NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



SENATE BILL 07-084

BY SENATOR(S) McElhany, and Fitz-Gerald; also REPRESENTATIVE(S) Jahn, and Massey.

CONCERNING THE CREATION OF A DATA BASE OF REGISTERED INTERIOR DESIGNERS, AND MAKING AN APPROPRIATION THEREFOR.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** 12-25-302, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

- **12-25-302. Definitions.** As used in this part 3, unless the context otherwise requires:
- (3.5) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF REGISTRATIONS IN THE DEPARTMENT OF REGULATORY AGENCIES.

**SECTION 2.** 12-25-303 (6), Colorado Revised Statutes, is amended to read:

12-25-303. Exemptions - database of registered interior designers - rules - unauthorized use of title - grounds for discipline - data collection - penalties - repeal. (6) (a) Except as provided in

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

paragraph (b) of this subsection (6), nothing in this part 3 shall be construed to prevent an A REGISTERED interior designer from preparing interior design documents and specifications for interior finishes and nonstructural elements within and surrounding interior spaces of a building or structure of any size, height, and occupancy and filing such documents and specifications for the purpose of obtaining approval for a building permit as provided by law from the appropriate city, city and county, or regional building authority, which may approve or reject any such filing in the same manner as for other professions.

- (b) REGISTERED interior designers AND ANY INTERIOR DESIGNER NOT REGISTERED UNDER THIS SUBSECTION (6) shall not be engaged in the construction of the structural frame system supporting a building; mechanical, plumbing, heating, air conditioning, ventilation, or electrical vertical transportation systems; fire-rated vertical shafts in any multi-story structure; fire-related protection of structural elements; smoke evacuation and compartmentalization; emergency sprinkler systems; emergency alarm systems; or any other CONSTRUCTION alteration affecting the life safety of the occupants of a building. Any interior designer shall, as a condition of filing interior design documents and specifications for the purpose of obtaining approval for a building permit, provide to the responsible building official of the jurisdiction a current copy of the interior designer's professional liability insurance coverage that is in force. No REGISTERED interior designer shall be subject to any of the restrictions set forth in paragraphs (b) and (d) of subsection (1) of this section.
- (c) As used in this subsection (6), "REGISTERED interior designer" OR "ENGAGED IN REGISTERED INTERIOR DESIGN ACTIVITIES" means a person who:

## (I) Engages in:

- (A) Consultation, study, design analysis, drawing, space planning, and specification for nonstructural or nonseismic interior construction with due concern for the life safety of the occupants of the building;
- (B) Preparing and filing interior design documents for the purpose of obtaining approval for a building permit as provided by law for nonstructural or nonseismic interior construction, materials, finishes, space planning, furnishings, fixtures, equipment, lighting, and reflected ceiling

plans;

- (C) Designing for fabrication nonstructural elements within and surrounding interior spaces of buildings; or
- (D) The administration of design construction and contract documents, as the clients' agent, relating to the functions described in sub-subparagraphs (A) to (C) of this subparagraph (I), and collaboration with specialty consultants and licensed practitioners in other areas of technical expertise; and
  - (II) Possesses written documentation that he or she:
- (A) Has graduated with a degree in interior design from a college or university offering such program consisting of four or more years of study and has completed two years of interior design experience; or
- (B) Has graduated with a degree in interior design from a college or university offering such program consisting of two or more years of study and has completed four years of interior design experience; and
- (C) Has met the education and experience requirements of, and has subsequently passed, the qualification examination promulgated by the national council for interior design qualification or its successor organization.
- (d) As used in this subsection (6), "nonstructural or nonseismic" includes interior elements or components that are not load-bearing or that do not assist in the seismic design and do not require design computations for a building's structure. Common nonstructural or nonseismic elements or components include, but are not limited to, ceiling and partition systems that employ normal and typical bracing conventions and are not part of the structural integrity of the building.
- (e) (I) (A) On and after January 1, 2008, the board shall maintain a database of registered interior designers in this state. The board shall charge a fee in the manner authorized in section 24-34-105, C.R.S., for recording information in the database as required by this paragraph (e). Information in the database maintained pursuant to this paragraph (e) shall be open to public

