents. If any
131 person refuses to appear, to testify or to produce any book, record,
132 paper or document when so ordered, upon application of the
133 commission or department, a judge of the Superior Court may make
134 such order as may be appropriate to aid in the enforcement of this
135 section.

136 (b) The Attorney General, at the request of the commission or
137 department or after investigation of a complaint concerning a violation
138 of chapter 825 or 828 by an association or the governing board or any
139 officer of such association, is authorized to apply in the name of the
140 state of Connecticut to the Superior Court for an order temporarily or
141 permanently restraining and enjoining any person from violating any

142 provision of sections 20-450 to 20-462, inclusive, as amended by this
143 act, sections 13 to 16, inclusive, of this act or chapter 825 or 828, or an
144 order requiring such person to make restitution for any damages
145 caused by the violation, or both.

146 (c) For the purposes of this section, "governing board" means (1) an
147 executive board, as defined in section 47-202, and (2) a board of
148 directors, as defined in section 47-68a.

149 Sec. 7. Section 20-456 of the general statutes is repealed and the
150 following is substituted in lieu thereof (*Effective January 1, 2009*):

151 (a) The commission may revoke, suspend or refuse to issue or renew
152 any [certificate of registration] license as a community association
153 manager or place a [registrant] licensee on probation or issue a letter of
154 reprimand for: (1) Making any material misrepresentation; (2) making
155 any false promise of a character likely to influence, persuade or induce;
156 (3) failing, within a reasonable time, to account for or remit any
157 moneys coming into [his] the licensee's possession which belong to
158 others; (4) conviction in a court of competent jurisdiction of this or any
159 other state of forgery, embezzlement, obtaining money under false
160 pretenses, larceny, extortion, conspiracy to defraud, or other like
161 offense or offenses, provided suspension or revocation under this
162 subdivision shall be subject to the provisions of section 46a-80; (5)
163 commingling funds of others in an escrow or trustee account; (6)
164 commingling funds of different associations; (7) any act or conduct
165 which constitutes dishonest, fraudulent or improper dealings; or (8) a
166 violation of any provision of sections 20-450 to 20-462, inclusive, as
167 amended by this act, or sections 13 to 16, inclusive, of this act, or any
168 regulation adopted under section 20-461, as amended by this act.

169 (b) The commission shall not revoke or suspend any [certificate of
170 registration] license as a community association manager except upon
171 notice and hearing in accordance with chapter 54.

172 Sec. 8. Section 20-457 of the general statutes is repealed and the
173 following is substituted in lieu thereof (*Effective January 1, 2009*):

174 (a) Each person engaged in providing association management
175 services shall (1) exhibit [his certificate of registration] such person's
176 license upon request by any interested party, (2) state in any
177 advertisement the fact that [he is registered] such person is licensed,
178 and (3) include [his registration] such person's license number in any
179 advertisement.

180 (b) No person shall: (1) Present or attempt to present, as [his] such
181 person's own, the [certificate] license of another, (2) knowingly give
182 false evidence of a material nature to the commission or department
183 for the purpose of procuring a [certificate] license, (3) represent himself
184 or herself falsely as, or impersonate, a [registered] licensed community
185 association manager, (4) use or attempt to use a [certificate] license
186 which has expired or which has been suspended or revoked, (5)
187 provide or offer to provide association management services without
188 having a current [certificate of registration] license under sections 20-
189 450 to 20-462, inclusive, as amended by this act, and sections 13 to 16,
190 inclusive, of this act, or (6) represent in any manner that [his
191 registration] such person's licensure constitutes an endorsement of the
192 quality of [his] such person's services or of [his] such person's
193 competency by the commission or department. In addition to any
194 other remedy provided for in sections 20-450 to 20-462, inclusive, as
195 amended by this act, and sections 13 to 16, inclusive, of this act, any
196 person who violates any provision of this subsection shall be fined not
197 more than five hundred dollars or imprisoned for not more than one
198 year, or be both fined and imprisoned. A violation of any of the
199 provisions of sections 20-450 to 20-462, inclusive, as amended by this
200 act, and sections 13 to 16, inclusive, of this act, shall be deemed an
201 unfair or deceptive trade practice under subsection (a) of section 42-
202 110b.

203 (c) [Certificates] Licenses issued to community association managers
204 shall not be transferable or assignable.

205 (d) All [certificates] licenses issued under the provisions of sections
206 20-450 to 20-462, inclusive, as amended by this act, and sections 13 to

207 16, inclusive, of this act, shall expire annually on the thirty-first day of
208 January, except as provided in section 16 of this act. The fee for
209 renewal of a [certificate] license shall be one hundred dollars.

210 (e) A community association manager whose [certificate] license has
211 expired more than one month before his or her application for renewal
212 is made shall have his [registration] or her license restored upon
213 payment of a fee of twenty-five dollars in addition to [his] the renewal
214 fee. Restoration of a [registration] license shall be effective upon
215 approval of the application for renewal by the commission.

216 (f) A [certificate] license shall not be restored unless it is renewed
217 not later than one year after its expiration.

218 (g) Failure to receive a notice of expiration or a renewal application
219 shall not exempt a community association manager from the obligation
220 to renew his or her license.

221 Sec. 9. Subsection (a) of section 20-458 of the general statutes is
222 repealed and the following is substituted in lieu thereof (*Effective*
223 *January 1, 2009*):

224 (a) No contract between a person contracting to provide association
225 management services and an association which provides for the
226 management of the association shall be valid or enforceable unless the
227 contract is in writing and:

228 (1) Provides that the person contracting to provide management
229 services shall be [registered] licensed as provided in sections 20-450 to
230 20-462, inclusive, as amended by this act, and sections 13 to 16,
231 inclusive, of this act, and shall obtain a bond as provided in section 20-
232 460, as amended by this act; and

233 (2) Provides that the person contracting to provide management
234 services shall not issue a check on behalf of the association or transfer
235 moneys exceeding a specified amount determined by the association
236 without the written approval of an officer designated by the
237 association; and

238 (3) Provides that the person contracting to provide management
239 services shall not enter into any contract binding the association
240 exceeding a specified amount determined by the association, except in
241 the case of an emergency, without the written approval of an officer
242 designated by the association.

243 Sec. 10. Subsection (a) of section 20-460 of the general statutes is
244 repealed and the following is substituted in lieu thereof (*Effective*
245 *January 1, 2009*):

246 (a) No person who provides association management services under
247 the provisions of sections 20-450 to 20-462, inclusive, as amended by
248 this act, and sections 13 to 16, inclusive, of this act, shall control,
249 collect, have access to or disburse funds of an association unless, at all
250 times during which the person controls, collects, has access to or
251 disburses such funds, there is in effect [,] a fidelity bond complying
252 with the provisions of this section.

253 Sec. 11. Section 20-461 of the general statutes is repealed and the
254 following is substituted in lieu thereof (*Effective January 1, 2009*):

255 The [department] Commissioner of Consumer Protection, with the
256 advice and assistance of the commission, shall adopt regulations₂ in
257 accordance with chapter 54₂ to carry out the provisions of sections 20-
258 450 to 20-462, inclusive, as amended by this act, and sections 13 to 16,
259 inclusive, of this act. Such regulations shall include, but not be limited
260 to: (1) Passing scores for examinations as provided in subsection (c) of
261 section 20-452, as amended by this act; (2) required topics and
262 classroom hours for courses as provided in subsection (d) of said
263 section; and (3) continuing education requirements for the renewal of a
264 license as a community association manager.

265 Sec. 12. Section 20-462 of the general statutes is repealed and the
266 following is substituted in lieu thereof (*Effective January 1, 2009*):

267 Any person aggrieved by an order or decision of the commission
268 under any provision of sections 20-450 to 20-462, inclusive, as

269 amended by this act, or sections 13 to 16, inclusive, of this act, may
270 appeal [therefrom] from such order or decision in accordance with the
271 provisions of section 4-183.

