

Community Associations Institute

Fifty-Sixth Legislature, First Regular Session

Legislative Report

DAY #23 OF SESSION I - 1,305 BILLS, 88 RESOLUTIONS AND MEMORIALS INTRODUCED

NEXT DEADLINES:

February 3 – House Bill Request Deadline

February 6 – House Bill Introduction Deadline

February 17 – Last Day of SBs in the Senate; Last Day of HBs in the House

01/31/23

****Bill information is updated as of Tuesday, 1/31/2023 to meet Wednesday afternoon deadline****

Disclaimer: Since the legislature acts daily, each bill's status listed herein could change daily. This tracking document is merely meant to advise our members of a general overview of some of the bills that have been introduced and the status of the bill as of the date listed below. The bill summaries listed herein may or may not include all aspects of the proposed legislation and subsequent amendments and do not necessarily reflect an interpretation of the bills or the merits of the same.

New Bills

SB1358: HOMEOWNERS' ASSOCIATIONS; SOLAR, WATER DEVICES

A homeowners' association cannot prohibit the installation of a water saving device or indoor or outdoor water conservation practice. A homeowners' association is authorized to adopt reasonable rules regarding placing a water saving device or using a water conservation practice if those rules do not prevent installing the device, impair the functioning of the device or practice, restrict using the device or practice, or adversely affect the cost of efficiency of the device or practice.

Position:

Sponsor: Sen. Mendez (D – SD-8)

Status: 1/27 - Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Support:](#) Arizona Homeowners Coalition

[Oppose:](#) Only individuals signed in

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

SB1384: HOMEOWNERS' ASSOCIATIONS; ANNUAL MEETING

For all homeowners' association and condo association directors' elections, cumulative voting is prohibited, nominations from the floor are prohibited, and the names of all eligible candidates nominated for the board of directors must appear on the ballot. For any meeting at which the election of directors occurs and for the annual meeting, the quorum requirement is 1/10 of the total number of votes entitled to be cast unless the homeowners' association or condo association documents specify a lesser amount. Homeowners' association or condo association votes cannot be cast by proxy but may be cast by absentee ballots, and the process for absentee ballot voting is specified.

Position:

Sponsor: Sen. Kavanagh (R – SD-3)

Status: 1/30 - Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Support:](#) N/A

[Oppose:](#) Arizona Homeowners Coalition

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

SB1387: HOMEOWNERS' ASSOCIATIONS; BOARD DUTIES; INDEMNIFICATION

Homeowners' associations and condo associations (HOAs), through the board of directors, have a duty to the members or unit owners to act with the care an ordinarily prudent person in a like position would exercise under similar circumstances in managing and maintaining the common property and in protecting and managing the financial assets and affairs of the HOA, to treat members fairly, and to act reasonably in the exercise of discretionary powers. The directors and officers of an HOA have a duty to the HOA to act in good faith, in compliance with statute and the community documents, and to use ordinary care and prudence in performing their functions. The HOA and its directors and officers are indemnified from any liability for any action taken or any failure to take any action if the duties were performed in compliance with these requirements. A legislative intent section states that these changes are clarifying and do not provide any substantive change in the law.

Position:

Sponsor: Sen. Kavanagh (R – SD-3)

Status: 1/30 – Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Support:](#) Arizona Homeowners Coalition

[Oppose:](#) N/A

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

SB1456: HOMEOWNERS' ASSOCIATIONS; RECORDS REQUESTS

Establishes a specific list of records that homeowners' associations and condo associations are required to make reasonably available to a member or unit owner on request, including financial statements and accounts, the operating budget, current contracts, and current insurance policies. Establishes requirements for a request to examine association records.