- (B) THE BOARD MAY APPOINT TWO ADVISORS TO THE BOARD WHO ARE REGISTERED INTERIOR DESIGNERS OR, PRIOR TO JANUARY 1, 2008, ARE QUALIFIED TO BE REGISTERED INTERIOR DESIGNERS, WITH WHOM THE BOARD SHALL CONSULT WHEN ANY INTERIOR DESIGN MATTER IS BEFORE THE BOARD.
- (II) A PERSON QUALIFIED UNDER SUBPARAGRAPH (II) OF PARAGRAPH (c) OF THIS SUBSECTION (6) AND ENGAGED IN REGISTERED INTERIOR DESIGN ACTIVITIES SHALL REGISTER HIS OR HER NAME, CURRENT ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS, IF AVAILABLE, WITH THE BOARD FOR INCLUSION IN THE DATABASE REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH (e). REGISTRATIONS SHALL EXPIRE PURSUANT TO A SCHEDULE ESTABLISHED BY THE DIRECTOR AND SHALL BE RENEWED OR REINSTATED PURSUANT TO SECTION 24-34-102 (8), C.R.S. THE DIRECTOR MAY ESTABLISH RENEWAL FEES AND DELINQUENCY FEES FOR REINSTATEMENT PURSUANT TO SECTION 24-34-105, C.R.S. IF A PERSON FAILS TO RENEW HIS OR HER REGISTRATION PURSUANT TO THE FEE SCHEDULE ESTABLISHED BY THE DIRECTOR, SUCH REGISTRATION SHALL EXPIRE. ANY PERSON WHOSE REGISTRATION HAS EXPIRED SHALL BE SUBJECT TO THE PENALTIES PROVIDED IN SECTION 24-34-102 (8), C.R.S.
- (III) ONLY A PERSON REGISTERED UNDER THIS PARAGRAPH (e) MAY USE THE TERM "REGISTERED INTERIOR DESIGNER" IN CONNECTION WITH ACTIVITIES SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (6).
- (IV) EXCEPT AS PROVIDED IN SUBPARAGRAPH (V) OF THIS PARAGRAPH (e), A PERSON ENGAGING IN ACTIVITIES SPECIFIED IN SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (I) OF PARAGRAPH (c) OF THIS SUBSECTION (6) WITHOUT AN ACTIVE REGISTRATION ISSUED UNDER THIS PARAGRAPH (e) COMMITS A CLASS 2 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., FOR THE FIRST OFFENSE, AND FOR THE SECOND OR ANY SUBSEQUENT OFFENSE, THE PERSON COMMITS A CLASS 6 FELONY AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-401, C.R.S.
- (V) ARCHITECTS THAT WISH TO BE LISTED IN THE DATABASE CREATED PURSUANT TO THIS PARAGRAPH (e) SHALL FULFILL THE REQUIREMENTS LISTED IN SUBPARAGRAPH (II) OF PARAGRAPH (c) OF THIS SUBSECTION (6) AND REGISTER UNDER THIS PARAGRAPH (e). HOWEVER,

NOTHING IN THIS SUBSECTION (6) SHALL PRECLUDE AN ARCHITECT FROM ENGAGING IN ACTIVITIES LISTED IN SUBPARAGRAPH (I) OF PARAGRAPH (c) OF THIS SUBSECTION (6) WITHOUT BEING REGISTERED AS A REGISTERED INTERIOR DESIGNER.

- (f) (I) THE BOARD MAY DENY, SUSPEND, REVOKE, OR REFUSE TO RENEW THE REGISTRATION OF A REGISTERED INTERIOR DESIGNER FOR THE FOLLOWING REASONS:
- (A) Fraud, misrepresentation, deceit, or material misstatement of fact in procuring or attempting to procure a registration;
- (B) VIOLATION OF, OR AIDING OR ABETTING IN THE VIOLATION OF, THIS SUBSECTION (6) OR ANY RULE PROMULGATED BY THE BOARD IN CONFORMANCE WITH THIS SUBSECTION (6) OR ANY ORDER OF THE BOARD ISSUED IN CONFORMANCE WITH THIS SUBSECTION (6);
- (C) PERFORMING SERVICES BEYOND ONE'S COMPETENCY, TRAINING, OR EDUCATION;
- (D) FAILURE TO RENDER ADEQUATE PROFESSIONAL CONTROL OF PERSONS ENGAGED IN REGISTERED INTERIOR DESIGN ACTIVITIES UNDER THE RESPONSIBLE CONTROL OF A REGISTERED INTERIOR DESIGNER;
- (E) Habitual intemperance with respect to, or excessive use of, any habit-forming drug, any controlled substance as defined in section 12-22-303 (7), or any alcoholic beverage, any of which renders him or her unfit to engage in registered interior design activities;
- (F) ANY USE OF A SCHEDULE I CONTROLLED SUBSTANCE, AS DEFINED IN SECTION 18-18-203, C.R.S.;
  - (G) FAILURE TO PAY A FINE ASSESSED UNDER THIS SUBSECTION (6);
- (H) FAILURE TO REPORT TO THE BOARD ANY REGISTERED INTERIOR DESIGNER KNOWN TO HAVE VIOLATED ANY PROVISION OF THIS SUBSECTION (6) OR ANY ORDER OR RULE OF THE BOARD;