272 Sec. 13. (NEW) (*Effective January 1, 2009*) (a) There is created in the
273 department the Connecticut Community Association Commission.

274 (b) The commission shall consist of eight persons who shall be
275 electors of the state and appointed by the Governor. Five of the
276 members shall be at the time of appointment licensed community
277 association managers, except that the initial appointees shall be so
278 licensed at the time of or within one month after appointment, and
279 three of the members shall be public members. Not more than a bare
280 majority of the commission shall be members of the same political
281 party and there shall be at least one member from each congressional
282 district.

283 (c) The members of the commission shall serve until the expiration
284 of the term for which they were appointed and until their successors
285 have qualified. Members shall not be compensated for their services
286 but shall be reimbursed for necessary expenses incurred in the
287 performance of their duties. The Governor may remove any member
288 for cause upon notice and an opportunity to be heard. Upon the death,
289 resignation or removal of a member, the Governor shall appoint a
290 successor to serve for the unexpired portion of the vacated term and
291 until such member's successor is appointed and qualifies. Each
292 member shall, before entering upon such member's duties, take and
293 file with the commission an oath to faithfully perform the duties of
294 such member's office.

295 Sec. 14. (NEW) (*Effective January 1, 2009*) (a) Within thirty days after
296 the appointment of the members of the commission, the commission
297 shall meet in the city of Hartford for the purpose of organizing by
298 selecting such officers other than a chairperson as the commission may
299 deem necessary and appropriate. A majority of the members of the
300 commission shall constitute a quorum for the exercise of the powers or
301 authority conferred upon it.

302 (b) The commission shall:

303 (1) Authorize the department to issue licenses to community
304 association managers;

305 (2) Administer the provisions of sections 20-450 to 20-462, inclusive,
306 of the general statutes or the 2008 supplement to the general statutes,
307 as amended by this act, and sections 13 to 16, inclusive, of this act as to
308 the licensure and the issuance, renewal, suspension or revocation of
309 licenses of community association managers; and

310 (3) Receive complaints of violations of chapter 825 or 828 of the
311 general statutes by associations or the governing boards or officers of
312 such associations.

313 (c) The commission shall be provided with the necessary office
314 space in Hartford by the Commissioner of Public Works. The place of
315 business of the commission and all files, records and property of the
316 commission shall at all times be and remain at such office, except that
317 inactive files shall be stored at a location designated by the
318 commission.

319 (d) The commission shall hold meetings and hearings in Hartford,
320 in space provided by the Commissioner of Administrative Services, or
321 at such places outside of Hartford as shall be determined by the
322 chairperson of the commission. The commission shall meet at least
323 once in each three-month period and may meet more often at the call
324 of its chairperson. The chairperson of the commission shall call a
325 meeting of the commission whenever requested to do so by a majority
326 of the members of the commission.

327 (e) The commission shall vote on all matters requiring a decision
328 and votes shall be recorded in the commission's minutes.

329 Sec. 15. (NEW) (*Effective January 1, 2009*) In addition to any other
330 remedy provided for in sections 20-450 to 20-462, inclusive, of the
331 general statutes or the 2008 supplement to the general statutes, as
332 amended by this act, sections 13 to 16, inclusive, of this act or chapter

333 416 of the general statutes, the commission or the Commissioner of
334 Consumer Protection may, after notice and hearing, impose a civil
335 penalty on any person providing association management services
336 who has engaged in one or more of the activities specified in
337 subdivisions (1), (2), (3) and (5) to (8), inclusive, of subsection (a) of
338 section 20-456 of the general statutes, as amended by this act, and
339 subdivisions (1) to (6), inclusive, of subsection (b) of section 20-457 of
340 the general statutes, as amended by this act. Such civil penalty shall be
341 in an amount not more than one thousand dollars for a first violation
342 of this section, not more than one thousand five hundred dollars for a
343 second violation of this section and not more than three thousand
344 dollars for each violation of this section occurring less than three years
345 after a second or subsequent violation of this section.

346 Sec. 16. (NEW) (*Effective January 1, 2009*) The department shall issue
347 a license as a community association manager to any person holding a
348 valid certificate of registration as a community association manager on
349 the effective date of this section, upon payment of a license fee of one
350 hundred dollars, provided such person shall take and receive a
351 satisfactory score on the examination required by subsection (c) of
352 section 20-452 of the general statutes, as amended by this act, during
353 the period commencing on the effective date of this section and ending
354 one year from said date. Such license shall expire on the thirty-first day
355 of January of the year immediately following the year in which it is
356 issued and shall not be renewed by the department if such person fails
357 to take or receive a satisfactory score on such examination during such
358 period. The provisions of subsection (d) of section 20-452 of the general
359 statutes, as amended by this act, shall not apply to the issuance or
360 renewal of any such license.

361 Sec. 17. Section 21a-6 of the general statutes is repealed and the
362 following is substituted in lieu thereof (*Effective January 1, 2009*):

363 The following boards shall be within the Department of Consumer
364 Protection:

365 (1) The Architectural Licensing Board established under chapter

- 366 390;
- 367 (2) Repealed by P.A. 93-151, S. 3, 4;
- 368 (3) The examining boards for electrical work; plumbing and piping
369 work; heating, piping, cooling and sheet metal work; elevator
370 installation, repair and maintenance work; fire protection sprinkler
371 systems work and automotive glasswork and flat glass work
372 established under chapter 393;
- 373 (4) The State Board of Television and Radio Service Examiners
374 established under chapter 394;
- 375 (5) The Commission of Pharmacy established under chapter 400j;
- 376 (6) The State Board of Landscape Architects established under
377 chapter 396;
- 378 (7) Deleted by P.A. 98-229;
- 379 (8) The State Board of Examiners for Professional Engineers and
380 Land Surveyors established under chapter 391;
- 381 (9) Repealed by P.A. 80-484, S. 175, 176;
- 382 (10) The Connecticut Real Estate Commission established under
383 chapter 392;
- 384 (11) The Connecticut Real Estate Appraisal Commission established
385 under chapter 400g;
- 386 (12) The State Board of Examiners of Shorthand Reporters
387 established under chapter 400l;
- 388 (13) The Liquor Control Commission established under chapter 545;
- 389 (14) Repealed by P.A. 06-187, S. 99, effective October 1, 2006;
- 390 (15) The Home Inspection Licensing Board established under
391 section 20-490a;

392 (16) The Connecticut Community Association Commission
393 established under chapter 400b, as amended by this act.

394 Sec. 18. Subsection (d) of section 21a-9 of the 2008 supplement to the
395 general statutes is repealed and the following is substituted in lieu
396 thereof (*Effective January 1, 2009*):

397 (d) As used in chapters 390, 391, 392, 393, 394, 396, 400b, as
398 amended by this act, 400g, 400j, 482 and 400l:

399 (1) "Certificate" includes the whole or part of any Department of
400 Consumer Protection permit which the department issues under
401 authority of the general statutes and which (A) authorizes practice of
402 the profession by certified persons but does not prohibit the practice of
403 the profession by others, not certified, (B) prohibits a person from
404 falsely representing that such person is certified to practice the
405 profession unless the person holds a certificate issued by the
406 department, and (C) requires as a condition of certification that a
407 person submit specified credentials to the department which attest to
408 qualifications to practice the profession.

409 (2) "License" includes the whole or part of any Department of
410 Consumer Protection permit, approval, or similar form of permission
411 which the department issues under authority of the general statutes
412 and which requires (A) practice of the profession by licensed persons
413 only, (B) demonstration of competence to practice by examination or
414 other means and meeting of certain minimum standards, and (C)
415 enforcement of standards by the department or regulatory board or
416 commission.

