

Legislative Overview for ADRE | 2015

The Arizona State Legislature adjourned *sine die* on April 3, 2015 at 3:37am. 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 July 3, 2015 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 2010](#) (Chapter 92) Counties; protected development rights

This legislation allows a county to extend a protected development right plan (PDR) for 30 years if it is a phased development plan that has a gross acreage of more than 1,600 acres.

HB 2010 was signed by the Governor on March 30, 2015. A.R.S Titles Affected: [11](#)

[HB 2084](#) (Chapter 21) Condominiums; planned communities; associations; disclosures

This legislation stipulates that condominium unit owners' and planned community homeowners' associations (HOAs) are required to submit with their annual report to the Corporation Commission a separate statement containing the name of the designated agent or management company for the HOA, the address for the HOA, and the contact information of the HOA or its designated agent or management company. HOAs are required to file an amended statement reflecting any changes in designated agent or management company within 30 days of the change. The requirement for an HOA to record similar information in the office of the county recorder is deleted.

HB 2084 was signed by the Governor on March 17, 2015. A.R.S Titles Affected: [10](#), [33](#)

[HB 2086](#) (Chapter 94) fingerprint clearance cards; omnibus

- This legislation clarifies that the Department of Public Safety Fingerprinting Division must provide written notification to a fingerprint clearance card (FCC) applicant or a current FCC holder and his or her employer agency that includes criminal history information when denying, suspending, revoking, or placing a driving restriction on any FCC.
- Clarifies that a person who has been convicted of either a criminal trespassing or a criminal burglary offense is precluded from obtaining any FCC.
- Provides the Division with 30 days from the receipt of a person's criminal history record to perform research to obtain incomplete information and requires the Division to deny an application for any FCC if the Division is unable to determine whether a person is awaiting trial on or has been convicted of committing or attempting, soliciting, facilitating, or conspiring to commit an offense that would preclude the Division from issuing any FCC.
- Directs the Division to place a driving restriction notation on the current regular or Level One FCC of a person who is subsequently arrested for a DUI-related offense.
- Department of Child Safety employees who have contact with children or are employed in an information technology position are required to have a valid card or provide documentation of application for a card and certify that the employee has not committed any specified criminal offenses. Department of Emergency and Military Affairs employees are required to

Legislative Overview for ADRE | 2015

submit fingerprints for the purpose of obtaining a state and federal criminal records check, instead of being required to have a valid card.

HB 2086 was signed by the Governor on March 30, 2015. A.R.S Titles Affected: [8](#), [26](#), [41](#)

[HB 2108](#) (Chapter 233) Property tax; class nine; conventions

The class 9 property tax classification is modified to include improvements located on federal, state, county or municipal property and owned by the lessee of the property if the improvements become the property of the government on termination of the leasehold interest in the property and if both the improvements and the property are used exclusively, instead of primarily, for convention activities.

HB 2108 was signed by the Governor on April 9, 2015. A.R.S Titles Affected: [42](#)

[HB 2131](#) (Chapter 234) Tax adjudications; attorney fees

This legislation states that a court is permitted to award fees and other expenses to any "party" (defined) other than the state or a county or municipality that prevails by an adjudication on the merits in an action brought by that party against the state or a county or municipality challenging the refund of taxes or the denial of a tax refund. The maximum amount of attorney fees that may be awarded is increased to \$350 per hour, from \$175 per hour, and the maximum amount of fees awarded against the state or a county or municipality is increased to \$75,000, from \$30,000, for fees incurred at each level of judicial appeal. For each calendar year beginning with 2016, the income dollar amounts must be adjusted by the Attorney General according to the average annual change in the metropolitan Phoenix Consumer Price Index. The revised amounts must be raised to the nearest whole dollar and cannot be revised below the amounts prescribed in the prior year.

