



General Assembly

February Session, 2012

**Raised Bill No. 5536**

LCO No. 2429

\*02429\_\_\_\_\_JUD\*

Referred to Committee on Judiciary

Introduced by:  
(JUD)

**AN ACT CONCERNING REQUIREMENTS FOR CERTIFICATION AS A  
COMMUNITY ASSOCIATION MANAGER, LICENSURE AS A REAL  
ESTATE BROKER OR SALESPERSON AND ORGANIZATION OF A  
UNIT OWNERS' ASSOCIATION.**

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

1 Section 1. Section 20-453 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2012*):

3 (a) Upon receipt of a completed application and the appropriate  
4 fees, the department, upon authorization of the commission, shall: (1)  
5 Issue and deliver to the applicant a certificate of registration; or (2)  
6 refuse to issue the certificate. The commission may suspend, revoke or  
7 refuse to issue or renew any certificate issued under sections 20-450 to  
8 20-462, inclusive, as amended by this act, or may place a registrant on  
9 probation or issue a letter of reprimand for any of the reasons stated in  
10 section 20-456, as amended by this act. No application for the  
11 reinstatement of a certificate which has been revoked shall be accepted  
12 by the department within one year after the date of such revocation.

13 (b) Any person issued an initial certificate of registration on or after

14 October 1, 2012, shall, not later than one year following the date of  
15 issuance of such certificate, successfully complete a nationally  
16 recognized course on community association management and pass  
17 the National Board of Certification for Community Association  
18 Managers' Certified Manager of Community Associations  
19 examination, or a similar examination as may be prescribed by the  
20 Commissioner of Consumer Protection in regulations adopted  
21 pursuant to subsection (d) of this section.

22 (c) Any person who is a holder of a certificate of registration issued  
23 prior to October 1, 2012, who has held such certificate for (1) less than  
24 ten years shall, on or before October 1, 2014, successfully complete a  
25 nationally recognized course on community association management  
26 and pass the National Board of Certification for Community  
27 Association Managers' Certified Manager of Community Associations  
28 examination, or a similar examination as may be prescribed by the  
29 Commissioner of Consumer Protection in regulations adopted  
30 pursuant to subsection (d) of this section, or (2) more than ten years  
31 shall, on or before October 1, 2014, successfully complete a nationally  
32 recognized course on community association management.

33 (d) The department, with the advice and assistance of the  
34 commission, shall adopt regulations, in accordance with chapter 54,  
35 concerning any examination required for certification under this  
36 chapter and the approval of schools, institutions or organizations  
37 offering courses in current practice and law concerning community  
38 association management and the content of such courses. Such  
39 regulations shall include, but not be limited to: (1) Specifications for  
40 meeting the educational requirements prescribed in this section; (2)  
41 exemptions from the educational requirements for reasons of health or  
42 instances of individual hardship. In adopting such regulations, the  
43 department may not disapprove a school, institution or organization  
44 that offers an examination or courses in current practices and law  
45 relating to community association management solely because its  
46 examination or courses are offered or taught by electronic means, nor

47 may the department disapprove an examination or course solely  
48 because it is offered or taught by electronic means.

49 Sec. 2. Section 20-456 of the general statutes is repealed and the  
50 following is substituted in lieu thereof (*Effective October 1, 2012*):

51 (a) The commission may revoke, suspend or refuse to issue or renew  
52 any certificate of registration as a community association manager or  
53 place a registrant on probation or issue a letter of reprimand for: (1)  
54 Making any material misrepresentation; (2) making any false promise  
55 of a character likely to influence, persuade or induce; (3) failing, within  
56 a reasonable time, to account for or remit any moneys coming into his  
57 possession which belong to others; (4) conviction in a court of  
58 competent jurisdiction of this or any other state of forgery,  
59 embezzlement, obtaining money under false pretenses, larceny,  
60 extortion, conspiracy to defraud, or other like offense or offenses,  
61 provided suspension or revocation under this subdivision shall be  
62 subject to the provisions of section 46a-80; (5) commingling funds of  
63 others in an escrow or trustee account; (6) commingling funds of  
64 different associations; (7) any act or conduct which constitutes  
65 dishonest, fraudulent or improper dealings; or (8) a violation of any  
66 provision of sections 20-450 to 20-462, inclusive, as amended by this  
67 act, including, but not limited to, failure to comply with the  
68 educational requirements prescribed in section 20-453, as amended by  
69 this act, or any regulation adopted under section 20-461.

70 (b) The commission shall not revoke or suspend any certificate of  
71 registration except upon notice and hearing in accordance with chapter  
72 54.