417 (3) "Registration" includes the whole or part of any Department of
418 Consumer Protection permit which the department issues under
419 authority of the general statutes and which (A) requires persons to
420 place their names on a list maintained by the department before they
421 can engage in the practice of a specified profession or occupation, (B)
422 does not require a person to demonstrate competence by examination
423 or other means, and (C) may be revoked or suspended by the

424 commissioner for cause.

425 Sec. 19. Subsection (a) of section 47-216 of the general statutes is
426 repealed and the following is substituted in lieu thereof (*Effective*
427 *October 1, 2008*):

428 (a) Except as provided in section 47-217, sections 47-204, 47-205, 47-
429 206, 47-222, 47-223, 47-240 of the 2008 supplement to the general
430 statutes, 47-244, as amended by this act, 47-253, 47-258, 47-260 of the
431 2008 supplement to the general statutes, as amended by this act, 47-270
432 and 47-278, and [subsection] subsections (b), (i) and (j) of section 47-
433 236, and section 47-202 to the extent necessary in construing any of
434 those sections, apply to all common interest communities created in
435 this state before January 1, 1984; but those sections apply only with
436 respect to events and circumstances occurring after January 1, 1984,
437 and do not invalidate existing provisions of the declaration, bylaws or
438 surveys or plans of those common interest communities.

439 Sec. 20. Subsection (a) of section 47-244 of the general statutes is
440 repealed and the following is substituted in lieu thereof (*Effective*
441 *October 1, 2008*):

442 (a) Except as provided in subsection (b) of this section, and subject
443 to the provisions of the declaration, the association, even if
444 unincorporated, may:

445 (1) Adopt and amend bylaws and rules and regulations;

446 (2) Adopt and amend budgets for revenues, expenditures and
447 reserves and collect assessments for common expenses from unit
448 owners;

449 (3) Hire and discharge managing agents and other employees,
450 agents and independent contractors;

451 (4) Institute, defend or intervene in litigation or administrative
452 proceedings in its own name on behalf of itself or two or more unit
453 owners on matters affecting the common interest community;

- 454 (5) Make contracts and incur liabilities;
- 455 (6) Regulate the use, maintenance, repair, replacement and
456 modification of common elements;
- 457 (7) Cause additional improvements to be made as a part of the
458 common elements;
- 459 (8) Acquire, hold, encumber and convey in its own name any right,
460 title or interest to real property or personal property, but (A) common
461 elements in a condominium or planned community may be conveyed
462 or subjected to a security interest only pursuant to section 47-254 and
463 (B) part of a cooperative may be conveyed, or all or part of a
464 cooperative may be subjected to a security interest, only pursuant to
465 section 47-254;
- 466 (9) Grant easements, leases, licenses and concessions through or
467 over the common elements;
- 468 (10) Impose and receive any payments, fees or charges for the use,
469 rental or operation of the common elements, other than limited
470 common elements described in subsections (2) and (4) of section 47-
471 221, and for services provided to unit owners;
- 472 (11) Impose charges or interest or both for late payment of
473 assessments and, after notice and an opportunity to be heard, levy
474 reasonable fines for violations of the declaration, bylaws, rules and
475 regulations of the association;
- 476 (12) Impose reasonable charges for the preparation and recordation
477 of amendments to the declaration, resale certificates required by
478 section 47-270 or statements of unpaid assessments;
- 479 (13) Provide for the indemnification of its officers and executive
480 board and maintain directors' and officers' liability insurance;
- 481 (14) Assign its right to future income, including the right to receive
482 common expense assessments, [but only to the extent the declaration

483 expressly so provides] by the vote of unit owners of units to which at
484 least fifty-one per cent of the votes in the association are allocated;

485 (15) Exercise any other powers conferred by the declaration or
486 bylaws;

487 (16) Exercise all other powers that may be exercised in this state by
488 legal entities of the same type as the association;

489 (17) Exercise any other powers necessary and proper for the
490 governance and operation of the association; and

491 (18) Require, by regulation, that disputes between the executive
492 board and unit owners or between two or more unit owners regarding
493 the common interest community must be submitted to nonbinding
494 alternative dispute resolution in the manner described in the
495 regulation as a prerequisite to commencement of a judicial proceeding.

496 Sec. 21. Section 47-260 of the 2008 supplement to the general statutes
497 is repealed and the following is substituted in lieu thereof (*Effective*
498 *October 1, 2008*):

499 [(a) The association shall keep financial records sufficiently detailed
500 to enable the association to comply with section 47-270. All accounting,
501 financial and other books and records of the association, including, but
502 not limited to, minutes of meetings and voting records of the executive
503 board, shall be made reasonably available by the executive board or a
504 managing agent of the association for examination and copying by any
505 unit owner, or the unit owner's authorized agent, upon the request of
506 such unit owner or agent.

507 (b) Notwithstanding any provision of the declaration or bylaws to
508 the contrary, at least fourteen days prior to entering into any loan
509 agreement on behalf of the association, the executive board shall (1)
510 disclose in writing to all unit owners the amount and terms of the loan
511 and the estimated effect of such loan on any common expense
512 assessment, and (2) afford the unit owners a reasonable opportunity to
513 submit written comments to the executive board with respect to such

514 loan.]

515 (a) The association shall create and maintain the following records:

516 (1) Detailed records of receipts and expenditures affecting the
517 operation and administration of the association and other appropriate
518 accounting records;

519 (2) Minutes of all meetings of its unit owners and executive board, a
520 record of all actions taken by the unit owners or executive board
521 without a meeting, and a record of all actions taken by a committee in
522 place of the executive board on behalf of the association;

523 (3) The names of unit owners in a form that permits preparation of a
524 list of the names and addresses of all owners in alphabetical order
525 showing the number of votes each owner is entitled to cast;

526 (4) The association's original or restated organizational documents,
527 if any, and bylaws and all amendments to such documents currently in
528 effect;

529 (5) Any financial statements and tax returns of the association for
530 the past three years;

531 (6) A list of the names and business addresses of its current
532 executive board members and officers;

533 (7) If incorporated, its most recent annual report delivered to the
534 Secretary of the State;

535 (8) Financial and other records sufficiently detailed to enable the
536 association to comply with section 47-270;

537 (9) All current written contracts to which the association is a party;

538 (10) Records of actions taken by an executive board or committee in
539 place of the executive board to approve or deny any requests from unit
540 owners for design or architectural approval; and

541 (11) Ballots, proxies and other records related to voting by unit
542 owners for one year after the election to which they relate.

543 (b) Subject to the provisions of subsections (c) and (d) of this section,
544 a unit owner or the unit owner's authorized agent may examine and
545 copy all records kept by the association. Such right of examination may
546 be exercised:

547 (1) Only during reasonable business hours, unless the association
548 and the unit owner or the unit owner's authorized agent agree to
549 another time;

550 (2) At the office of the association, the office of the association's
551 managing agent, or at a location within the town or towns in which the
552 common interest community is located, or a town that immediately
553 borders the town or towns in which the common interest community is
554 located, unless the association and the unit owner or the unit owner's
555 authorized agent agree to another location; and

556 (3) Upon at least five days' written notice.

557 (c) Records kept by an association may be withheld from inspection
558 and copying to the extent the records concern:

559 (1) Personnel files of the employees or agents of the association;

560 (2) The medical records of any person that are in the possession of
561 the association;

562 (3) Contracts, leases and other commercial transactions to purchase
563 or provide goods or services, currently in or under negotiation;

564 (4) Pending or potential litigation;

565 (5) Matters involving state or local administrative or other formal
566 proceedings before a government agency for enforcement of the
567 declaration, bylaws or rules;

568 (6) Communications with legal counsel that are otherwise protected

569 by the attorney-client privilege or the attorney work product doctrine;

570 (7) Disclosure of information in violation of law;

571 (8) Records of an executive session of the executive board; or

572 (9) Individual unit files other than those of the requesting unit
573 owner.

