

## LAND TITLE ASSOCIATION OF ARIZONA FEBRUARY 13, 2017

53rd Legislature - 1st Regular Session, 2017

Sunday, Feb 12 2017 8:28 PM

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### Posted Calendars and Committee Hearings

- H2014: LEGAL TENDER EXCHANGE; TAX EFFECT  
*Calendar: 2/13 House Third Reading*
- H2095: STATE LANDS; PERPETUAL RIGHTS-OF-WAY  
*Hearing: House Land, Agriculture & Rural Affairs (Thursday 02/16/17 at 10:00 AM, House Rm. 3)*
- H2165: AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE  
*Hearing: House Transportation & Infrastructure (Wednesday 02/15/17 at 2:00 PM, House Rm. 3)*
- H2220: ELECTRONIC FILES; ACCESS; OFFICIAL RECORD  
*Calendar: 2/13 House Third Reading*
- H2233: REGISTRATION EXEMPTIONS; SECURITIES  
*Hearing: House Rules (Monday 02/13/17 at 12:45 PM, House Rm. 4)*
- H2321: HOAS; CUMULATIVE VOTING; PROHIBITION  
*Hearing: House Rules (Monday 02/13/17 at 12:45 PM, House Rm. 4)*
- H2332: PROPERTY TAX VALUATION APPEALS  
*Hearing: House Ways & Means (Wednesday 02/15/17 at 10:00 AM, House Rm. 1)*
- H2355: MUTUAL HOLDING COMPANY REORGANIZATION  
*Hearing: House Rules (Monday 02/13/17 at 12:45 PM, House Rm. 4)*
- H2366: AGRICULTURAL LAND; FALLOWING; PROPERTY TAX  
*Hearing: House Land, Agriculture & Rural Affairs (Thursday 02/16/17 at 10:00 AM, House Rm. 3)*
- H2417: SIGNATURES; ELECTRONIC TRANSACTIONS; BLOCKCHAIN TECHNOLOGY  
*Hearing: House Commerce (Tuesday 02/14/17 at 2:00 PM, House Rm. 1)*
- H2419: HOMEOWNERS' ASSOCIATIONS; DISCLOSURE DOCUMENTS; FEES  
*Hearing: House Local & International Affairs (Wednesday 02/15/17 at 9:00 AM, House Rm. 5)*
- S1081: MUTUAL HOLDING COMPANY REORGANIZATION  
*Calendar: 2/13 Senate Third Reading*
- S1122: PERSONAL PROPERTY TRANSFER; LIMITATIONS PROHIBITED  
*Hearing: Senate Rules (Monday 02/13/17 at 1:00 PM, Senate Caucus Rm. 1)*
- S1175: REAL ESTATE TRANSFER FEES; DEFINITION  
*Calendar: 2/13 Senate Third Reading*
- S1197: REAL ESTATE APPRAISAL  
*Hearing: Senate Rules (Monday 02/13/17 at 1:00 PM, Senate Caucus Rm. 1)*
- S1245: STATE LANDS; PERPETUAL RIGHTS-OF-WAY  
*Hearing: Senate Natural Resources, Energy & Water (Monday 02/13/17 at 2:00 PM, Senate Rm. 109)*
- S1270: AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE  
*Hearing: Senate Transportation & Technology (Tuesday 02/14/17 at 2:00 PM, Senate Rm. 1)*
- S1308: FLOOD CONTROL DISTRICTS; EASEMENTS, LEASES  
*Hearing: Senate Rules (Monday 02/13/17 at 1:00 PM, Senate Caucus Rm. 1)*
- S1371: DELINQUENT PROPERTY TAXES; COMMON AREAS  
*Hearing: Senate Rules (Monday 02/13/17 at 1:00 PM, Senate Caucus Rm. 1)*
- S1376: COMPACT; PROSPERITY DISTRICTS  
*Hearing: Senate Government (Wednesday 02/15/17 at 2:00 PM, Senate Rm. 109)*  
*Hearing: Senate Finance (Wednesday 02/15/17 at 8:00 AM, Senate Rm. 1)*
- S1416: REVITALIZATION DISTRICTS; COUNTY PARTICIPATION  
*Hearing: Senate Finance (Wednesday 02/15/17 at 8:00 AM, Senate Rm. 1)*
- S1474: COMMUNITY ENGAGEMENT DISTRICT  
*Hearing: Senate Commerce & Public Safety (Monday 02/13/17 at 2:00 PM, Senate Rm. 1)*

**SUPPORT****Bill Summaries****S1245: STATE LANDS; PERPETUAL RIGHTS-OF-WAY**

The State Land Department is required to grant a perpetual right-of-way, after conducting an appraisal, at public auction to the highest and best bidder if the grant is for the purpose of providing legal access to private property to which access across state land is the historic access or is necessary because state or federal land surrounds the private property.

First sponsor: Sen. Griffin

**Single List Comments:****TO BE DISCUSSED ON 2/13: AMENDMENT LANGUAGE RE: NON-EXCLUSIVITY****1/30/17 - Reviewed by Legislative Committee**

S1245 Daily History	Date Action
STATE LANDS; PERPETUAL RIGHTS-OF-WAY	2/6 Senate nat res-energy do pass; report awaited.
STATE LANDS; PERPETUAL RIGHTS-OF-WAY	1/25 referred to Senate nat res-energy.

**MONITOR****Bill Summaries****H2014: LEGAL TENDER EXCHANGE; TAX EFFECT**

The lists of subtractions from Arizona gross income for individual and corporate income tax purposes are expanded to include the amount of any net capital gain included in Arizona adjusted gross income for the tax year that is derived from the exchange of one kind of legal tender for another kind of legal tender. The list of additions to Arizona gross income for individual and corporate income tax purposes is expanded to include the amount of any net capital loss included in Arizona adjusted gross income for the tax year that is derived from the exchange of one kind of legal tender for another kind of legal tender. For these purposes, "legal tender" is defined as a medium of exchange, including "specie" (defined as coins having precious metal content), that is authorized by the U.S. Constitution or Congress for the payment of debts, public charges, taxes and dues. Effective for tax years beginning with 2018.

