

**ADRE 2016 Legislative Summary
(HOA Legislation)**





ADRE Legislative Overview | 2016

The Arizona State Legislature adjourned *sine die* on May 7, 2015 at 5:45am. The following bills were passed and signed into law by Governor Douglas A. Ducey. If you have questions relating to the bills below please contact the Department's Assistant Commissioner Operations/Legislative Affairs at ldetorre@azre.gov. The general effective date for legislation is August 6, 2016 unless otherwise stated.

Please be advised that this list is not comprehensive and therefore may not include all bills that directly or indirectly affect ADRE licensees. Please visit the state legislature's website at <http://www.azleg.gov/> for more information.

[HB 2106](#) (Chapter 230) HOAs; Enforcement Grace Period (Rep. Lovas)

A homeowners' association or condominium association member has 21 calendar days, increased from 10 business days, after the date of a written notice of violation to provide a written response to the HOA.

HB 2106 was signed by the Governor on May 12, 2016. A.R.S Titles Affected: [33](#)

[HB 2172](#) (Chapter 83) Planned Communities; Architectural Designs; Approval (Rep. Petersen)

Planned communities are prohibited from unreasonably withholding approval of a construction project's architectural designs, plans and amendments.

HB 2172 was signed by the Governor on , 2016. A.R.S. Titles Affected: [33](#)

[SB 1496](#) (Chapter 343) Homeowners' Associations; Director Removal (Senator Farnsworth)

On removal of a majority of the members of a condo or HOA board of directors, the HOA is required to hold an election for the replacement of the removed directors at a separate meeting of the members, which must be held no later than 30 days after the day of the meeting at which the directors were removed. A director who is removed is ineligible to serve on the board again until after the expiration of the director's term, unless the HOA documents specifically provide for a longer period of time.

SB 1496 was signed by the Governor on May 18, 2016. A.R.S Titles Affected: [33](#)

[SB 1498](#) (Chapter 172) Homeowners' Association; Fees; Hearings; Elections (Senator Farnsworth)

Condo and homeowners' associations (HOAs) are only authorized to impose charges for late payment of assessment after the HOA has provided notice that the assessment is overdue or is considered overdue after a certain date. The HOA is required to give the unit owner or homeowner written notice of the person's option to petition for an administrative hearing on an enforcement action in the Department of Fire, Building and Life Safety. If an HOA provides for absentee ballots or ballots provided by some other form of delivery, the completed ballot and envelope and any



ADRE Legislative Overview | 2016

related materials must contain the name, address and signature of the person voting, unless the HOA documents permit secret ballots, in which case only the envelope must contain that information. The ballots, envelopes and related materials must be retained and made available for unit owner or member inspection for at least one year after completion of the election.

SB 1498 was signed by the Governor on May 11, 2016. A.R.S. Titles Affected: [33](#)

[SB 1530](#) (Chapter 128) Budget; BRB; Agency Consolidation; FY2016-17 (Senator Biggs)

Makes various changes to state agencies that affect the budget. The Department of Fire, Building and Life Safety is eliminated, and the functions of the Dept. are transferred to the Department of Housing, the State Forester and the Real Estate Department. All unspent and unencumbered monies in the Condominium and Planned Community Hearing Office Fund are transferred to the Real Estate Department on the effective date.

SB 1530 was signed by the Governor on May 10, 2016. Effective date: July 1, 2016

A.R.S. Titles Affected: [11](#), [17](#), [23](#), [26](#), [27](#), [28](#), [30](#), [32](#), [33](#), [34](#), [35](#), [36](#), [37](#), [40](#), [41](#), [42](#), [49](#)

More information, including an overview of each bill can be found at www.azleg.gov