574 (d) Notwithstanding any provision of this chapter, the association
575 shall withhold from inspection and copying any record that is required
576 to be maintained as confidential under any state or federal law or any
577 regulation of a state or federal agency.

578 (e) The association may charge a fee for providing copies of any
579 records under this section and for supervising the unit owner's
580 inspection, provided such fees shall not exceed the actual cost of any
581 materials and labor incurred by the association.

582 (f) Any right to copy records under this section shall include the
583 right to receive copies by photocopying or other means, including
584 copies through an electronic transmission if available and so requested
585 by the unit owner.

586 (g) The association shall not be required to compile or synthesize
587 information pursuant to this section. Information provided pursuant to
588 this section may not be used by any person for a commercial purpose.

589 Sec. 22. Subsection (a) of section 22-332d of the general statutes is
590 repealed and the following is substituted in lieu thereof (*Effective*
591 *October 1, 2008*):

592 (a) Any animal control officer for a municipality which has adopted
593 an ordinance under subsection (b) of section 22-339d, as amended by
594 this act, may take into custody any cat found to be damaging property
595 other than property of its owner or keeper or property that is part of
596 the common elements of a common interest community, as defined in
597 section 47-202, or causing an unsanitary, dangerous or unreasonably

598 offensive condition unless such cat can be identified as under the care
599 of its owner or a registered keeper of feral cats. The officer shall
600 impound such cat at the pound serving the town where the cat is taken
601 unless, in the opinion of a licensed veterinarian, the cat is so injured or
602 diseased that it should be destroyed immediately, in which case the
603 municipal animal control officer of such town may cause the cat to be
604 mercifully killed by a licensed veterinarian or disposed of as the State
605 Veterinarian may direct. The municipal animal control officer shall
606 immediately notify the owner or keeper of any cat so taken, if known,
607 of its impoundment. If the owner or keeper of any such cat is
608 unknown, the officer shall immediately tag or employ such other
609 suitable means of identification of the cat as may be approved by the
610 Chief Animal Control Officer and shall promptly cause a description of
611 such cat to be published once in the lost and found column of a
612 newspaper having a circulation in such town.

613 Sec. 23. Subsection (b) of section 22-339d of the general statutes is
614 repealed and the following is substituted in lieu thereof (*Effective*
615 *October 1, 2008*):

616 (b) A municipality may adopt an ordinance providing that no
617 person owning or keeping any cat shall permit such animal to (1)
618 substantially damage property other than the property of the owner or
619 keeper; [or] (2) cause an unsanitary, dangerous or unreasonably
620 offensive condition; or (3) substantially damage property that is part of
621 the common elements of a common interest community, as defined in
622 section 47-202. Violation of such provision shall be an infraction.

623 Sec. 24. Section 22-357 of the general statutes is repealed and the
624 following is substituted in lieu thereof (*Effective October 1, 2008*):

625 If any dog does any damage to either the body or property of any
626 person, or property that is part of the common elements of a common
627 interest community, as defined in section 47-202, the owner or keeper,
628 or, if the owner or keeper is a minor, the parent or guardian of such
629 minor, shall be liable for such damage, except when such damage has
630 been occasioned to the body or property of a person who, at the time

631 such damage was sustained, was committing a trespass or other tort,
632 or was teasing, tormenting or abusing such dog. If a minor, on whose
633 behalf an action under this section is brought, was under seven years
634 of age at the time the damage was done, it shall be presumed that such
635 minor was not committing a trespass or other tort, or teasing,
636 tormenting or abusing such dog, and the burden of proof thereof shall
637 be upon the defendant in such action.

638 Sec. 25. Section 22-358 of the 2008 supplement to the general statutes
639 is repealed and the following is substituted in lieu thereof (*Effective*
640 *October 1, 2008*):

641 (a) (1) For the purposes of this section, the premises of the owner or
642 keeper of a dog, cat or other animal does not include property that is
643 part of the common elements of a common interest community, as
644 defined in section 47-202.

645 (2) Any owner or the agent of any owner of any domestic animal or
646 poultry, or the Chief Animal Control Officer or any animal control
647 officer or any municipal animal control officer, regional animal control
648 officer or any police officer or state policeman, may kill any dog which
649 he observes pursuing or worrying any such domestic animal or
650 poultry.

651 (b) Any person who is bitten, or who shows visible evidence of
652 attack by a dog, cat or other animal when such person is not upon the
653 premises of the owner or keeper of such dog, cat or other animal may
654 kill such dog, cat or other animal during such attack. Such person shall
655 make complaint concerning the circumstances of the attack to the Chief
656 Animal Control Officer, any animal control officer or the municipal
657 animal control officer or regional animal control officer of the town
658 wherein such dog, cat or other animal is owned or kept. Any such
659 officer to whom such complaint is made shall immediately make an
660 investigation of such complaint.

661 (c) If such officer finds that the complainant has been bitten or
662 attacked by such dog, cat or other animal when the complainant was

663 not upon the premises of the owner or keeper of such dog, cat or other
664 animal the officer shall quarantine such dog, cat or other animal in a
665 public pound or order the owner or keeper to quarantine it in a
666 veterinary hospital, kennel or other building or enclosure approved by
667 the commissioner for such purpose. When any dog, cat or other animal
668 has bitten a person on the premises of the owner or keeper of such
669 dog, cat or other animal, the Chief Animal Control Officer, any animal
670 control officer, any municipal animal control officer or regional animal
671 control officer may quarantine such dog, cat or other animal on the
672 premises of the owner or keeper of such dog, cat or other animal. The
673 commissioner, the Chief Animal Control Officer, any animal control
674 officer, any municipal animal control officer or any regional animal
675 control officer may make any order concerning the restraint or
676 disposal of any biting dog, cat or other animal as the commissioner or
677 such officer deems necessary. Notice of any such order shall be given
678 to the person bitten by such dog, cat or other animal within twenty-
679 four hours. The owner of such animal shall pay all fees as set forth in
680 section 22-333. On the fourteenth day of such quarantine the dog, cat
681 or other animal shall be examined by the commissioner or someone
682 designated by the commissioner to determine whether such quarantine
683 shall be continued or removed. Whenever any quarantine is ordered
684 under the provisions of this section, notice thereof shall be given to the
685 commissioner and to the person bitten or attacked by such dog, cat or
686 other animal within twenty-four hours. Any owner or keeper of such
687 dog, cat or other animal who fails to comply with such order shall be
688 fined not more than two hundred fifty dollars or imprisoned not more
689 than thirty days or both. If an owner or keeper fails to comply with a
690 quarantine or restraining order made pursuant to this subsection, the
691 Chief Animal Control Officer, any animal control officer, any
692 municipal animal control officer or regional animal control officer may
693 seize the dog, cat or other animal to insure such compliance and the
694 owner or keeper shall be responsible for any expenses resulting from
695 such seizure. Any person aggrieved by an order of any municipal
696 animal control officer, the Chief Animal Control Officer, any animal
697 control officer or any regional animal control officer may request a

698 hearing before the commissioner within fourteen days of the issuance
699 of such order. After such hearing, the commissioner may affirm,
700 modify or revoke such order as the commissioner deems proper. Any
701 dog owned by a police agency of the state or any of its political
702 subdivisions is exempt from the provisions of this subsection when
703 such dog is under the direct supervision, care and control of an
704 assigned police officer, has been vaccinated annually and is subject to
705 routine veterinary care.

706 (d) Any dog, while actually worrying or pursuing deer, may be
707 killed by the Chief Animal Control Officer or an animal control officer
708 or by a conservation officer or special conservation officer appointed
709 by the Commissioner of Environmental Protection, or by any police
710 officer or state policeman. The owner or keeper of any dog found
711 worrying or pursuing a deer shall be fined not less than twenty-five
712 dollars nor more than two hundred dollars or imprisoned not more
713 than sixty days or both.