First sponsor: Rep. Finchem

**Single List Comments:****1/24/17 - Reviewed by Legislative Committee**

H2014 Daily History	Date Action
LEGAL TENDER EXCHANGE; TAX EFFECT	2/9 House COW approved.
LEGAL TENDER EXCHANGE; TAX EFFECT	2/7 from House rules okay. Stricken from House consent calendar by Epstein.
LEGAL TENDER EXCHANGE; TAX EFFECT	2/6 to House consent calendar.
LEGAL TENDER EXCHANGE; TAX EFFECT	2/2 from House ways-means do pass.
LEGAL TENDER EXCHANGE; TAX EFFECT	2/1 House ways-means do pass; report awaited.
LEGAL TENDER EXCHANGE; TAX EFFECT	1/9 referred to House ways-means.

**H2015: GOLD BONDS; STUDY COMMITTEE**

Establishes the 11-member Joint Study Committee on Gold Bonds to study the use of gold bonds as hard asset-backed instruments to reduce state debt and protect public pension obligations of the state. The Committee is required to

submit a report of its recommendations to the Legislature by December 31, 2017 and self-repeals October 1, 2018.

First sponsor: Rep. Finchem

**Single List Comments:**

**1/24/17 - Reviewed by Legislative Committee**

H2015 Daily History	Date Action
GOLD BONDS; STUDY COMMITTEE 1/17 referred to House rules only.	

**H2067: REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS**

Real estate licensing regulations do not apply to unlicensed persons in the employ of a real estate licensee to perform clerical, bookkeeping, accounting and other administrative and support duties. AS PASSED HOUSE.

First sponsor: Rep. Shope

**Single List Comments:**

**1/24/17 - Reviewed by Legislative Committee**

H2067 Daily History	Date Action
REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS 2/2 House COW approved with amend <a href="#">#4015</a> . Passed House 59-0; ready for Senate.	
REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS 1/31 from House rules okay.	
REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS 1/30 to House COW consent calendar.	
REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS 1/25 from House com with amend <a href="#">#4015</a> .	
REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS 1/17 House com held.	
REAL ESTATE LICENSING; EXCEPTION; ASSISTANTS 1/10 referred to House com.	

**H2069: INSURANCE TAXES; INSTALLMENTS; ELECTRONIC FILING**

An insurer is required to file monthly insurance premium tax reports and payments from March through August if that insurer paid or is required to pay a tax of \$50,000 or more during the preceding calendar year, increased from \$2,000 or more. Beginning January 1, 2018, the Department of Insurance is permitted to require insurance premium tax reports and payments to be submitted electronically. Effective January 1, 2018.

First sponsor: Rep. Livingston

**Single List Comments:**

**1/24/17 - Reviewed by Legislative Committee**

H2069 Daily History	Date Action
INSURANCE TAXES; INSTALLMENTS; ELECTRONIC FILING 2/2 passed House 59-0; ready for Senate.	
INSURANCE TAXES; INSTALLMENTS; ELECTRONIC FILING 1/31 from House rules okay.	
INSURANCE TAXES; INSTALLMENTS; ELECTRONIC FILING 1/30 to House consent calendar.	
INSURANCE TAXES; INSTALLMENTS; ELECTRONIC FILING 1/23 from House bank-ins do pass.	
INSURANCE TAXES; INSTALLMENTS; ELECTRONIC FILING 1/11 referred to House bank-ins.	

**H2072: MANUFACTURED HOMES; REAL ESTATE TRANSACTIONS**

The list of transactions where licensed real estate brokers and licensed real estate salesmen are exempt from the requirements of specified housing regulations is expanded to include transactions with respect to manufactured homes and mobile homes that are located in mobile home parks if the licensed real estate broker or salesman either is acting as an agent for a licensed manufactured housing dealer and the dealer is responsible for required filings and fees, or is acting on behalf of a private party and remains subject to real estate licensing requirements. AS PASSED HOUSE.

First sponsor: Rep. Weninger

**Single List Comments:**

**Amendment #4049:** Requires ADRE and ADOH division licensees to abide by their respective licensing requirements for submitting paperwork and filings upon the completion of a sale.

### 1/24/17 - Reviewed by Legislative Committee

H2072 Daily History	Date Action
MANUFACTURED HOMES; REAL ESTATE TRANSACTIONS	2/9 House COW approved with amend <a href="#">#4049</a> . Passed House <a href="#">58-0</a> ; ready for Senate.
MANUFACTURED HOMES; REAL ESTATE TRANSACTIONS	2/7 from House rules okay.
MANUFACTURED HOMES; REAL ESTATE TRANSACTIONS	2/6 to House COW consent calendar.
MANUFACTURED HOMES; REAL ESTATE TRANSACTIONS	2/1 from House com with amend <a href="#">#4049</a> .
MANUFACTURED HOMES; REAL ESTATE TRANSACTIONS	1/11 referred to House com.

### H2157: PRIVATE PROPERTY ACCESS; RIGHTS-OF-WAY

The state or any political subdivision is required to grant a perpetual right-of-way to the owner of private property if the grant is for the purpose of providing legal access to private property to which access across land owned by the state or political subdivision is the historic access or is necessary because state or federal land surrounds the private property.

First sponsor: Rep. Bowers

H2157 Daily History	Date Action
PRIVATE PROPERTY ACCESS; RIGHTS-OF-WAY	1/25 from House fed-policy do pass.
PRIVATE PROPERTY ACCESS; RIGHTS-OF-WAY	1/17 referred to House fed-policy.