Position:

Sponsor: Sen. Shope (R – SD-16)

Status: 1/30 - Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Support:](#) N/A

[Oppose:](#) Arizona Homeowners Coalition

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

SB1470: HOMEOWNERS' ASSOCIATIONS LIENS; HOMESTEAD EXEMPTIONS

Position:

Sponsor: Sen. Kavanagh (R – SD-3)

Status: 1/30 - Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Support:](#) Arizona Homeowners Coalition

[Oppose:](#) N/A

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

SCR1032: SHORT-TERM RENTALS; VACATION RENTALS

Position:

Sponsor: Sen. Raquel Teran (D – SD-26)

Status: 1/30 – Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Tier 1 – Priority Bills

SB1023: RESIDENTIAL PICKETING; OFFENSE

A person commits residential picketing, a class 3 (lowest) misdemeanor, if the person intentionally engages in picketing or otherwise demonstrates near the residence of an individual if the actions are such that a reasonable person would find the acts harassing, annoying, or alarming, or if the person intends the picketing or demonstrating to harass, annoy, or alarm another person.

Position: Support

Sponsor: Sen. Kavanagh (R – SD-3)

Status: 1/23 – Rules Committee Hearing (**CANCELED**)

[Request to Speak:](#) (Click link to see Supporters/Opposers)

Support — Only individuals signed in

Oppose — ACLU, AZ Attorneys for Criminal Justice, Arizona Coalition for Working Families, AZ State AFL-CIO

[Introduced Version of Bill](#) (Click link to access PDF of Bill)

Daily History

01-19-23, Passed Judiciary Committee (5-2-0)

01-11-23, Senate Second Read

01-10-23, Senate First Read; Assigned to Judiciary Committee

01-05-23, Introduced

SB1034: HOMEOWNERS' ASSOCIATIONS; FLAG BAN; PROHIBITION

Condominium associations and homeowners' associations cannot prohibit the outdoor display of any flag unless the flag is obscene, defamatory, or likely to incite violence.

Position: Oppose

Sponsor: Sen. Kavanagh (R – SD-3)

Status: 1/17 – Senate Second Read

[Request to Speak:](#) (Click link to see Supporters/Opposers)

Support — Arizona Homeowners Coalition

Oppose — Only individuals signed in

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Daily History

01-11-23, Senate First Read; Assigned to Government Committee

01-10-23, Introduced

SB1049: HOMEOWNERS' ASSOCIATIONS; BETSY ROSS FLAG

Homeowners' associations and condo associations cannot prohibit the outdoor display of any historic version of the American flag, including the "Betsy Ross flag" (defined), without regard to how the stars and stripes are arranged on the flag.

Position: Oppose

Sponsor: Sen. Kavanagh (R – SD-3)

Status: 2/1 – Passed Government Committee

[Request to Speak:](#) (Click link to see Supporters/Opposers)

Support — Arizona Homeowners Coalition

Oppose — Only individuals signed in

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Daily History

01-26-23, Government Committee Hearing Scheduled for 2/1

01-19-23, Government Committee Hearing Scheduled for 1/25 (CANCELED)

01-18-23, Senate Second Read

01-17-23, Senate First Read, Assigned to Government Committee

01-12-23, Introduced

HB2251: CONDOMINIUMS; INSURANCE COVERAGE; CLAIMS

Condominium associations are required to maintain property insurance on the units. Each unit owner has the right to report a loss under the association's property insurance policy. If the cause of damage to or destruction of any portion of a condominium originates from the common elements or an event outside of the units and common elements, the insurance deductible is a common expense for the association. If the cause originates from a unit, the owner of the unit is responsible for the deductible of up to \$10,000.

Position: Oppose

Sponsor: Rep. Wilmeth (R – HD-2)

Status: 1/19 – House Second Read

[Request to Speak:](#) (Click link to see Supporters/Opposers)

Support: Arizona Homeowners Coalition

Oppose: - Only individuals signed in

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Daily History

01-18-23, Assigned to Commerce Committee; House First Read

01-12-23, Introduced

HB2301 HOMEOWNERS' ASSOCIATIONS; POLITICAL ACTIVITY

Condominium associations and planned community associations cannot restrict a unit owner from conducting door-to-door political activity, and cannot prohibit a unit owner from circulating political petitions.