714 (e) Any person who kills any dog, cat or other animal in accordance
715 with the provisions of this section shall not be held criminally or civilly
716 liable therefor.

717 (f) The owner of any dog, cat or other animal which has bitten or
718 attacked a person and has been quarantined pursuant to subsection (c)
719 of this section may authorize the humane euthanization of such dog,
720 cat or other animal by a licensed veterinarian at any time before the
721 end of the fourteenth day of such quarantine. Any such dog, cat or
722 other animal so euthanized before the end of the fourteenth day of
723 quarantine shall be examined for rabies by the Connecticut
724 Department of Public Health virology laboratory or any other
725 laboratory authorized by the Department of Public Health to perform
726 rabies examinations. The veterinarian performing the euthanasia shall
727 be responsible for ensuring that the head of the euthanized animal is
728 delivered by him or his designated agent within forty-eight hours to an
729 appropriate laboratory designated by said department for rabies
730 examination.

731 (g) Repealed by P.A. 05-175, S. 24.

732 (h) A person who sustains damage by a dog to such person's
733 poultry, ratite, domestic rabbit, companion animal or livestock as
734 defined in section 22-278 shall make complaint concerning
735 circumstances of the attack by such dog on any such animal or
736 livestock to the Chief Animal Control Officer, any animal control
737 officer or the municipal animal control officer or regional animal
738 control officer of the town in which such dog is owned or kept. An
739 officer to whom such complaint is made shall immediately investigate
740 such complaint. If such officer finds that the complainant's animal has
741 been bitten or attacked by a dog when the attacked animal was not on
742 the premises of the owner or keeper of the attacking dog and provided
743 the complainant's animal was under the control of the complainant or
744 on the complainant's property, such officer, the commissioner, the
745 Chief Animal Control Officer or any animal control officer may make
746 any order concerning the restraint or disposal of such attacking dog as
747 the commissioner or such officer deems necessary. An owner or keeper
748 of such dog who fails to comply with such order shall be fined not
749 more than two hundred fifty dollars or imprisoned not more than
750 thirty days, or both. If the owner or keeper of such dog fails to comply
751 with an order made pursuant to this subsection, the Chief Animal
752 Control Officer or any animal control officer, municipal animal control
753 officer or regional animal control officer may seize the dog to ensure
754 such compliance, and the owner or keeper of such dog shall be
755 responsible for any expenses resulting from such seizure. A person
756 aggrieved by an order of the Chief Animal Control Officer or any
757 animal control officer, municipal animal control officer or regional
758 animal control officer made pursuant to this subsection may request a
759 hearing before the commissioner not later than fourteen days after the
760 issuance of such order. After such hearing, the commissioner may
761 affirm, modify or revoke such order as the commissioner deems
762 proper. A dog owned by a police agency of the state or any of its
763 political subdivisions is exempt from the provisions of this section
764 when such dog is under the direct supervision, care and control of an
765 assigned police officer, has been vaccinated annually and is subject to

766 routine veterinary care.

767 Sec. 26. Subsection (a) of section 22-364 of the general statutes is
768 repealed and the following is substituted in lieu thereof (*Effective*
769 *October 1, 2008*):

770 (a) No owner or keeper of any dog shall allow such dog to roam at
771 large upon the land of another or upon property that is part of the
772 common elements of a common interest community, as defined in
773 section 47-202, and not under control of the owner or keeper or the
774 agent of the owner or keeper, nor allow such dog to roam at large on
775 any portion of any public highway and not attended or under control
776 of such owner or keeper or his agent, provided nothing in this
777 subsection shall be construed to limit or prohibit the use of hunting
778 dogs during the open hunting or training season. The unauthorized
779 presence of any dog on the land of any person other than the owner or
780 keeper of such dog, on property that is part of the common elements of
781 a common interest community, or on any portion of a public highway
782 when such dog is not attended by or under the control of such owner
783 or keeper, shall be prima facie evidence of a violation of the provisions
784 of this subsection. Violation of any provision of this subsection shall be
785 an infraction.

786 Sec. 27. Section 22-364a of the general statutes is repealed and the
787 following is substituted in lieu thereof (*Effective October 1, 2008*):

788 Any person who intentionally or recklessly releases a domestic
789 animal that enters upon the real property of another person or upon
790 property that is part of the common elements of a common interest
791 community, as defined in section 47-202, and causes damage to such
792 real property in an amount in excess of one hundred dollars shall have
793 committed an infraction.

794 Sec. 28. Section 22-364b of the general statutes is repealed and the
795 following is substituted in lieu thereof (*Effective October 1, 2008*):

796 The owner or keeper of a dog shall restrain and control such dog on

797 a leash when such dog is not on the property of its owner or keeper, or
 798 is on property that is part of the common elements of a common
 799 interest community, as defined in section 47-202, and is in proximity to
 800 a blind, deaf or mobility impaired person accompanied by his guide
 801 dog, provided the guide dog is in the direct custody of such blind, deaf
 802 or mobility impaired person, is wearing a harness or an orange-colored
 803 leash and collar which makes it readily-identifiable as a guide dog and
 804 is licensed in accordance with section 22-345. Any person who violates
 805 the provisions of this section shall have committed an infraction. If an
 806 owner or keeper of a dog violates the provisions of this section and, as
 807 a result of such violation, such dog attacks and injures the guide dog,
 808 such owner or keeper shall be liable, as provided in section 22-357, as
 809 amended by this act, for any damage done to such guide dog, and such
 810 liability shall include liability for any costs incurred by such blind, deaf
 811 or mobility-impaired person for the veterinary care, rehabilitation or
 812 replacement of the injured guide dog and for reasonable attorney's
 813 fees.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2009</i>	20-450
Sec. 2	<i>January 1, 2009</i>	20-451
Sec. 3	<i>January 1, 2009</i>	20-452
Sec. 4	<i>January 1, 2009</i>	20-453
Sec. 5	<i>January 1, 2009</i>	20-254
Sec. 6	<i>January 1, 2009</i>	20-455
Sec. 7	<i>January 1, 2009</i>	20-456
Sec. 8	<i>January 1, 2009</i>	20-457
Sec. 9	<i>January 1, 2009</i>	20-458(a)
Sec. 10	<i>January 1, 2009</i>	20-460(a)
Sec. 11	<i>January 1, 2009</i>	20-461
Sec. 12	<i>January 1, 2009</i>	20-462
Sec. 13	<i>January 1, 2009</i>	New section
Sec. 14	<i>January 1, 2009</i>	New section
Sec. 15	<i>January 1, 2009</i>	New section
Sec. 16	<i>January 1, 2009</i>	New section
Sec. 17	<i>January 1, 2009</i>	21a-6

Sec. 18	<i>January 1, 2009</i>	21a-9(d)
Sec. 19	<i>October 1, 2008</i>	47-216(a)
Sec. 20	<i>October 1, 2008</i>	47-244(a)
Sec. 21	<i>October 1, 2008</i>	47-260
Sec. 22	<i>October 1, 2008</i>	22-332d(a)
Sec. 23	<i>October 1, 2008</i>	22-339d(b)
Sec. 24	<i>October 1, 2008</i>	22-357
Sec. 25	<i>October 1, 2008</i>	22-358
Sec. 26	<i>October 1, 2008</i>	22-364(a)
Sec. 27	<i>October 1, 2008</i>	22-364a
Sec. 28	<i>October 1, 2008</i>	22-364b

JUD *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Consumer Protection, Dept.	GF - Cost	230,000	300,000
Comptroller Misc. Accounts (Fringe Benefits) ¹	GF - Cost	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a cost of up to \$230,000 in FY 09 and up to \$300,000 in FY 10 to the Department of Consumer Protection (DCP) plus fringe benefit costs. It is anticipated that the increased regulatory oversight of condominium and other communities will generate a significant increase in the workload of the DCP. The DCP would need a Staff Attorney/Ombudsman, two Consumer Protection Real Estate Examiners, a Consumer Information representative and a Paralegal Specialist.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

¹ The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller. The first year fringe benefit costs for new positions do not include pension costs. The estimated first year fringe benefit rate as a percentage of payroll is 25.36%. The state's pension contribution is based upon the prior year's certification by the actuary for the State Employees Retirement System (SERS). The SERS fringe benefit rate is 33.27%, which when combined with the rate for non-pension fringe benefits totals 58.63%.