### H2158: TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION

Lots, parcels or fractional interests that are the result of a foreclosure of the right to redeem are added to the list of lands that are exempt from statutes regulating the sale of subdivided lands. Does not apply to a tax lien purchaser if the deed described in the judgment is not recorded in the office of the county recorder and does not exempt a tax lien purchase who actually subdivides or intends to subdivide land or create a subdivision.

First sponsor: Rep. Shope

#### Single List Comments:

### 1/24/17 - Reviewed by Legislative Committee

H2158 Daily History	Date Action
TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION	2/2 passed House <a href="#">55-4</a> ; ready for Senate.
TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION	1/31 from House rules okay.
TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION	1/30 to House consent calendar.
TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION	1/25 from House com do pass.
TAX LIEN FORECLOSURES; SUBDIVISIONS; EXEMPTION	1/17 referred to House com.

### H2220: ELECTRONIC FILES; ACCESS; OFFICIAL RECORD

The Supreme Court and any justice or judge in Arizona is prohibited from designating a paper transcript of a hearing or other proceeding as the only official record if the hearing or other proceeding is electronically recorded and the recording is audible. If the presiding judge of the superior court provides electronic file access or filing privileges to attorneys, the privileges must also be provided to clients and pro se litigants.

First sponsor: Rep. Bowers

#### Single List Comments:

**Amendment #4027:** Delays the effective date until January 1, 2018.

### 1/24/17 - Reviewed by Legislative Committee

H2220 Daily History	Date Action
ELECTRONIC FILES; ACCESS; OFFICIAL RECORD	2/9 House COW approved with floor amend #4155, a substitute for amend 4027; the rules tech amendment was withdrawn.
ELECTRONIC FILES; ACCESS; OFFICIAL RECORD	2/7 from House rules with a technical amendment.
ELECTRONIC FILES; ACCESS; OFFICIAL RECORD	1/26 from House jud-pub safety with amend #4027.
ELECTRONIC FILES; ACCESS; OFFICIAL RECORD	1/25 House jud-pub safety amended; report awaited.
ELECTRONIC FILES; ACCESS; OFFICIAL RECORD	1/17 referred to House jud-pub safety.

### H2233: REGISTRATION EXEMPTIONS; SECURITIES

The list of exempt transactions for the purposes of securities registration is modified to declare that a sale is not considered to be made in the course of repeated or successive transactions if at least six months, reduced from nine months, have passed after the date of the last sale of the security by the issuer to an Arizona resident. The list of qualifications that must be met for an offer or sale of a security by the issuer to be exempt from specified securities regulations is expanded to include that the issuer is an Arizona resident.

First sponsor: Rep. Weninger

#### Single List Comments:

### 1/24/17 - Reviewed by Legislative Committee

H2233 Daily History	Date Action
REGISTRATION EXEMPTIONS; SECURITIES	2/7 from House bank-ins do pass.
REGISTRATION EXEMPTIONS; SECURITIES	1/12 referred to House bank-ins.

### H2321: HOAS; CUMULATIVE VOTING; PROHIBITION

Condominium associations and HOAs are prohibited from using cumulative voting.

First sponsor: Rep. Clark  
Others: Rep. Finchem

#### Single List Comments:

### 1/24/17 - Reviewed by Legislative Committee

H2321 Daily History	Date Action
HOAS; CUMULATIVE VOTING; PROHIBITION	2/8 from House local-intl do pass.
HOAS; CUMULATIVE VOTING; PROHIBITION	1/23 referred to House local-intl.

### H2325: PROPERTY TAX ASSESSMENT OF GREENHOUSES

"Greenhouses" (defined) that are used for growing and processing vegetables, fruit or citrus and that total at least 100,000 square feet in area must be valued and assessed as agricultural tangible personal property for property tax purposes.

First sponsor: Rep. Ugenti-Rita

#### Single List Comments:

**Amendment #4056:** Removes the requirement that a greenhouse must be at least 100,000 square feet in area to qualify as tangible personal property. Also strikes "agricultural" from the provision.

H2325 Daily History	Date Action
PROPERTY TAX ASSESSMENT OF GREENHOUSES	2/7 from House rules okay.

PROPERTY TAX ASSESSMENT OF GREENHOUSES 2/2 from House ways-means with amend #4056.  
 PROPERTY TAX ASSESSMENT OF GREENHOUSES 2/1 House ways-means amended; report awaited.  
 PROPERTY TAX ASSESSMENT OF GREENHOUSES 1/25 House ways-means held.  
 PROPERTY TAX ASSESSMENT OF GREENHOUSES 1/18 referred to House ways-means.

## H2355: MUTUAL HOLDING COMPANY REORGANIZATION

Adds an article of statute to Title 20 (Insurance) regulating mutual holding company reorganization. Requires the Director of the Department of Insurance to approve reorganization plans. Establishes requirements for the contents of reorganization plans and a process for plan review and approval, including a hearing.

First sponsor: Rep. Livingston

### Single List Comments:

### 1/30/17 - Reviewed by Legislative Committee

H2355 Daily History	Date Action
MUTUAL HOLDING COMPANY REORGANIZATION 2/7	from House bank-ins do pass.
MUTUAL HOLDING COMPANY REORGANIZATION 2/6	House bank-ins do pass; report awaited.
MUTUAL HOLDING COMPANY REORGANIZATION 1/26	referred to House bank-ins.

## S1013: TECH CORRECTION; DEFRAUDING SECURED CREDITORS

Minor change in Title 13 (Criminal Code) related to defrauding secured creditors. Apparent striker bus.

First sponsor: Sen. Burges

### Single List Comments:

### 1/24/17 - Reviewed by Legislative Committee

S1013 Daily History	Date Action
TECH CORRECTION; DEFRAUDING SECURED CREDITORS 1/9	referred to Senate rules only.

