51st Legislature, 2nd Regular Session Adjourns Sine Die, Two AMA bills signed into law

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Sine Die!

On April 24, 2014, the legislature adjourned sine die at 1:46 AM after 101 days in session. By rule a session can last 100 days with provisions in place for extending it. As you recall, those provisions were put to the test last year with the uncomfortably long 151-day session.

The 51st Legislature, 2nd Regular Session officially commenced January 13, 2014. A total of 1,205 bills were introduced by the legislature and of those, 278 have been signed by the Governor.

The Arizona Multihousing Association entered the session with two policy priorities. Both priorities were created at the request and direction of the Tucson and Phoenix government affairs committees. Both bills were signed into law by Governor Brewer in April and will go into effect on the general effective date for all legislation, July 24, 2014 (ninety days after sine die).

The AMA's first bill, SB1305 (semipublic swimming pool barrier gates, Sen. Gail Griffin), will grandfather all existing semipublic pool access gates and will allow property owners to choose the type of locking mechanism for the pool gate, whether it be a dual-key locking mechanism or a 'thumb latch.' Starting January 1, 2015, new pool access gates (for semipublic pools) will be subject to the local city code or ordinance. This bill was developed after the city of Tucson began systematic inspections of all apartments and the pool areas and subsequently required the removal of all 'dual-key' locks on the pool gates.

The AMA's second proactive bill, SB1213 (real estate advisory board; membership, Sen. Gail Griffin,) will expand the Arizona Department of Real Estate Advisory Board to ten members to include one representative from the multi-family property management industry. Since the Advisory Board makes recommendations to the Real Estate Commissioner on all real estate related matters, including matters related to multi-family property management, it seems only appropriate for the Board to include a multi-family property manager.

The governor also signed several other bills that may have a direct or indirect impact on AMA members. Those bills include:

HB2115: Unemployed; severance pay; definition

Defines severance pay as any sum of money an employer pays to an employee due to the employee's retirement, participation in an exit incentive program or due to the termination of employment. Excludes any sum of money that an employer pays an employee pursuant to an employee benefit plan from the definition of severance pay.

HB2389: Transaction privilege tax changes

Makes changes to statutes governing transaction privilege tax (TPT) in order to implement last year's sweeping TPT changes chaptered as Laws 2013, Chapter 255. HB2389 amends provisions so that the state administers all TPT licensing processes instead of each individual municipality. Starting January 1,

2015, the Arizona Department of Revenue (ADOR) will administer all TPT licenses and all businesses and property owners will remit their TPT to the ADOR.

HB2528: Municipalities; regulation; sign walkers

Prohibits municipalities from restricting a sign walker from using a public sidewalk, walkway or pedestrian thoroughfare.

SB1482: Homeowners' associations amendments; omnibus

Makes Sweeping changes to the laws governing homeowners associations (HOAs). Prohibits an HOA from:

- Assessing or levying any other fee or fine, except for permitted fees or fees related to the use of recreational facilities, or otherwise impose a requirement on a rental property that is different than on an owner-occupied unit or property in the association.
- Requiring a unit or property owner to provide them with a copy of a rental application, credit report, lease agreement, rental contract or any other personal information.
- Requiring a tenant to sign a waiver or other document limiting their civil rights to due process as a condition of their occupancy of a rental property.
- Prohibiting or otherwise restricting a unit or property owner from serving on the Board based on the owner's not being an occupant.
- Charging a unit or property owner or managing agent any fee, assessment, penalty or other charge in an amount greater than $15 for incomplete or late information regarding the tenant.

Tempe cracking down on wild parties

Over the past several years there have been numerous reports of wild, out-of-control parties that have been widely reported in the local media. The loud parties have created a groundswell of complaints from neighborhood and community groups.

In an effort to control the parties, the City with the AMA's involvement, revised their nuisance party ordinance last year. The ordinance allows police officers to cite party-goers on the first response to a nuisance party and allows officers to post a citation on the door of the residence if the resident refuses to answer the door.

This past April, the city also passed a new security plan ordinance for multi-family communities. Initially the ordinance would have required all apartment communities in the city to submit a security plan to the police department every two years. After discussing the issue with the city staff and the city council it was agreed that the issue that the city was attempting to address was attributed to several specific properties in or around campus and was not a citywide concern. The AMA was ultimately able to reach agreement on the ordinance and essentially the ordinance will only apply to multi-family properties that have, through repeated offenses, shown a disregard for public safety. The new security plan ordinance took effect May 10.

If you have any questions regarding the 2014 legislative session or if you have any questions regarding any of the AMA's government affairs programs, please feel free to contact either of us.