OLR Bill Analysis**sSB 706*****AN ACT CONCERNING CONDOMINIUMS AND OTHER COMMON INTEREST COMMUNITIES AND THE LICENSING OF COMMUNITY ASSOCIATION MANAGERS.*****SUMMARY:**

This bill requires community association managers to be licensed instead of registered. It prohibits people from holding themselves out to be community association managers or providing association management services without first obtaining a license. The bill requires that people pass an exam before being licensed.

The bill requires the Department of Consumer Protection (DCP) to issue a license as a community association manager to anyone holding a valid certificate of registration as a community association manager on January 1, 2009, upon payment of a \$100 license fee. But the manager must pass the exam before January 2, 2010. The license expires on January 31, 2010 and may not be renewed if the person does not pass the test during the one-year period.

The bill creates the Connecticut Community Association Commission (CCAC) and places it in DCP. It empowers the commission to (1) authorize DCP to issue licenses to community association managers; (2) administer the provisions of the law regarding granting, renewing, suspending, or revoking community association manager licenses; and (3) receive complaints of violations of the Condominium Act and Common Interest Ownership Act (CIOA) by associations or their governing boards or officers. It puts the commission in DCP.

The bill requires the DCP commissioner, instead of the DCP, with the advice and assistance of the Connecticut Community Association

Commission, instead of the Real Estate Commission, to adopt regulations to carry out the provisions of the law regulating community association managers and management. It also requires these regulations to include passing scores for examinations, required topics and classroom hours, and continuing education requirements for license renewal.

It authorizes anyone aggrieved by a decision authorized by the bill to appeal to court under the Uniform Administrative Procedures Act.

The bill authorizes the attorney general to investigate violations of the Condominium Act or CIOA by an association or its governing board or officers and to apply to the Superior Court for an order (1) temporarily or permanently restraining and enjoining anyone from violating these laws, or (2) requiring restitution for any damages caused by the violation, or both. The attorney general may also apply for such an order concerning violations of the licensing laws at DCP's or CCAC's request

The bill makes several changes to CIOA, which governs common interest communities (hereafter referred to as condominiums) created on or after January 1, 1984. These changes include:

1. making certain provisions of CIOA relating to amending a condominium's declaration automatically apply to condominiums created before January 1, 1984;
2. allowing a majority of unit owners vote to authorize the association to assign its right to future income;
3. establishing more detailed record-keeping and disclosure requirements for association records; and
4. authorizing associations to withhold certain records from unit owners under certain circumstances.

Finally the bill makes various animal control and liability laws apply to dogs, cats, and other animals that roam on, attack someone

on, or damage the common elements of a condominium.

EFFECTIVE DATE: October 1, 2008, except for the provisions dealing with the licensing of community association managers, which take effect January 1, 2009.

§ 1 — ASSOCIATION MANAGER AND MANAGEMENT SERVICES

The bill specifies that a manager includes any partner, director, officer, employee, or agent of anyone who directly provides association management services on behalf of the manager. In addition, it specifies that licensing requirements also apply to anyone who provides association management services.

“Association management services” means services provided to an association for compensation, including one or more of the following:

1. collecting, controlling, or disbursing association funds or having the right to do so;
2. preparing association budgets or other financial documents;
3. assisting in conducting association meetings;
4. advising or assisting the association in obtaining insurance;
5. coordinating or supervising the association’s overall operations;
and
6. advising the association on its overall operations.

The bill exempts from the definition of management services:

1. anyone licensed in Connecticut under any statute or court rule, who provides the services he or she is licensed to provide; and
2. any association director, officer, or other member who provides services to the association of which he or she is a member unless the director, officer, or other member owns or controls more than two-thirds but less than all of the association votes.

LICENSING REQUIREMENTS AND PROCEDURES***Authority to License and Suspend Licenses***

The bill authorizes DCP to license instead of register community association managers and to suspend, revoke, or refuse to issue or renew any license, or place a licensee on probation or issue a letter of reprimand for any of the reasons stated in law. It bars DCP from accepting an application to reinstate a revoked license within one year after the date of the revocation.

§ 3 — *Written Examination*

The bill allows license applicants who pay the \$60 application fee and otherwise meet the requirements the commission establishes, to take the written examination four times within the one-year period from the date of payment. In addition to the application fee, applicants taking an examination administered by a national testing service must pay an examination fee covering the cost of the examination directly to the testing service.

The examination must be prepared by the DCP or a national testing service designated by the DCP commissioner. DCP or the testing service must administer the test to applicants at such times and places as the commissioner deems necessary. The bill authorizes the CCAC to waive the written examination requirement if it concludes the applicant has taken received a satisfactory score on an equivalent written examination in another state.

Each applicant for a community association manager's license, before being admitted to an examination, must prove to the commission's satisfaction that the applicant has (1) successfully completed a course it approves in community association management principles and practices or (2) equivalent experience or education.

§ 16 — *Licensing of Current Registrants*

The bill requires DCP to issue a community association manager license to anyone holding a valid certificate of registration as a community association manager on January 1, 2009, upon payment of

a \$100 license fee. But the manager must pass the exam before January 2, 2010. The license expires on January 31, 2010 and may not be renewed if the person does not pass the test during the one-year period. But the applicant does not have to prove that he or she successfully completed the course or has equivalent experience or education.

§ 13 — CONNECTICUT COMMUNITY ASSOCIATION COMMISSION (CCAC)

The bill creates the CCAC, which consists of eight electors appointed by the governor. At the time of their appointment, five must be licensed community association managers. But initial appointees must be licensed at the time of, or within one month after, appointment. Three of the members must be public members. Not more than five commissioners may belong to the same political party. At least one member comes from each congressional district.

Members must serve until the expiration of the term for which they were appointed and until their successors have qualified. (Their terms are coterminous with the governor; CGS § 4-1a) Members may not be compensated for their services but must be reimbursed for necessary expenses incurred in the performance of their duties.

The governor may remove any member for cause upon notice and after an opportunity to be heard. Upon the death, resignation, or removal of a member, the governor must appoint a successor to serve for the unexpired portion of the vacated term and until the member's successor is appointed and qualifies. Each member must, before beginning his or her duties, take and file with the commission an oath to faithfully perform the duties of office.

§ 14 — *First Meeting*

Within 30 days after its members are appointed, the commission must meet in Hartford to select officers, other than a chairperson. (The governor selects a chairperson (CGS § 4-9a)). Five members constitute a quorum to conduct business.

Commission Duties and Powers

The bill requires the commission to:

1. authorize DCP to issue licenses to community association managers and administer the licensing law, and
2. receive complaints of violations of the Condominium Act and CIOA by associations or their governing boards or officers.

The bill requires the public works commissioner to provide the commission with the necessary office space in Hartford. The commission's place of business and all its files, records, and property must remain at the office. But inactive files must be stored at a location the commission designates.

The commission must hold meetings and hearings in Hartford. These meetings and hearing must be held in separate space provided by the administrative services commissioner provides or at places outside of Hartford as the commission chairperson determines. The commission must meet at least once every three months, and may meet more often at the call of its chairperson. The chairperson must call a meeting whenever a majority of members ask for one.