## S1058: REPEAL; REGIONAL ATTRACTION DISTRICTS

Repeals Chapter 38 of Title 48 (Special Taxing Districts), which establishes and governs regional attraction districts.

First sponsor: Sen. Griffin

### Single List Comments:

### 1/24/17 - Reviewed by Legislative Committee

S1058 Daily History	Date Action
REPEAL; REGIONAL ATTRACTION DISTRICTS 1/26	passed Senate <u>30-0</u> ; ready for House.
REPEAL; REGIONAL ATTRACTION DISTRICTS 1/24	from Senate rules okay.
REPEAL; REGIONAL ATTRACTION DISTRICTS 1/23	to Senate consent calendar.
REPEAL; REGIONAL ATTRACTION DISTRICTS 1/19	from Senate gov do pass.
REPEAL; REGIONAL ATTRACTION DISTRICTS 1/11	referred to Senate gov.

## S1060: HOAS; DISPUTE PROCESS

Jurisdiction over administrative hearings for disputes between condo or homeowners' associations and unit owners or members is moved to the State Real Estate Department, from the Department of Fire, Building and Life Safety.

First sponsor: Sen. Griffin  
 Others: Sen. D. Farnsworth, Sen. Kavanagh

### Single List Comments:

### 1/24/17 - Reviewed by Legislative Committee

S1060 Daily History	Date Action
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HOAS; DISPUTE PROCESS 1/26 passed Senate 30-0; ready for House.

HOAS; DISPUTE PROCESS 1/24 from Senate rules okay.

HOAS; DISPUTE PROCESS 1/23 to Senate consent calendar.

HOAS; DISPUTE PROCESS 1/19 from Senate gov do pass.

HOAS; DISPUTE PROCESS 1/11 referred to Senate gov.

### **S1081: MUTUAL HOLDING COMPANY REORGANIZATION**

Adds an article of statute to Title 20 (Insurance) regulating mutual holding company reorganization. Requires the Director of the Department of Insurance to approve reorganization plans. Establishes requirements for the contents of reorganization plans and a process for plan review and approval, including a hearing.

First sponsor: Sen. Fann

Others: Rep. Livingston

#### **Single List Comments:**

**Amendment #4052:** "TO THE EXTENT THE PLAN CONTAINS A PROVISION THAT ALLOWS FOR THE ACQUISITION OR MERGER OF OTHER INSURANCE COMPANIES, THE DIRECTOR SHALL APPLY THE STANDARDS FOR SCRUTINIZING MERGERS AND ACQUISITIONS PROVIDED IN SECTION 20-481.07, SUBSECTION A, PARAGRAPH 3. THE DIRECTOR MAY NOT APPROVE A PLAN THAT FAILS TO MEET THESE STANDARDS."

#### **1/24/17 - Reviewed by Legislative Committee**

S1081 Daily History	Date	Action
MUTUAL HOLDING COMPANY REORGANIZATION	2/9	Senate COW approved with amend <u>#4052</u> and the rules tech amendment.
MUTUAL HOLDING COMPANY REORGANIZATION	2/7	from Senate rules with a technical amendment.
MUTUAL HOLDING COMPANY REORGANIZATION	2/2	from Senate fin with amend <u>#4052</u> .
MUTUAL HOLDING COMPANY REORGANIZATION	2/1	Senate fin amended; report awaited.
MUTUAL HOLDING COMPANY REORGANIZATION	1/17	referred to Senate fin.

### **S1084: ELECTRONIC RECORDS; RETENTION; STORAGE**

For the purpose of statute allowing an electronic record to satisfy the requirement of a law that a record be retained, "law" includes a governmental agency's policy, and governmental agencies are no longer specifically permitted to adopt additional requirements for the retention of a record subject to that agency's jurisdiction.

First sponsor: Sen. Worsley

Others: Sen. Borrelli, Sen. Bowie, Sen. Burges, Sen. Fann, Sen. Lesko, Rep. Shooter

S1084 Daily History	Date	Action
ELECTRONIC RECORDS; RETENTION; STORAGE	2/2	passed Senate <u>30-0</u> ; ready for House.
ELECTRONIC RECORDS; RETENTION; STORAGE	1/31	from Senate rules okay.
ELECTRONIC RECORDS; RETENTION; STORAGE	1/30	to Senate consent calendar.
ELECTRONIC RECORDS; RETENTION; STORAGE	1/25	from Senate trans-tech do pass.
ELECTRONIC RECORDS; RETENTION; STORAGE	1/17	referred to Senate trans-tech.

### **S1113: HOAS; ARTIFICIAL GRASS BAN PROHIBITED**

In any planned community that allows grass on a member's property, a homeowner's association cannot prohibit the installation or use of artificial grass on any member's property.

First sponsor: Sen. Kavanagh

#### **Single List Comments:**

**1/24/17 - Reviewed by Legislative Committee**

S1113 Daily History	Date Action
HOAS; ARTIFICIAL GRASS BAN PROHIBITED	1/26 from Senate gov do pass.
HOAS; ARTIFICIAL GRASS BAN PROHIBITED	1/25 Senate gov do pass; report awaited.
HOAS; ARTIFICIAL GRASS BAN PROHIBITED	1/18 referred to Senate gov.

**S1122: PERSONAL PROPERTY TRANSFER; LIMITATIONS PROHIBITED**

The state, counties and municipalities are prohibited from requiring as a condition of a private sale, gift, donation or other transfer of personal property that the property owner search or facilitate the search of any federal or state databases or that a third party be involved.

First sponsor: Sen. Griffin

S1122 Daily History	Date Action
PERSONAL PROPERTY TRANSFER; LIMITATIONS PROHIBITED	2/9 from Senate gov do pass.
PERSONAL PROPERTY TRANSFER; LIMITATIONS PROHIBITED	2/8 Senate gov do pass; report awaited.
PERSONAL PROPERTY TRANSFER; LIMITATIONS PROHIBITED	1/18 referred to Senate gov.