## (I) MENTAL INCOMPETENCY;

- (J) SELLING OR FRAUDULENTLY OBTAINING OR FURNISHING A REGISTRATION OR RENEWAL OF A REGISTRATION TO ENGAGE IN REGISTERED INTERIOR DESIGN ACTIVITIES; OR
- (K) ENGAGING IN CONDUCT THAT IS INTENDED OR REASONABLY MIGHT BE EXPECTED TO MISLEAD THE PUBLIC INTO BELIEVING THAT THE PERSON IS A REGISTERED INTERIOR DESIGNER.
- (II) (A) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE BOARD, DOES NOT WARRANT FORMAL ACTION BY THE BOARD BUT THAT SHOULD NOT BE DISMISSED AS BEING WITHOUT MERIT, A LETTER OF ADMONITION MAY BE ISSUED AND SENT, BY CERTIFIED MAIL, TO THE REGISTRANT.
- (B) When a letter of admonition is sent by the board by Certified mail to a registrant, such registrant shall be advised that he or she has the right to request in writing, within twenty days after receipt of the letter, that formal disciplinary proceedings be initiated to adjudicate the propriety of the conduct upon which the letter of admonition is based.
- (C) IF THE REQUEST FOR ADJUDICATION IS TIMELY MADE, THE LETTER OF ADMONITION SHALL BE DEEMED VACATED AND THE MATTER SHALL BE PROCESSED BY MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.
- (D) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN INSTANCE OF CONDUCT THAT DOES NOT WARRANT FORMAL ACTION BY THE BOARD AND, IN THE OPINION OF THE BOARD, THE COMPLAINT SHOULD BE DISMISSED, BUT THE BOARD HAS NOTICED INDICATIONS OF POSSIBLE ERRANT CONDUCT BY THE REGISTRANT THAT COULD LEAD TO SERIOUS CONSEQUENCES IF NOT CORRECTED, A CONFIDENTIAL LETTER OF CONCERN MAY BE ISSUED AND SENT TO THE REGISTRANT.
- (III) ANY DISCIPLINARY ACTION IN ANOTHER STATE OR JURISDICTION ON GROUNDS SUBSTANTIALLY SIMILAR TO THOSE THAT WOULD CONSTITUTE A VIOLATION UNDER THIS SUBSECTION (6) SHALL BE PRIMA FACIE EVIDENCE OF GROUNDS FOR DISCIPLINARY ACTION, INCLUDING DENIAL OF REGISTRATION UNDER THIS SUBSECTION (6).