The commission must vote on all matters requiring a decision and votes must be recorded in the commission's minutes.

§ 11 — Regulations

The bill requires that the regulations DCP adopts include:

1. passing scores for examinations,
2. required topics and classroom hours for courses, and
3. continuing education requirements for the renewal of a community association manager's license.

ENFORCEMENT AND PENALTIES**§ 6 — Investigations and Hearings**

The bill gives the CCAC, instead of the Real Estate Commission, the authority to hold hearings on any matter relating to the laws governing community association managers and management. It gives the CCAC the authority to investigate and hold hearings on any matter concerning a violation of CIOA or the Condominium Act by an association, its governing board, or any officer.

The bill authorizes the attorney general to investigate violations of the Condominium Act or CIOA by an association or its governing board or officers and to apply to the Superior Court for an order temporarily or permanently restraining and enjoining anyone from violating any provision of these laws, an order requiring restitution for any damages caused by the violation, or both. The bill also authorizes the attorney general, at DCP's or CCAC's request, to apply for the same type or orders for violations of the licensing laws.

The bill defines a "governing board" as (1) an association's executive board, as defined in CIOA, and (2) board of directors, as defined in the Condominium Act. CIOA defines "executive board" as the body, regardless of name, designated in the condominium's declaration to act on the association's behalf. The Condominium Act defines a "board of directors" as an entity consisting of people elected by the unit owners to direct the operation of the condominium.

§ 15 — Civil Penalties

The bill gives the CCAC or the DCP commissioner the power, after notice and hearing, to impose a civil penalty on anyone providing association management services who has engaged in certain violations of the law.

Specifically, a civil penalty may be imposed for:

1. making any material misrepresentation;
2. making any false promise of a character likely to influence, persuade, or induce;

3. failing, within a reasonable time, to account for or remit any funds coming into the person's possession that belong to others;
4. commingling funds of others in an escrow or trustee account or commingling funds of different associations;
5. acting in a way that constitutes dishonest, fraudulent, or improper dealings;
6. violating laws governing community association managers and management, including regulations adopted under these laws;
7. presenting or attempting to present someone else's license as his or her own;
8. knowingly giving false evidence of a material nature to the commission or DCP to procure a license,
9. representing himself or herself falsely as, or impersonating, a licensed community association manager;
10. using or attempting to use an expired, suspended, or revoked license;
11. providing or offering to provide association management services without having a current license; or
12. representing in any manner that his or her licensure constitutes an endorsement of the quality of his or her services or competency by the commission or DCP.

The civil penalty is up to \$1,000 for a first violation, up to \$1,500 for a second violation, and up to \$3,000 for each subsequent violation occurring less than three years after a second or subsequent violation.

§ 19 — AMENDMENT OF DECLARATION

Certain CIOA provisions automatically apply to any condominium created in Connecticut before January 1, 1984, but only with respect to events and circumstances that occur after January 1, 1984. They do not

invalidate existing provisions of the declaration, bylaws, surveys or plans of these common interest communities.

This bill adds the following provisions of CIOA to those that automatically apply:

1. No action to challenge the validity of an amendment adopted by the association may be brought more than one year after the amendment is recorded (CGS 47-236(b)).
2. If any provision of CIOA or of the declaration of any condominium subject to CIOA requires the consent of a person holding a security interest in a unit as a condition of the effectiveness of any amendment, that consent is deemed granted if no written refusal to consent is received by the association within 45 days after it delivers notice of the proposed amendment to the holder of the interest or mails the notice to the holder by certified mail, return receipt requested.

§ 20 — RIGHT OF ASSOCIATION TO ASSIGN FUTURE INCOME

Current law allows the association of unit owners to assign its right to future income, including the right to receive common expense assessments, but only to the extent the declaration expressly so provides. This bill eliminates the requirement that the declaration authorize it and instead allows it by the vote of unit owners of units to which at least 51% of the votes in the association are allocated.

§ 21 — DISCLOSURE OF ASSOCIATION RECORDS

Current law requires that all accounting, financial, and other association books and record, including minutes of meetings and voting records of the executive board, be made reasonably available by the executive board or a managing agent of the association for examination and copying by any unit owner, or the unit owner's authorized agent, upon the request of the unit owner or agent.

The bill requires greater record-keeping and disclosure in some respects but less disclosure in other respects.

Required Association Records

Specifically, the bill requires the association to create and maintain the following records:

1. detailed records of receipts and expenditures affecting its operation and administration and other appropriate accounting records;
2. minutes of all meetings of its unit owners and executive board, a record of all actions they take without a meeting, and a record of all actions a committee takes in place of the board on the association's behalf;
3. the names of unit owners in a form that permits preparation of a list of the names and addresses of all owners in alphabetical order showing the number of votes each owner is entitled to cast;
4. the association's original or restated organizational documents, if any, and bylaws and all amendments to such documents currently in effect;
5. any financial statements and tax returns of the association for the past three years;
6. a list of the names and business addresses of its current executive board members and officers;
7. if incorporated, its most recent annual report delivered to the secretary of the state;
8. financial and other records sufficiently detailed to enable the association to comply with the resale certificate law;
9. all current written contracts to which the association is a party;
10. records of actions taken by an executive board or committee in place of the executive board to approve or deny any requests

from unit owners for design or architectural approval; and

11. ballots, proxies, and other records related to voting by unit owners for one year after the election to which they relate.

Current law, unchanged by the bill, requires a condominium association governed by CIOA to keep financial records sufficiently detailed to enable the association to comply with the law's requirements for a resale certificate (see BACKGROUND).

Required Disclosure-Place, Time-Frame, and Type

The bill gives unit owners or their authorized agents the right to examine and copy all records the association keeps. But, unless the association and a unit owner or his or her agent agree otherwise, this right of examination may be exercised:

1. only during reasonable business hours,
2. at the association's or its managing agent's office, or at a location within the town or towns in which the common interest community is located, or a town that immediately borders these towns, and
3. upon at least five days' written notice.

The bill specifies that the right to copy records includes the right to receive copies by photocopying or other means, including copies through an electronic transmission if available and the unit owner requests it.

Right of Association to Withhold Records from Disclosure and Copying

The bill authorizes an association to withhold records to the extent the records concern:

1. personnel files of the association's employees or agents and the medical records of anyone that are in association's the possession;

2. contracts, leases, and other commercial transactions to purchase or provide goods or services, currently in or under negotiation;
3. pending or potential litigation;
4. matters involving state or local administrative or other formal proceedings before a government agency for enforcing the condominium's declaration, bylaws, or rules;
5. communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
6. disclosure of information in violation of law;
7. records of an executive session of the executive board; or
8. individual unit files other than those of the requesting unit owner.

The bill requires the association to withhold from inspection and copying any record that is required to be maintained as confidential under any state or federal law or regulation.

Fees for Copying

The bill authorizes the association to charge a fee for providing copies of any records and for supervising the unit owner's inspection, but the fees may not exceed the association's actual costs for materials and labor. The right to copy records includes the right to receive photos or copies through an electronic transmission if available and so requested by the unit owner. The association is not required to compile or synthesize information. Information the association provides may not be used by anyone for a commercial purpose.

LAWS REGARDING ANIMALS ON COMMON ELEMENTS

The bill makes various animal control and liability laws apply to dogs, cats, and other animals that roam on, attack someone on, or damage the common elements of a condominium.

§ 22 & 23 — Cats That Damage Common Elements

The bill authorizes a municipality to adopt an ordinance providing that no one owning or keeping a cat may permit it to substantially damage property that is part of a condominium's common elements. The law already allows a municipality to prohibit a person from permitting a cat to (1) substantially damage property other than the property of the owner or keeper; or (2) cause an unsanitary, dangerous, or unreasonably offensive condition. By law, a violation of such an ordinance is an infraction.