**S1175: REAL ESTATE TRANSFER FEES; DEFINITION**

For the purpose of statute prohibiting certain real estate transfer fees, the definition of "association" is expanded to include a nonprofit organization qualified under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code. Contains a legislative intent section. Retroactive to July 29, 2010.

First sponsor: Sen. Lesko

**Single List Comments:****1/30/17 - Reviewed by Legislative Committee**

S1175 Daily History	Date Action
REAL ESTATE TRANSFER FEES; DEFINITION	2/7 from Senate rules okay.
REAL ESTATE TRANSFER FEES; DEFINITION	2/6 to Senate consent calendar.
REAL ESTATE TRANSFER FEES; DEFINITION	1/31 from Senate com-pub safety do pass.
REAL ESTATE TRANSFER FEES; DEFINITION	1/23 referred to Senate com-pub safety.

**S1192: TECH CORRECTION; PROPERTY TAX**

Minor change in Title 42 (Taxation) related to property tax exemptions. Apparent striker bus.

First sponsor: Sen. Petersen

**Single List Comments:****1/30/17 - Reviewed by Legislative Committee**

S1192 Daily History	Date Action
TECH CORRECTION; PROPERTY TAX	1/24 referred to Senate rules only.

**S1197: REAL ESTATE APPRAISAL**

Eliminates the State Board of Appraisal and the Executive Director of the Board and transfers their duties to the Superintendent of Financial Institutions. Repeals the Board of Appraisal Fund and transfers any unexpended and unencumbered monies in the Fund to the general fund on the effective date of this legislation. The Superintendent is authorized to charge a one-year national registry fee for appraisal management companies, to be deposited in the newly established Appraisal Subcommittee Fund and administered by the Department of Financial Institutions. Modifies definitions.

First sponsor: Sen. Brophy McGee

**Single List Comments:****1/30/17 - Reviewed by Legislative Committee**



S1197 Daily History	Date Action
REAL ESTATE APPRAISAL 2/7	from Senate com-pub safety do pass.
REAL ESTATE APPRAISAL 1/24	referred to Senate com-pub safety.

### **S1240: HOAS; STREETS; AUTHORITY**

Statute declaring that a homeowners' association has no authority over and cannot regulate any roadway for which the ownership has been dedicated to or is otherwise held by a governmental entity applies to all planned communities without regard to whether the declaration is recorded before or after the effective date of this legislation. Previously, these provisions applied only to planned communities for which the declaration was recorded after December 31, 2014.

First sponsor: Sen. Kavanagh

#### **Single List Comments:**

#### **1/30/17 - Reviewed by Legislative Committee**

S1240 Daily History	Date Action
HOAS; STREETS; AUTHORITY 2/7	from Senate rules okay.
HOAS; STREETS; AUTHORITY 2/2	from Senate gov do pass.
HOAS; STREETS; AUTHORITY 1/24	referred to Senate gov.

### **S1288: HOAS; BOARD CONFLICTS**

Expands the list of reasons a condo or HOA board member is required to declare a conflict of interest to include any contract, decision or other action for compensation taken by the board that would benefit any employer or employee of that member. For all circumstances where a condo or HOA board member declares a conflict of interest, the board member is prohibited from playing a part directly or indirectly in the board's deliberations or vote on that issue, instead of being permitted to vote after the declaration.

First sponsor: Sen. D. Farnsworth

Others: Sen. S. Allen, Sen. Bradley, Rep. Engel, Sen. Mendez, Sen. Meza, Sen. Miranda

#### **Single List Comments:**

#### **1/30/17 - Reviewed by Legislative Committee**

S1288 Daily History	Date Action
HOAS; BOARD CONFLICTS 2/2	from Senate gov do pass.
HOAS; BOARD CONFLICTS 1/26	referred to Senate gov.

### **S1289: HOAS; HEARINGS; ATTORNEY FEES**

An administrative law judge is prohibited from awarding attorney fees to the association in a dispute between an owner and a condo association or homeowners' association.

First sponsor: Sen. D. Farnsworth

Others: Sen. S. Allen, Sen. Burges, Rep. Clodfelter, Sen. Meza, Sen. Miranda, Sen. Smith

#### **Single List Comments:**

#### **1/30/17 - Reviewed by Legislative Committee**

S1289 Daily History	Date Action
HOAS; HEARINGS; ATTORNEY FEES 2/9	Senate COW approved.
HOAS; HEARINGS; ATTORNEY FEES 2/7	stricken from Senate consent calendar by Brophy McGee, Contreras.
HOAS; HEARINGS; ATTORNEY FEES 2/7	from Senate rules okay.
HOAS; HEARINGS; ATTORNEY FEES 2/6	to Senate consent calendar.
HOAS; HEARINGS; ATTORNEY FEES 2/2	from Senate gov do pass.
HOAS; HEARINGS; ATTORNEY FEES 1/26	referred to Senate gov.

### **S1308: FLOOD CONTROL DISTRICTS; EASEMENTS, LEASES**

Statute allowing a municipality to sell and convey all or any part of its real or

personal property does not apply to the grant of an easement on or a lease of county flood control district property. A county flood control district is permitted to authorize the grant of an easement on or a lease of the district real property without public auction if a list of specified conditions is met.

First sponsor: Sen. Griffin  
Others: Rep. Bowers

#### Single List Comments:

**NO OBJECTION TO EXEMPTING CERTAIN GRANTS OF LEASES OR EASEMENTS BY A FLOOD CONTROL DISTRICT. THERE IS A DOLLAR VALUE FOR LEASES, BUT NONE FOR EASEMENTS. ONLY POTENTIAL CONCERN IS IF ASKED TO INSURE AN EASEMENT BUT UNABLE TO DETERMINE WHETHER IT QUALIFIED TO BE GRANTED PURSUANT TO THIS SIMPLIFIED PROCEDURE.**

#### 1/30/17 - Reviewed by Legislative Committee

S1308 Daily History	Date Action
FLOOD CONTROL DISTRICTS; EASEMENTS, LEASES 2/7	from Senate nat res-energy with amend <a href="#">#4110</a> .
FLOOD CONTROL DISTRICTS; EASEMENTS, LEASES 1/26	referred to Senate nat res-energy.