Position: Oppose

Sponsor: Rep. Carter (R – HD-15)

Status: 2/1 – _____ Regulatory Affairs Committee (x-x-x)** Will update the evening of 2/1

[Request to Speak:](#) Click link to see Supporters/Opposers)

[Support:](#) Arizona Homeowners Coalition

[Oppose:](#) Only individuals signed in

[Neutral:](#) Home Builders Association of Central AZ

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Daily History

01-26-23, Regulatory Affairs Committee Hearing Scheduled for 2/1

01-23-23, House Second Read

01-19-23, House First Read; Assigned to Regulatory Affairs Committee

01-12-23, Introduced

Tier 2 – Neutral

HB2298: PLANNED COMMUNITY AUTHORITY; PUBLIC ROADWAYS

If a planned community regulates any public roadway, the planned community is required, by June 30, 2025, to hold a vote of the membership on the question of whether to continue to regulate public roadways. If a majority of a quorum of the membership of the community votes to continue regulating public roadways in the planned community, the planned community retains its authority to regulate those public roadways. If the vote fails or if the planned community does not hold a vote, the planned community no longer has authority to regulate the public roadways in the planned community and any existing regulations expire.

Position: Neutral

Sponsor: Rep. Carter (R – HD-15)

Status: 1/19 – House Second Read

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Support:](#) Arizona Homeowners Coalition

[Oppose:](#) Only individuals signed in

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Daily History

01-18-23, Assigned to Government Committee, House First Read

01-12-23, Introduced

Tier 3 – Monitoring

SB1193: ONLINE HOME SHARING; REPEAL

Repeals statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and limiting the restrictions that municipalities and counties may place on those rentals to a list of specified purposes. Repeals the online lodging marketplace transaction privilege tax classification, and the requirement for online lodging marketplaces to register with the Department of Revenue for payment of transaction privilege taxes on online lodging transactions. Repeals the requirement for online lodging operators to have a current transaction privilege tax license and related civil penalties for noncompliance. Repeals the Joint Legislative Study Committee on Transient Lodging.

Position: Neutral

Sponsor: Sen. Marsh (D – SD-4)

Status: 1/31 – Senate Second Read

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Introduced Version of Bill:](#) (Click link to see PDF of Bill)

Daily History

01-30-23, Senate First Read; Assigned to Government Committee

01-23-23, Introduced

HB2047: VACATION RENTALS; SHORT-TERM RENTALS; RESTRICTIONS

A municipality with a population of less than 17,000 persons is allowed to limit the number of vacation rentals and short-term rentals based on a percentage of total residentially zoned buildings or structures in that municipality, and is allowed to regulate vacation rentals or short-term rentals in the same manner as transient lodging activities.

Position: Neutral

Sponsor: Rep. Bliss (R – HD-1)

Status: 1/11 – Introduced

[Request to Speak:](#) (Click link to see Supporters/Opposers)

[Introduced Version of Bill:](#) (Click link to see PDF of Bill)

HCR2011: VACATION RENTALS; SHORT-TERM RENTALS

The 2024 general election ballot is to carry the question of whether to repeal statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and restricting the types of regulations that municipalities and counties may impose on vacation rentals or short-term rentals. Statute entitling a property owner to just compensation from the state or a political subdivision that enacts a land use law that reduces the existing rights to use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

Position: Neutral

Sponsor: Rep. Schwiebert (D – HD-2)

Status: 1/30 – House Second Read

[Request to Speak](#): (Click link to see Supporters/Opposers)

[Introduced Version of Bill](#) (Click link to see PDF of Bill)

Daily History

01-26-23, House First Read; Assigned to Municipal Oversight & Elections Committee and Commerce Committee

01-12-23, Introduced