- (IV) (A) IN ADDITION TO THE PENALTIES PROVIDED FOR IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (f), ANY PERSON VIOLATING ANY PROVISION OF THIS SUBSECTION (6) OR ANY STANDARDS OR RULES PROMULGATED PURSUANT TO THIS SUBSECTION (6) MAY BE PUNISHED UPON A FINDING OF MISCONDUCT BY THE BOARD MADE PURSUANT TO ARTICLE 4 OF TITLE 24, C.R.S. IN AN ADMINISTRATIVE PROCEEDING AGAINST A REGISTRANT, THE BOARD MAY IMPOSE A FINE OF NOT MORE THAN FIVE THOUSAND DOLLARS FOR EACH VIOLATION OF THIS SUBSECTION (6).
- (B) ALL FINES COLLECTED PURSUANT TO THIS SUBSECTION (6) SHALL BE TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT SUCH MONEYS TO THE GENERAL FUND.
- (V) IF, AS A RESULT OF A PROCEEDING HELD PURSUANT TO ARTICLE 4 OF TITLE 24, C.R.S., THE BOARD DETERMINES THAT A REGISTERED INTERIOR DESIGNER HAS ACTED IN SUCH A MANNER AS TO BE SUBJECT TO DISCIPLINARY ACTION, THE BOARD MAY, IN LIEU OF OR IN ADDITION TO OTHER FORMS OF DISCIPLINARY ACTION THAT MAY BE AUTHORIZED BY THIS SUBSECTION (6), REQUIRE A REGISTRANT TO TAKE COURSES OF TRAINING OR EDUCATION RELATING TO HIS OR HER PROFESSION. THE BOARD SHALL DETERMINE THE CONDITIONS THAT MAY BE IMPOSED ON SUCH REGISTRANT, INCLUDING, BUT NOT LIMITED TO, THE TYPE AND NUMBER OF HOURS OF TRAINING OR EDUCATION. ALL TRAINING OR EDUCATION COURSES ARE SUBJECT TO APPROVAL BY THE BOARD, AND THE REGISTRANT SHALL BE REQUIRED TO FURNISH SATISFACTORY PROOF OF COMPLETION OF ANY SUCH TRAINING OR EDUCATION.
- (g) (I) THE BOARD, UPON ITS OWN MOTION MAY, AND UPON THE RECEIPT OF A SIGNED COMPLAINT IN WRITING FROM ANY PERSON SHALL, INVESTIGATE THE ACTIVITIES OF ANY REGISTRANT OR OTHER PERSON THAT PRESENT GROUNDS FOR DISCIPLINARY ACTION UNDER THIS SUBSECTION (6).
- (II) DISCIPLINARY HEARINGS SHALL BE CONDUCTED BY THE BOARD OR BY AN ADMINISTRATIVE LAW JUDGE APPOINTED PURSUANT TO PART 10 OF ARTICLE 30 OF TITLE 24, C.R.S., AND SHALL BE HELD IN THE MANNER PRESCRIBED IN ARTICLE 4 OF TITLE 24, C.R.S.
- (III) (A) THE BOARD OR AN ADMINISTRATIVE LAW JUDGE SHALL HAVE THE POWER TO ADMINISTER OATHS, TAKE AFFIRMATIONS OF WITNESSES, AND ISSUE SUBPOENAS TO COMPEL THE ATTENDANCE OF

WITNESSES AND THE PRODUCTION OF ALL RELEVANT PAPERS, BOOKS, RECORDS, DOCUMENTARY EVIDENCE, AND MATERIALS IN ANY HEARING, INVESTIGATION, ACCUSATION, OR OTHER MATTER COMING BEFORE THE BOARD.

- (B) Upon failure of any witness to comply with such subpoena or process, the district court of the county in which the subpoenaed person or registrant resides or conducts business, upon application by the board with notice to the subpoenaed person or registrant, may issue to the person or registrant an order requiring that person or registrant to appear before the board; to produce the relevant papers, books, records, documentary evidence, or materials if so ordered; or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.
- (IV) (A) IF IT APPEARS TO THE BOARD, BASED UPON CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY PERSON, THAT A REGISTRANT IS ACTING IN A MANNER THAT IS AN IMMINENT THREAT TO THE HEALTH AND SAFETY OF THE PUBLIC, OR A PERSON IS ACTING OR HAS ACTED WITHOUT THE REQUIRED REGISTRATION, THE BOARD MAY ISSUE AN ORDER TO CEASE AND DESIST SUCH ACTIVITY. THE ORDER SHALL SET FORTH THE STATUTES AND RULES ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL UNLAWFUL OR UNREGISTERED ACTS IMMEDIATELY CEASE.
- (B) WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND DESIST PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV), THE REGISTRANT OR PERSON ALLEGED TO HAVE ACTED WITHOUT REGISTRATION MAY REQUEST A HEARING ON THE QUESTION OF WHETHER ACTS IN VIOLATION OF THIS SUBSECTION (6) HAVE OCCURRED. SUCH HEARING SHALL BE CONDUCTED PURSUANT TO SECTIONS 24-4-104 AND 24-4-105, C.R.S.
- (V) (A) IF IT APPEARS TO THE BOARD, BASED UPON CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY PERSON, THAT A PERSON HAS VIOLATED ANY OTHER PROVISION OF THIS SUBSECTION (6), THEN, IN ADDITION TO ANY SPECIFIC POWERS GRANTED PURSUANT TO THIS SUBSECTION (6), THE BOARD MAY ISSUE TO SUCH PERSON AN ORDER TO

SHOW CAUSE AS TO WHY THE BOARD SHOULD NOT ISSUE A FINAL ORDER DIRECTING SUCH PERSON TO CEASE AND DESIST FROM THE UNLAWFUL OR UNREGISTERED ACT.