#### S1371: DELINQUENT PROPERTY TAXES; COMMON AREAS

A tax that is levied against a residential common area that is valued as a common area is the corporate liability of the homeowners' association, in addition to being a lien against the property. If a tax lien on a residential common area is sold to a purchaser, the tax lien is satisfied on payment by the purchaser of the amount of delinquent taxes, interest and penalties, but the redemption and foreclosure provisions of statute do not apply and the purchaser's recourse is through judicial action against the homeowners' association.

First sponsor: Sen. Petersen

S1371 Daily History	Date Action
DELINQUENT PROPERTY TAXES; COMMON AREAS 2/8	from Senate fin do pass.
DELINQUENT PROPERTY TAXES; COMMON AREAS 1/31	referred to Senate fin.

#### EFFECTIVELY DEAD

#### Bill Summaries

#### H2006: ELDERLY HOMEOWNERS; CLASS SIX PROPERTY

The list of property classified as class six for property tax purposes is expanded to include real property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified. Does not apply to real property and improvements with a full cash value of \$600,000 or more unless the property qualified for valuation protection under the state Constitution as of December 31, 2017.

First sponsor: Rep. Cardenas

H2006 Daily History	Date Action
ELDERLY HOMEOWNERS; CLASS SIX PROPERTY 1/9	referred to House ways-means, appro.

#### H2013: NEWSPAPERS; PUBLIC NOTICES; PUBLICATION

For the purpose of publication of public notices, a "newspaper" is no longer required to be admitted under federal law as second-class matter in the United States mails for at least one year.

First sponsor: Rep. Finchem

**Single List Comments:****1/24/17 - Reviewed by Legislative Committee**

H2013 Daily History	Date Action
NEWSPAPERS; PUBLIC NOTICES; PUBLICATION 1/18 House local-intl held.	
NEWSPAPERS; PUBLIC NOTICES; PUBLICATION 1/10 referred to House local-intl.	

**H2028: CLASS SIX PROPERTY; ELDERLY HOMEOWNERS**

The list of property classified as class six for property tax purposes is expanded to include real and personal property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified.

First sponsor: Rep. Leach

H2028 Daily History	Date Action
CLASS SIX PROPERTY; ELDERLY HOMEOWNERS 1/23 referred to House ways-means, appro.	

**H2095: STATE LANDS; PERPETUAL RIGHTS-OF-WAY**

The State Land Department is required to grant a perpetual right-of-way, after conducting an appraisal, at public auction to the highest and best bidder if the grant is for the purpose of providing legal access to private property to which access across state land is the historic access or is necessary because state or federal land surrounds the private property.

First sponsor: Rep. Bowers

**Single List Comments:****1/24/17 - Reviewed by Legislative Committee**

H2095 Daily History	Date Action
STATE LANDS; PERPETUAL RIGHTS-OF-WAY 1/17 referred to House land-agri-rural.	

**H2146: HOAS; DISCLOSURE DOCUMENTS; AGENT**

Homeowner's associations and condo associations are required to deliver copies of the bylaws, rules, declaration and other specified documents to a purchaser and the purchaser's authorized agent, if any. Previously the association was required to deliver the documents to the purchaser or the agent.

First sponsor: Rep. Weninger

**Single List Comments:**

**LTAA MET WITH CONDOCERTS AND AACM ON MONDAY (1/30). IT APPEARS WE HAVE RESOLVED THE ISSUE—LEGISLATION IS NO LONGER NEEDED. PLEASE NOTE: PER REQUEST FROM THE SPONSOR, HB 2146 MAY CONTINUE TO MOVE AS A VEHICLE BILL.**

H2146 Daily History	Date Action
HOAS; DISCLOSURE DOCUMENTS; AGENT 1/12 referred to House com.	

**H2165: AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE**

If the Department of Transportation establishes a system to require recording of certificate of title information through electronic media, the Dept must implement the system no sooner than January 1, 2018 and no later than January 1, 2023. The Dept is required to notify authorized third party electronic service providers and partners of the system's establishment and implementation. The Dept is prohibited from authorizing a government entity to be a third party electronic service provider or partner.

First sponsor: Rep. Campbell  
Others: Sen. Fann, Sen. Otondo, Rep. Stringer

**Single List Comments:****1/24/17 - Reviewed by Legislative Committee**

H2165 Daily History	Date Action
AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE 2/8	House trans-inf held.
AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE 1/17	referred to House trans-inf.

**H2224: HOUSING TRUST FUND; UNCLAIMED PROPERTY**

The amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent of the proceeds, instead of \$2.5 million.

First sponsor: Rep. Alston  
Others: Rep. Blanc, Rep. Salman

H2224 Daily History	Date Action
HOUSING TRUST FUND; UNCLAIMED PROPERTY 1/18	referred to House hel, appro.

**H2332: PROPERTY TAX VALUATION APPEALS**

Establishes requirements for a court appeal that asserts that the taxing authority's valuation is excessive for a property whose full cash value exceeds \$4 million, including requiring the appellant to serve a preliminary expert opinion affidavit that includes specified information on the value of the property.

First sponsor: Rep. Campbell  
Others: Sen. Fann, Rep. Stringer

H2332 Daily History	Date Action
PROPERTY TAX VALUATION APPEALS 1/23	referred to House ways-means.