The bill allows an animal control officer for a municipality that has adopted such an ordinance to take into custody any cat found to be damaging property that is part of a condominium's common elements. By law, the officer must impound the cat at the pound serving the town where the cat is taken unless a licensed veterinarian believes the cat is so injured or diseased that it should be destroyed immediately, in which case the officer may cause the cat to be mercifully killed by a licensed veterinarian or disposed of as the State Veterinarian directs. The officer must immediately notify the cat's owner or keeper, if known, of its impoundment. If the owner or keeper is unknown, the officer must immediately tag or employ such other suitable means to identify the cat approved by the Chief Animal Control Officer and promptly publish a description of the cat once in the lost and found column of a newspaper having a circulation in the town.

§ 24 — Liability for Damage Done by a Dog to Common Elements

The bill makes the owner or keeper of any dog liable for damages the dog does to property that is part of a condominium's common elements. If the owner or keeper is a minor, the minor's parent or guardian is liable.

§ 25 — Animal Attacks on Common Elements

The law allows anyone who is bitten, or who shows visible evidence of attack by a dog, cat, or other animal when he or she is not upon the animal's owner's or keeper's premises may kill it during the attack. The bill specifies that for purposes of this law, an animal owner's or

keeper's premises does not include property that is part of the common elements. Thus, it allows a unit owner or other person who is bitten while on common elements by an animal owned or kept by another unit owner to kill it during the attack and to be immune for civil and criminal liability for doing so.

The law also subjects the attack victim, the animal, and its owner or keeper to related requirements. The person who was attacked must make a complaint concerning the circumstances of the attack to the local or regional animal control officer serving the town where the animal is owned or kept. The officer must immediately investigate.

If the officer finds that the complainant has been bitten or attacked when he or she was not upon the premises of the animal's owner or keeper, the officer must quarantine the animal in a public pound or order the owner or keeper to quarantine it in a veterinary hospital, kennel, or other building or enclosure the agriculture commissioner approves for such purpose.

The commissioner or animal control officer may make any order concerning the restraint or disposal of any biting animal as the commissioner or officer deems necessary. Notice of any such order must be given to the person bitten within 24 hours. The animal's owner must pay all fees established by law. (The law makes the owner liable for the redemption fee of up to \$15 plus the cost of advertising, and the amount determined by the municipality to be the full cost of the animal's detention and care.)

On the 14th day of quarantine, the animal must be examined by the commissioner or someone the commissioner designates to determine whether to continue the quarantine. Any animal owner or keeper who fails to comply with such an order may be imprisoned for up to 30 days, or fined up to \$250, or both.

§ 26 — Dogs Roaming on Common Elements

The bill prohibits a dog's owner or keeper from allowing it to roam out-of-control on property that is part of a condominium's common

elements. The unauthorized presence of a dog on property that is part of the common elements when the dog is not attended by or under the control of his owner or keeper is prima facie evidence of a violation, which is an infraction.

§ 27 — Release of a Domestic Animal on Common Elements

The bill makes it an infraction for anyone to intentionally or recklessly release a domestic animal that enters upon property that is part of a condominium's common elements and causes damage of over \$100 to it.

§ 28 — Control of Dog While on Common Elements

The bill requires a dog owner or keeper to restrain and control it on a leash when it is on property that is part of the common elements of a common interest community and is near to a blind, deaf, or mobility-impaired person accompanied by his guide dog, if the guide dog is (1) in the direct custody of the blind, deaf, or mobility-impaired person, (2) is wearing a harness or an orange-colored leash and collar which makes it readily-identifiable as a guide dog, and (3) is trained and educated and intended to perform guide service and is properly licensed by the town in which the dog is owned.

Anyone who violates this requirement commits an infraction. If as a result of a violation, the dog attacks and injures the guide dog, the attacking dog's owner or keeper, is liable for any damage done to the guide dog. This liability includes costs the veterinary care, rehabilitation, or replacement of the injured guide dog and for reasonable attorney's fees. If the owner or keeper is a minor, the minor's parents are liable.

BACKGROUND

CIOA and the Condominium Act

The Common Interest Ownership Act (CIOA) governs the creation, alteration, management, termination, and sale of condominiums and other common interest communities formed in Connecticut after January 1, 1984 (CGS § 47-200 *et seq.*). Condominiums created before

CIOA was adopted were governed by the Condominium Act enacted in 1976 (PA 76-308; CGS §§ 47-68a to 47-90c). The Condominium Act governs condominiums created from 1977 through 1983. Condominiums created before the Condominium Act was adopted are governed by the Unit Ownership Act (PA 1963, No. 605, July 10, 1963; CGS §§47-67 to 47-115 Revised to 1975).

Certain CIOA provisions automatically apply to any condominium created in Connecticut before January 1, 1984, but only with respect to events and circumstances that occur after December 31, 1983. The CIOA budget provisions amended by this bill do not automatically apply to pre-CIOA condominiums. The provisions concerning association records and association loans automatically apply, but do not invalidate existing provisions of the declarations and bylaws (CGS § 47-216).

The law permits condominiums created before January 1, 1984, to amend their governing instruments (declaration, bylaws, survey, or plans) to conform to portions of CIOA that do not automatically apply. Thus, a pre-CIOA condominium may adopt any of these CIOA provisions it wishes and does not have to adopt all of CIOA. Any amendment must comply with the law that applied when the condominium was created and with the procedures and requirements specified by the condominium's declaration and bylaws (CGS § 47-218).

Common Interest Community

“Common interest community” means real property described in a declaration on which a person, by virtue of his or her ownership of a unit, is obligated to make payments for (1) real property taxes, (2) insurance premiums, (3) maintenance, or (4) improvement of any other real property other than the unit described in the declaration (CGS § 47-202 (7)).

Infractions

An infraction is a breach of state law, regulation, or municipal

ordinance that the legislature designates as such. An appearance in court is not required unless the accused contests the charge. The accused can pay the fine by mail to the Centralized Infractions Bureau. An infraction is neither a crime nor an offense as these terms are defined in the state's criminal code. There is no right to a jury trial for an infraction. The maximum fine for an infraction is \$90. The judges of the Superior Court have established a schedule of fines for infractions and for certain violations (CGS § 52-164n).

Related Law-Resale Certificate

A unit owner must furnish to a purchaser or the purchaser's attorney, before the closing, certain information including a certificate.

The resale certificate must include:

1. a statement disclosing the effect on the proposed disposition of any right of first refusal or other restraint on the free alienability of the unit held by the association;
2. a statement setting forth the amount of the periodic common expense assessment and any unpaid common expense or special assessment currently due and payable from the selling unit owner;
3. a statement of any other fees payable by the owner of the unit being sold;
4. a statement of any capital expenditures in excess of \$1,000 approved by the executive board for the current and next succeeding fiscal year;
5. a statement of the amount of any reserves for capital expenditures;
6. the current operating budget of the association;
7. a statement of any unsatisfied judgments against the association and the existence of any pending suits in which the association

- is a defendant;
8. a statement of the insurance coverage provided for the benefit of unit owners;
 9. a statement of any restrictions in the declaration affecting the amount that may be received by a unit owner on sale, condemnation, casualty loss to the unit or the common interest community, or termination of the common interest community;
 10. in a cooperative, an accountant's statement, if any was prepared, as to the deductibility for federal income tax purposes by the unit owner of real property taxes and interest paid by the association;
 11. if the association is unincorporated, the name of the statutory agent for service of process filed with the secretary of the state;
 12. a statement describing any pending sale or encumbrance of common elements; and
 13. a statement disclosing the effect on the unit to be conveyed of any restrictions on the owner's right to use or occupy the unit or to lease the unit to another person (CGS § 20-270).

COMMITTEE ACTION

Judiciary Committee

Joint Favorable Substitute

Yea 43 Nay 0 (03/24/2008)