- (B) A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS BEEN ISSUED PURSUANT TO SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (V) SHALL BE PROMPTLY NOTIFIED BY THE BOARD OF THE ISSUANCE OF THE ORDER, ALONG WITH A COPY OF THE ORDER, THE FACTUAL AND LEGAL BASIS FOR THE ORDER, AND THE DATE SET BY THE BOARD FOR A HEARING ON THE ORDER. SUCH NOTICE MAY BE SERVED BY PERSONAL SERVICE, BY FIRST-CLASS UNITED STATES MAIL, POSTAGE PREPAID, OR AS MAY BE PRACTICABLE UPON ANY PERSON AGAINST WHOM SUCH ORDER IS ISSUED. PERSONAL SERVICE OR MAILING OF AN ORDER OR DOCUMENT PURSUANT TO THIS SUBPARAGRAPH (V) SHALL CONSTITUTE NOTICE THEREOF TO THE PERSON.
- (C) The Hearing on an order to show cause shall be commenced no sooner than ten and no later than forty-five calendar days after the date of transmission or service of the notification by the board as provided in sub-subparagraph (B) of this subparagraph (V). The hearing may be continued by agreement of all parties based upon the complexity of the matter, number of parties to the matter, and legal issues presented in the matter, but in no event shall the hearing commence later than sixty calendar days after the date of transmission or service of the notification.
- (D) If a person against whom an order to show cause has been issued pursuant to sub-subparagraph (A) of this subparagraph (V) does not appear at the hearing, the board may present evidence that notification was properly sent or served upon such person pursuant to sub-subparagraph (B) of this subparagraph (V) and such other evidence related to the matter as the board deems appropriate. The board shall issue the order within ten days after the board's determination related to reasonable attempts to notify such person, and the order shall become final as to that person by operation of law. Such hearing shall be conducted pursuant to sections 24-4-104 and 24-4-105, C.R.S.
  - (E) IF THE BOARD REASONABLY FINDS THAT THE PERSON AGAINST

WHOM THE ORDER TO SHOW CAUSE WAS ISSUED IS ACTING OR HAS ACTED WITHOUT THE REQUIRED REGISTRATION OR HAS OR IS ABOUT TO ENGAGE IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THIS SUBSECTION (6), A FINAL CEASE AND DESIST ORDER MAY BE ISSUED DIRECTING SUCH PERSON TO CEASE AND DESIST FROM FURTHER UNLAWFUL OR UNREGISTERED ACTS.

- (F) The board shall provide notice, in the manner set forth in sub-subparagraph (B) of this subparagraph (V), of the final cease and desist order within ten calendar days after the hearing conducted pursuant to sub-subparagraph (C) of this subparagraph (V) to each person against whom the final order has been issued. The final order issued pursuant to sub-subparagraph (E) of this subparagraph (V) shall be effective when issued and shall be a final order for purposes of judicial review.
- (VI) IF IT APPEARS TO THE BOARD, BASED UPON CREDIBLE EVIDENCE PRESENTED TO THE BOARD, THAT A PERSON HAS ENGAGED IN OR IS ABOUT TO ENGAGE IN AN UNREGISTERED ACT, ANY ACT CONSTITUTING A VIOLATION OF THIS SUBSECTION (6), ANY RULE PROMULGATED PURSUANT TO THIS SUBSECTION (6), OR ANY ACT CONSTITUTING GROUNDS FOR ADMINISTRATIVE SANCTION PURSUANT TO THIS SUBSECTION (6), THE BOARD MAY ENTER INTO A STIPULATION WITH SUCH PERSON.
- (VII) IF ANY PERSON FAILS TO COMPLY WITH A FINAL CEASE AND DESIST ORDER OR A STIPULATION, THE BOARD MAY REQUEST THE ATTORNEY GENERAL OR THE DISTRICT ATTORNEY FOR THE JUDICIAL DISTRICT IN WHICH THE ALLEGED VIOLATION EXISTS TO BRING, AND IF SO REQUESTED SUCH ATTORNEY SHALL BRING, SUIT FOR A TEMPORARY RESTRAINING ORDER AND FOR INJUNCTIVE RELIEF TO PREVENT ANY FURTHER OR CONTINUED VIOLATION OF THE FINAL ORDER.
- (VIII) A PERSON AGGRIEVED BY THE FINAL CEASE AND DESIST ORDER MAY SEEK JUDICIAL REVIEW OF THE BOARD'S DETERMINATION OR OF THE BOARD'S FINAL ORDER IN A COURT OF COMPETENT JURISDICTION.
- (IX) THE BOARD MAY, IN THE NAME OF THE PEOPLE OF THE STATE OF COLORADO, THROUGH THE ATTORNEY GENERAL OF THE STATE OF COLORADO, APPLY FOR AN INJUNCTION IN ANY COURT OF COMPETENT JURISDICTION TO ENJOIN ANY PERSON FROM COMMITTING ANY ACT

DECLARED TO BE A MISDEMEANOR BY THIS SUBSECTION (6). IN ORDER TO OBTAIN SUCH INJUNCTION THE BOARD NEED NOT PROVE IRREPARABLE INJURY.