73 Sec. 3. Subsection (d) of section 20-457 of the general statutes is  
74 repealed and the following is substituted in lieu thereof (*Effective*  
75 *October 1, 2012*):

76 (d) All certificates issued under the provisions of sections 20-450 to  
77 20-462, inclusive, as amended by this act, shall expire annually on the

78 thirty-first day of January. A holder of a certificate of registration who  
79 seeks to renew his or her certificate shall, when filing an application for  
80 renewal of the certificate, submit documentation to the department  
81 which establishes that he or she has passed any examination and  
82 completed any educational coursework, as the case may be, required  
83 for certification under this chapter. The fee for renewal of a certificate  
84 shall be two hundred dollars.

85 Sec. 4. Section 20-319 of the general statutes is repealed and the  
86 following is substituted in lieu thereof (*Effective October 1, 2012*):

87 (a) The commission shall authorize the Department of Consumer  
88 Protection to issue an annual renewal license to any applicant who  
89 possesses the qualifications specified in and otherwise has complied  
90 with the provisions of this chapter and any regulation adopted under  
91 this chapter. The commission shall authorize said department to issue  
92 an annual renewal of a real estate broker's license to any entity licensed  
93 pursuant to subsection (b) of section 20-312, provided such entity: (1)  
94 Was so licensed as of September 30, 2005, notwithstanding the fact  
95 such entity does not meet the requirements for publicly traded  
96 corporations required by subdivision (3) of subsection (b) of section 20-  
97 312, or (2) changes its designated real estate broker pursuant to  
98 subsection (c) of section 20-312.

99 (b) There is hereby established an annual renewal license to be  
100 issued by the Department of Consumer Protection. Persons licensed in  
101 accordance with the provisions of this chapter shall fulfill a continuing  
102 education requirement. Applicants for an annual renewal license for  
103 real estate brokers or real estate salespersons shall, in addition to the  
104 other requirements imposed by the provisions of this chapter, in any  
105 even-numbered year, submit proof of compliance with the continuing  
106 education requirements of this subsection to the commission,  
107 accompanied by an eight-dollar processing fee. The continuing  
108 education requirement may be satisfied by successful completion of  
109 any of the following during the two-year period preceding such

110 renewal: (1) A course or courses, approved by the commission, of  
111 continuing education in current real estate practices and licensing  
112 laws, including, but not limited to, practices and laws concerning  
113 common interest communities, consisting of not less than twelve hours  
114 of classroom study; or (2) a written examination prepared and  
115 administered by either the Department of Consumer Protection, or by  
116 a national testing service approved by the department, which  
117 demonstrates a knowledge of current real estate practices and licensing  
118 laws; or (3) equivalent continuing educational experience or study as  
119 determined by regulations adopted pursuant to subsection (d) of this  
120 section. An applicant for examination under subdivision (2) of this  
121 subsection shall pay the required examination fee to the national  
122 testing service, if administered by such testing service, or to the  
123 Department of Consumer Protection, if administered by the  
124 department.

125 (c) If the commission refuses to grant an annual renewal license, the  
126 licensee or applicant, upon written notice received as provided for in  
127 this chapter, may have recourse to any of the remedies provided by  
128 sections 20-314 and 20-322.

129 (d) The Commissioner of Consumer Protection, in consultation with  
130 the commission, shall adopt regulations, in accordance with chapter  
131 54, concerning the approval of schools, institutions or organizations  
132 offering courses in current real estate practices and licensing laws,  
133 including, but not limited to, practices and laws concerning common  
134 interest communities, and the content of such courses. Such  
135 regulations shall include, but not be limited to: (1) Specifications for  
136 meeting equivalent continuing educational experience or study; (2)  
137 exceptions from continuous education requirements for reasons of  
138 health or instances of individual hardship. No school, institution or  
139 organization that offers a course in current real estate practices and  
140 licensing laws may be disapproved solely because its courses are  
141 offered or taught by electronic means, and no course may be  
142 disapproved solely because it is offered or taught by electronic means.

143 Sec. 5. Section 47-243 of the general statutes is repealed and the  
144 following is substituted in lieu thereof (*Effective October 1, 2012*):

145 A unit owners' association shall be organized no later than the date  
146 the first unit in the common interest community is conveyed. The  
147 membership of the association at all times shall consist exclusively of  
148 all unit owners or, following termination of the common interest  
149 community, of all former unit owners entitled to distributions of  
150 proceeds under section 47-237 or their heirs, successors or assigns. The  
151 association shall have an executive board. The association shall be  
152 organized as a business or nonstock corporation, trust, partnership or  
153 unincorporated association, provided on or after October 1, 2012, any  
154 newly created association shall be organized as a business or nonstock  
155 corporation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2012</i>	20-453
Sec. 2	<i>October 1, 2012</i>	20-456
Sec. 3	<i>October 1, 2012</i>	20-457(d)
Sec. 4	<i>October 1, 2012</i>	20-319
Sec. 5	<i>October 1, 2012</i>	47-243

**Statement of Purpose:**

To revise requirements concerning: (1) Certification as a community association manager; (2) continuing education for a licensed real estate broker or sales person; and (3) the organization of a unit owner's association.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*