**H2366: AGRICULTURAL LAND; FALLOWING; PROPERTY TAX**

In a county with a population of less than 400,000 persons, when classifying property as used for agricultural purposes for property tax purposes, a temporary reduction or transfer of the available water supply or irrigation district water allotments (which allows agricultural property to be inactive or partially inactive and keep the agricultural classification) must be verified by an official certification from the irrigation district to the county assessor that confirms the reduction or transfer.

First sponsor: Rep. Shope

H2366 Daily History	Date Action
AGRICULTURAL LAND; FALLOWING; PROPERTY TAX 1/26	referred to House land-agri-rural.

**H2417: SIGNATURES; ELECTRONIC TRANSACTIONS; BLOCKCHAIN TECHNOLOGY**

A signature that is secured through "blockchain technology" (defined) is considered to be in an electronic form and to be an electronic signature, and a record or contract that is secured through blockchain technology is considered to be in an electronic form and to be an electronic record. "Smart contracts" (defined) are permitted to exist in commerce, and a contract cannot be denied legal effect, validity or enforceability solely because that contract contains a smart contract term. A person that uses blockchain technology to secure information that the person owns or has the right to use retains the same rights of ownership or use as before the person secured the information using blockchain technology. Some exceptions.

First sponsor: Rep. Weninger

H2417 Daily History	Date Action
SIGNATURES; ELECTRONIC TRANSACTIONS; BLOCKCHAIN TECHNOLOGY 2/7	referred to House com.

**H2419: HOMEOWNERS' ASSOCIATIONS; DISCLOSURE DOCUMENTS; FEES**

The maximum fees that a condominium association or homeowners' association

are permitted to charge for costs of document preparation must include delivery costs.

First sponsor: Rep. Leach

H2419 Daily History	Date Action
HOMEOWNERS' ASSOCIATIONS; DISCLOSURE DOCUMENTS; FEES 2/7 referred to House local-intl.	

### **S1019: PUBLIC RECORDS; UNDULY BURDENSOME REQUESTS**

It is a defense to any action under public records law that the request for access to public records is unduly burdensome or harassing.

First sponsor: Sen. Kavanagh

#### **Single List Comments:**

#### **1/24/17 - Reviewed by Legislative Committee**

S1019 Daily History	Date Action
PUBLIC RECORDS; UNDULY BURDENSOME REQUESTS 1/9 referred to Senate gov.	

### **S1249: PROPERTY TAX EXEMPTIONS; STATUTORY CONFORMITY**

Makes various changes to property tax statutes in order to conform to proposed changes to property tax exemptions contained in the state Constitution. Conditionally enacted on the state Constitution being amended by a vote of the people at the next general election to consolidate and reorganize provisions relating to exemptions from property taxation.

First sponsor: Sen. Burges

S1249 Daily History	Date Action
PROPERTY TAX EXEMPTIONS; STATUTORY CONFORMITY 1/25 referred to Senate fin.	

### **S1263: HOUSING TRUST FUND; FUNDING SOURCES**

In the case of any conveyance of an Arizona real property interest, the title insurance company, title insurance agent or any financial institution or attorney that provides closing and settlement services is required to withhold an amount equal to two percent of the sales price of the Arizona real property interest conveyed or the net proceeds resulting from the conveyance, whichever is less, if the transferor is a foreign corporation that does not qualify by law to transact business in Arizona or another specified entity. Some exceptions. The monies are deposited as follows: 70 percent in the Housing Trust Fund and 30 percent in the Arizona Finance Authority Operations Fund.

First sponsor: Sen. Farley

#### **Single List Comments:**

S1263 Daily History	Date Action
HOUSING TRUST FUND; FUNDING SOURCES 2/8 Senate fin held.	
HOUSING TRUST FUND; FUNDING SOURCES 1/25 referred to Senate fin, com-pub safety.	

### **S1270: AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE**

If the Department of Transportation establishes a system to require recording of certificate of title information through electronic media, the Dept must implement the system no sooner than January 1, 2018 and no later than January 1, 2023. The Dept is required to notify authorized third party electronic service providers and partners of the system's establishment and implementation. The Dept is prohibited from authorizing a government entity to be a third party electronic service provider or partner.

First sponsor: Sen. Worsley

Others: Sen. Borrelli, Sen. Bowie, Sen. Brophy McGee, Sen. Burges, Sen. Fann, Sen. Kavanagh

**Single List Comments:**

Bill is for motor vehicle titles, not real property. Mobile home titles are excluded. Monitor to ensure exemption language is not removed as the bill progresses.

**1/30/17 - Reviewed by Legislative Committee**

S1270 Daily History	Date Action
AUTHORIZED THIRD PARTIES; ELECTRONIC TITLE 1/25 referred to Senate trans-tech.	

**S1298: ELECTRONIC DOCUMENTS; SIGNATURES; WILLS; TRUSTS**

For the purpose of statutes governing wills and trusts, "executed" or "signed" includes the use of an "electronic signature" (defined elsewhere in statute). Establishes requirements for electronic wills and electronic trust instruments, including authentication method requirements. A video recording or other electronic record is admissible as evidence of the proper execution of a will or trust, subject to court rule. The signature or acknowledgement on a will may be witnessed in person or by means of a two-way audio and video conference.

First sponsor: Sen. Worsley

Others: Sen. Borrelli, Sen. Brophy McGee, Sen. Burges, Sen. Fann, Rep. Shope

**Single List Comments:**

**NO OBJECTION TO THE CONCEPT, BUT MERITS CAREFUL STUDY AND OBSERVATION. NOTE THAT THE BILL APPLIES TO POWERS OF ATTORNEY AS WELL.**

**1/30/17 - Reviewed by Legislative Committee**

S1298 Daily History	Date Action
ELECTRONIC DOCUMENTS; SIGNATURES; WILLS; TRUSTS 1/26 referred to Senate jud.	