- (X) EXCEPT AS PROVIDED IN SUBPARAGRAPH (VIII) OF THIS PARAGRAPH (g), THE COURT OF APPEALS SHALL HAVE INITIAL JURISDICTION TO REVIEW ALL FINAL ACTIONS AND ORDERS OF THE BOARD THAT ARE SUBJECT TO JUDICIAL REVIEW. SUCH PROCEEDINGS SHALL BE CONDUCTED IN ACCORDANCE WITH SECTION 24-4-106 (11), C.R.S.
- (XI) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE BOARD, WARRANTS FORMAL ACTION, THE COMPLAINT SHALL NOT BE RESOLVED BY A DEFERRED SETTLEMENT, ACTION, JUDGMENT, OR PROSECUTION.
- (h) THE BOARD MAY PROMULGATE RULES AS NECESSARY FOR THE ADMINISTRATION OF THIS SUBSECTION (6).
  - (i) (I) This subsection (6) is repealed, effective July 1, 2013.
- (II) THE REGISTRATION FUNCTIONS OF THE BOARD AS SET FORTH IN THIS SUBSECTION (6) ARE TERMINATED ON JULY 1, 2013. PRIOR TO SUCH TERMINATION, THE REGISTRATION FUNCTIONS OF THE BOARD UNDER THIS SUBSECTION (6) SHALL BE REVIEWED AS PROVIDED FOR IN SECTION 24-34-104, C.R.S.

**SECTION 3.** 12-25-311 (1), Colorado Revised Statutes, is amended to read:

- **12-25-311. Professional liability.** (1) (a) The shareholders, members, or partners of an entity that practices architecture are liable for the acts, errors, and omissions of the employees, members, and partners of the entity except when the entity maintains a qualifying policy of professional liability insurance as set forth in subsection (2) of this section.
- (b) Interior designers registered pursuant to section 12-25-303 (6) (e) that are the shareholders, members, or partners of an entity that practices interior design are liable for the acts, errors, and omissions of the employees, members, and partners of the entity except when the entity maintains a qualifying policy of

PROFESSIONAL LIABILITY INSURANCE AS SET FORTH IN SUBSECTION (2) OF THIS SECTION.

**SECTION 4.** 24-34-104 (44), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

- **24-34-104.** General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment. (44) The following agencies, functions, or both, shall terminate on July 1, 2013:
- (p) The registration of registered interior designers by the state board of licensure for architects, professional engineers, and professional land surveyors pursuant to section 12-25-303 (6), C.R.S.
- **SECTION 5. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of registrations cash fund created in section 24-34-105 (2) (b) (I), Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for allocation to the executive director's office, for legal services, for the fiscal year beginning July 1, 2007, the sum of six thousand ninety-nine dollars (\$6,099), or so much thereof as may be necessary, for the implementation of this act.
- (2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of registrations cash fund created in section 24-34-105 (2) (b) (I), Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for allocation to the division of registrations, for regulation of interior designers, for the fiscal year beginning July 1, 2007, the sum of sixty-seven thousand two hundred eighty-five dollars (\$67,285) and 1.3 FTE, or so much thereof as may be necessary, for the implementation of this act.
- (3) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2007, the sum of six thousand ninety-nine dollars (\$6,099), or so much thereof as may be necessary, for the provision of legal services to the department of regulatory agencies related to the implementation of this act. Said sum shall be from cash funds exempt received from the executive director's office out of the appropriation made in subsection (1) of this

section.

**SECTION 6.** Effective date - applicability. (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 8, 2007, if adjournment sine die is on May 9, 2007); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

registered interior designers,	of this act shall apply to persons acting as a defined in section 12-25-303 (6) (c), an or after the applicable effective date of this
Joan Fitz-Gerald PRESIDENT OF THE SENATE	Andrew Romanoff SPEAKER OF THE HOUSE OF REPRESENTATIVES
Karen Goldman SECRETARY OF THE SENATE	Marilyn Eddins CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES
APPROVED	
Bill Ritter, GOVERN	Jr. OR OF THE STATE OF COLORADO