HB 2131 was signed by the Governor on April 9, 2015. A.R.S. Titles Affected: [12](#), [42](#)

[HB 2147](#) (Chapter 72) Municipal tax; pole attachment

The list of items exempt from the utilities, telecommunications, commercial lease and personal property rental classifications of transaction privilege taxes is expanded to include the leasing or renting of space to make attachments to "utility poles" (defined) by or to a person engaged in business under the utilities or telecommunications classifications or to a person that is a "cable operator" (defined elsewhere in statute). The list of items of items that municipalities are prohibited from levying a transaction privilege tax or other similar tax on is expanded to include the charges for leasing or renting of space to make attachments to utility poles by or to a person engaged in business under those classifications or that is a "cable operator" (defined elsewhere in statute). Retroactive to January 1, 2015, for the purpose of the prime contracting classification of transaction privilege tax, the definition of "replacement" is modified to specify that the current definition applies regardless of whether the existing component or system or existing tangible personal property is physically removed from the existing property.

Legislative Overview for ADRE | 2015

HB 2147 was signed by the Governor on March 26, 2015. A.R.S. Titles Affected: [42](#)

[HB 2311](#) (Chapter 110) Judgment lines; recordation; real property

This legislation states that a certified copy of the judgment of any court in the state may be filed and recorded in the office of the county recorder in each county where the judgment creditor desires the judgment to become a lien on the real property of the judgment debtor. On recording, the judgment becomes a lien on the real property of the judgment debtor. Applies to judgments that are recorded after December 31, 2015.

HB 2311 was signed by the Governor on March 30, 2015. A.R.S Titles Affected: [33](#)

[HB 2325](#) (Chapter 242) Member land; termination

This legislation allows for property enrolled in the Central Arizona Groundwater Replenishment District (CAGRDR) to terminate its member land status, under certain conditions. One of the provisions is that the state real estate commissioner has not issued a public report for the property.

HB 2325 was signed by the Governor on April 9, 2015. A.R.S Titles Affected: [48](#)

[HB 2383](#) (Chapter 284) Invalid annexation; return procedure

This legislation states that for territory located in a county with a population of more than 2 million persons (Maricopa County), a territory seeking to void its annexation and be severed from the municipality and returned to the county is required, within 20 years after the territory's initial annexation, to file with the clerk of the county board of supervisors of the county in which the land is located a petition signed by the owners of 1/2 or more in value of the real and personal property and more than 1/2 of the persons owning real and personal property of the territory, a description and map of the territory to be severed, an affidavit stating that the municipality failed to comply with statutory requirements for annexation, and an affidavit stating that the developer did not complete the municipality's subdivision regulations. The board of supervisors is required to set a public hearing and to notify the governing body of the municipality in which the territory to be severed is located and each owner of real property in the territory. If owners of at least 51 percent of the land area protest the action or if the municipality demonstrates compliance with annexation statutes, the board of supervisors cannot declare the initial annexation void. If the requirements are met and after the public hearing, the board of supervisors is required to order the territory to be severed from the municipality and returned to the county. These provisions self-repeal on July 1, 2017. A municipality is prohibited from requiring the owner of property that is not located in the municipal boundaries to improve the owner's property unless the improvement has a substantial nexus to water or wastewater service that is provided to the owner's property by the municipality.

HB 2383 was signed by the Governor on April 13, 2015. A.R.S Titles Affected: [9](#)

[HB 2393](#) (Chapter 121) Water settlement act; replenishment formula

This legislation modifies the calculations for the south side replenishment obligations, the municipal replenishment obligation for the western municipal protection zone, and the municipal and industrial replenishment obligation for the eastern protection zones north and south under the Gila River Indian Community Water Settlement Program.

Legislative Overview for ADRE | 2015

HB 2393 was signed by the Governor on April, 2015. A.R.S. Titles Affected: [45](#)

[HB 2661](#) (Chapter 224) Multi-county water districts; storage tax

This legislation stipulates that the maximum tax for water storage levied on the assessed valuation of property in a multi-county water conservation district is 4 cents per \$100 of assessed valuation in the district through December 31, 2024. Beginning January 1, 2015, the maximum tax levy is 3 cents per \$100 of assessed valuation in the district. Statute authorizing the tax is repealed on January 2, 2030, instead of January 2, 2017.

