

Our Comments to DORA on their Recommendations to Continue the CAM Licensing Program

The CAM Licensing Program will be recommended to be continued.

Email to our members: note, the final DORA recommendation didn't include the many comments they received concerning their very poorly designed web site: we subsequently sent an email to DORA on this issue.

Below is our email response to the DORA Sunset Review on CAM Licensing that recommends the continuation of the licensing law. Link to report is [COPRRR Archive of Reviews](#). We also added comments concerning the design and user friendliness of the CAM information portal on the government web site including producing reports on violations and related names associated with violations and making it easier to file a complaint. Although this was well recognized to be a problem by the folks completing the study no mention was made in the recommendation section of the final report.

The final report avoided criticizing DORA CAM rules that need to be strengthened for accountability and assignment of responsibilities between the HOA and CAM, liberties allowed CAMs in independently assessing fees on home owners (such as Transfer Fees) without explanation and invoicing, and fairness in licensing requirements for small businesses. The recommendations in the report are general in nature and will not lead to much if any improvement in managing the program.

The CAM Licensing Program has brought some improved accountability to the profession and weeded out some unscrupulous businesses. However, improvements in CAM operational Rules are required to: wipe out grey areas of responsibilities; define the liberties of CAMs in independently assessing fees on home owners without any explanation, limits, or documenting work; and providing relief in costs to gain a license very small CAM businesses. Without these requested changes to the law the cost burden on businesses vs the benefit to the public remains questionable.

We intend on commenting at public hearings on this report next year in the legislature. If you have any comments on this final report let us know. Thanks.

Our email to DORA:

I have begun a review of your Sunset Report on CAM's. I'll be providing comments that I will ask legislators to consider in the 2018 legislative

session. We were disappointed not to see the below specifically stated in the summary and recommendations vs being buried in the body of the report or not at all. ([COPRRR Archive of Reviews](#))

1. I see no mention of requirements that CAM's be accountable and responsible for fees they independently assess home owners which is poorly addressed in DORA rules. Specifically, a rule that requires CAMs to provide home owners a justification and receipt for all fees that are assessed home owners such as Transfer Fees and any other fees that are determined by, retained by, and executed independently by the CAMs. The report, and let me know if I overlooked this, doesn't address this major flaw in the rules process and please note there is no other action completed by CAMs that costs home owners more but is totally immune to accountability. In fact this fee is under study for abuse in other states. In Colorado this costs home owners upwards and conservatively of \$10 million a year. Nowhere in your report or DORA rules does it address that fees are to be justified based on work perform, documented, and receipts issued to payees (like 99% of businesses in this state and the U.S.), seems simple but not "directly" addressed but only implied leaving the door open to abuse. The rules must be tightened to require documentation and receipts and indicate no fees assessed home owners can be duplicative of that which home owners already pay for in HOA dues or is a fee paid by the home owner and duplicated and collected by the CAM from third parties such as Title companies: the CAM law was intended to protect home owners and falls short in this area. Unless this is specific in the rules a home owner can't challenge CAM assessments in amount or justification: it is a pay it and shut situation to the home owner and this purposeful avoidance of accountability should not continue.

Note, State law SB 11-234 and Federal HUD law address HOA Transfer Fees but there is no accountability to link these laws to DORA rules. DORA at a minimum should state all fees and assessments by CAMs must be in accordance with such laws and certify as such: if not why have any oversight.

2. Your report doesn't address the need to clarify rules for the home owner to understand accountability and responsibilities of CAMs with the HOA: this is a main purpose of the law. In particular, statements and very direct and not IMPLIED statements that indicate if a CAM is aware of or participates in an act that is contradictory to State law or the HOA's governing documents this is a violation. In addition, the rules should state, to ensure compliance with this issue, that a CAM must inform the HOA Board of observed violations of the law or HOA governing documents, that they must take direct action such as documenting what violation took place and their recommended correction action. This is a major purpose of the law to protect consumers and DORA

purposely ignores CAM responsibilities on this issue. This missing issue also leaves open the ability of violators to look the other way or claim ignorance.

3. What was the income to DORA from licensing activities. This would be good to know to address the licensing fee(s) amount up or down.

4. The DORA web site should post a specific and easily accessible report that lists the companies and individuals involved in violations and fines and license revocation. The purpose of the program is to serve the public and this is a vital piece of information in the CAM licensing program.

5. There is no recommendation that DORA should review the fairness of fees and requirements for large CAMs vs. small business CAMs. A company that serves 25 homes pays the same fees and meets the same requirements as a company serving 25,000 homes. Some of these small CAMs in rural areas may have to pay fees in the initial year and renewal requirements equal to their gross income/net profit for an entire year. Yes, the small CAM must be aware of the law but surely doesn't have to encumber themselves with all the requirements of a mega company. Vendors have suggested developing a small business CAM educational/credential curriculum as appropriate. This flaw has surely driven some to operate off the books or to go out of business and DORA refuses to address this issue. The HOA registration program recognized this problem and adjusts fees as to size without sacrificing accountability.

Will provide you with our member feedback as it arrives and share with you our comments to legislators for their questions in 2018 hearings. This program should be more than a government fees collection process, educational course sales tool for companies, and burden on businesses: it should specifically serve the public, and it can, but mostly addresses what a CAM should do while leaving open ended clarity on responsibilities and accountability and definitive rules upon which a home owner (yes this is a home owner centric regulation) can understand their rights and submit their complaints based on specific language in the law and not IMPLIED responsibilities.