**S1376: COMPACT; PROSPERITY DISTRICTS**

Enacts and adopts a prosperity states compact to establish prosperity districts to advance each enacting state's mutual sovereign interest in promoting prosperity by creating a "stable public policy environment consisting of optimal regulatory and fiscal policy." Establishes a framework for prosperity district governance structure and legal capacity, including a district managing board, and specifies that every prosperity district has exclusive governing jurisdiction within its boundaries. Provides for concurrent law enforcement jurisdiction. Establishes a process for prosperity district formation, expansion and withdrawal. When at least two member states are contractually bound to the compact, a Prosperity States Compact Commission is established, and powers and duties of the Commission and Commissioners are specified. More.

First sponsor: Sen. Montenegro

Others: Sen. S. Allen, Sen. Barto, Sen. Borrelli, Rep. Campbell, Rep. Finchem, Rep. Kern, Rep. Livingston, Rep. Mitchell, Sen. Petersen, Sen. Smith

S1376 Daily History	Date Action
COMPACT; PROSPERITY DISTRICTS 1/31 referred to Senate fin, gov.	

**S1400: HOAS; ASSESSMENT LIENS; FORECLOSURE**

Condominium association and homeowners' associations are required to offer a reasonable payment plan for assessments, for charges for late payment of assessments, for reasonable collection fees and for reasonable attorney fees and

costs incurred with respect to assessments, and are required to make and document that offer before attempting to foreclose on the lien or otherwise collect those monies. Such liens can be foreclosed only if the owner has been delinquent for two years, increased from one year, or in the amount of \$2,500 or more, increased from \$1,200, whichever occurs first.

First sponsor: Sen. D. Farnsworth  
Others: Sen. S. Allen, Sen. Meza, Sen. Miranda, Sen. Quezada

S1400 Daily History	Date Action
HOAS; ASSESSMENT LIENS; FORECLOSURE 1/31 referred to Senate gov.	

**S1402: HOAS; IMPROVEMENT DISTRICTS; ZONING**

Counties and municipalities are no longer prohibited from requiring as part of a subdivision approval or regulation or a zoning ordinance that a subdivider or developer establish a homeowner's association, and are instead required to provide for the establishment of single-family residential property developments that do not include property held in common ownership and that are required to be included in an improvement district for the limited purpose of owning, operating and maintaining any detention and retention basins, landscaping, open spaces, parks, entryways, street rights-of-way, recreational facilities and other improvements for the benefit of the private property owners within the development and the improvement district. Does not prohibit a subdivider or developer from obtaining approval for a residential property development that does not include property held in common ownership without an improvement district.

First sponsor: Sen. D. Farnsworth  
Others: Sen. Meza, Sen. Miranda

S1402 Daily History	Date Action
HOAS; IMPROVEMENT DISTRICTS; ZONING 1/31 referred to Senate gov.	

**S1416: REVITALIZATION DISTRICTS; COUNTY PARTICIPATION**

Counties and combinations of one or more municipalities and a county are authorized to form a revitalization district.

First sponsor: Sen. Pratt

S1416 Daily History	Date Action
REVITALIZATION DISTRICTS; COUNTY PARTICIPATION 1/31 referred to Senate fin.	

**S1429: HOMEOWNERS' ASSOCIATIONS; ELECTRONIC RECORDS; FEES**

Condominium associations and homeowners' associations are prohibited from charging a fee for electronic records consisting of nine or less megabytes of electronic data, and may charge of fee of up to \$5 for each additional nine megabytes of electronic data.

First sponsor: Sen. D. Farnsworth  
Others: Sen. S. Allen

S1429 Daily History	Date Action
HOMEOWNERS' ASSOCIATIONS; ELECTRONIC RECORDS; FEES 1/31 referred to Senate gov.	

**S1474: COMMUNITY ENGAGEMENT DISTRICT**

The governing body of a city in which a university athletic facilities district has been established is authorized to also establish a community engagement district in that city, and procedures for district formation are established. Community engagement districts are governed by a 9-member board, and the powers and duties of the board are specified. The board is required to provide for the construction, operation and maintenance of a public facility that meets a list of specified conditions. The district is authorized to enter into one or more development agreements with the city and any other party that may include debt financing for the facility's construction. Establishes provisions governing district finances and provides for regular financial and performance audits of the

district. The board is authorized to levy an excise tax on business activity in the district at a rate of no more than 2 percent of the gross proceeds of sales or gross income derived from the business, including admission and user fees. Community engagement district boards are authorized to exercise, by adoption of a resolution, an option to receive 50 percent of the state transaction privilege tax revenues received from all persons conducting business under any business classification within the district, subject to specified maximums. Before the payments may begin, the municipality in which the district is located must enter into a development agreement among all participants that includes all district-owned structures, facilities, infrastructure, equipment and other personal property, and the district board of directors must have received a financial commitment from the municipality or any lawful nongovernmental source in an aggregate amount equal to or greater than the amount to be distributed. The distributions continue until July 1, 2055 or until the date the financial commitments are completed, whichever is earlier.

First sponsor: Sen. Worsley

Others: Sen. Borrelli, Sen. Brophy McGee, Rep. Coleman, Sen. Fann, Sen. Pratt, Rep. Shope, Rep. Thorpe

S1474 Daily History	Date Action
COMMUNITY ENGAGEMENT DISTRICT 1/31 referred to Senate com-pub safety.	

**SCR1011: CONSTITUTIONAL PROPERTY TAX EXEMPTIONS**

The 2018 general election ballot is to carry the question of whether to amend the state Constitution to consolidate and reorganize provisions relating to exemptions from property taxation. Sections of the state Constitution relating to property tax exemptions are repealed and replaced. Impossible to determine new provisions without a line by line comparison.

First sponsor: Sen. Burges

SCR1011 Daily History	Date Action
CONSTITUTIONAL PROPERTY TAX EXEMPTIONS 1/26 referred to Senate fin.	