HB 2661 was signed by the Governor on April 6, 2015. A.R.S. Titles Affected: [48](#)

[SB 1091](#) (Chapter 81) Homeowners' associations; removal; special meetings

This legislation specifies that Members of a condominium unit owners' or planned community homeowners' association (HOA) who are eligible to vote at the time of a meeting may remove any member of the HOA board by a majority vote of those voting on the matter at a meeting if a quorum is present. For the purpose of the number of signatures needed on a petition calling for removal of a board member and of determining if a quorum is present at a meeting, the required percentages are based on the number of persons eligible to vote in the HOA at the time the person signs the petition or attends the meeting.

SB 1091 was signed by the Governor on March 30, 2015. A.R.S. Titles Affected: [33](#)

[SB 1185](#) (Chapter 270) Landlord; tenant; guest removal

This legislation specifies that a tenant's guest who is not named on a written lease and who remains on the premises without the permission of the tenant or the landlord is not a lawful tenant and that such a person's presence does not constitute residency or tenancy. Additionally, the bill authorizes law enforcement to remove a person who knowingly remains on the premises without permission at the request of the tenant or the landlord who is entitled to possession of the premises.

Signed by the Governor on April 13, 2015. A.R.S. Titles Affected: [33](#)

[SB 1342](#) (Chapter 166) Responsibility of payment; utility services

This legislation stipulates that for residential property of four or fewer units, a municipality is prohibited from requiring payment of the assessments imposed for removal of rubbish, trash, filth or debris if the property was serving as a rental and had a tenant during the time of the removal. For residential property of four or fewer units, a garbage collection service provider, private water company or sewer corporation is prohibited from requiring payment of unpaid rates and charges by anyone other than the person who the provider or company contracted with to provide the service, who physically resides or resided at the property and who receives or received the service. For residential property of four or fewer units, municipalities are prohibited from requiring payment of unpaid utility user fees by anyone other than the person who the municipality contracted with to

Legislative Overview for ADRE | 2015

provide the service, who physically resides or resided at the property and who receives or received the service.

HB 1342 was signed by the Governor on April 1, 2015. A.R.S. Titles Affected: [9](#), [40](#)

[SB 1368](#) (Chapter 189) Municipalities; additional business licenses; prohibition

This legislation states that municipalities are prohibited from requiring a licensed real estate broker or salesperson to obtain an additional business license to do business within that municipality if the person is licensed to do business in the municipality in which the person's primary place of business is located.

SB 1368 was signed by the Governor on April 2, 2015. A.R.S. Titles Affected: [9](#)

[SB 1448](#) (Chapter 190) Trustee's sale; foreclosure; notice; recording

This legislation stipulates that written notice that a trustee is required to give of the time and place of sale of trust property must contain a statement that if a person believes there is a defense to the trustee sale or has an objection to the trustee sale, he/she must file an action and obtain a court order stopping the sale no later than 5:00 PM of the last business day before the scheduled date of the sale, and that unless the person obtains a court order, the sale will be final.

SB 1448 was signed by the Governor on April 2, 2015. A.R.S. Titles Affected: [33](#)

[SB 1469](#) / [HB 2671](#) (Chapter 8) General appropriations; 2015-2016

The general "feed bill" contains appropriations for state agencies and programs. Details on the provisions in the bill can be found in the legislation and in this legislative fact sheet, [click here](#). The ADRE was appropriated the same amount as the previous fiscal year, approximately \$2.98M.

SB 1469/ HB 2671 was signed by the Governor on March 12, 2015.

[SB 1480](#) (Chapter 19) Agency consolidation; budget reconciliation; 2015-2016

This legislation establishes the State Board of Appraisal as a division within the Department of Financial Institutions (Department).

SB 1480 was signed by the Governor on March 12, 2015. ARS Titles Affected: [5](#), [32](#)

More information can be found at www.azleg.gov