

2023 CHANGES IN THE LAW AFFECTING ARIZONA HOMEOWNERS ASSOCIATIONS ("HOAs")

LAWS TAKE EFFECT _______UNLESS OTHERWISE INDICATED

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This Guide to the 2023 Changes in the Law affecting Arizona Homeowners Associations ("HOAs") is meant to provide a summary of the recent revisions to the laws that govern Arizona Community Associations. This Guide also contains tips to understand and abide by the new changes in the laws. *This Guide is available to download from our website at: http://www.shawlines.com.*

I. HB 2298 - PLANNED COMMUNITY AUTHORITY OVER PUBLIC ROADWAYS - Revised Provisions A.R.S. §33-1818(A) - New Provision A.R.S. §33-1818(B) and New Provision A.R.S. §33-1818(C) (Planned Communities)

HB 2298, which only applies to Arizona Planned Communities, discussed a Planned Community's ability to restrict on-street parking on public streets. On street parking revisions include any restriction found in the Declaration (CC&Rs) that restricts vehicular parking on public streets or recreational vehicle parking on public streets.

HB 2298 only applies to specific Planned Communities. HB 2298 applies to:

- a. Planned Communities where the Declaration (CC&Rs) was recorded before January 1, 2015 (A.R.S. §33-1818(B));
- b. Planned Communities that have on-street parking restrictions placed in their Declaration (CC&Rs) (A.R.S. §33-1818(B)); and
- c. Planned Communities where the ownership of the streets has been dedicated to or is otherwise held by a governmental entity (A.R.S. §33-1818(B))(public streets).

HB 2298 does not apply to:

- a. Planned Communities where the Declaration (CC&Rs) weas recorded after December 31, 2014. This is because pursuant to revised A.R.S. §33-1818(A), these Planned Communities have "no authority over and shall not regulate any roadway for which the ownership has been dedicated to or is otherwise held by a governmental entity;"
- b. Planned Communities where the streets are privately owned (owned by the HOA) pursuant to revised A.R.S. §33-1818(C); and
- c. Planned Communities that have "one way" streets that are either publicly or privately owned pursuant to revised A.R.S. §33-1818(C).

For all Planned Communities subject to HB 2298, the Planned Community, by no later than **June 30, 2025**, is **statutorily required** to call a Special Meeting of the Members to obtain the approval of the Members to retain all on-street parking provisions found in the Declaration (CC&Rs).

The Special Meeting of the Members is subject to the quorum requirements found in the Planned Community's Bylaws. The question passes if a majority of a quorum, voting in person or by ballot, approves of retaining all on-street parking provisions found in the Declaration (CC&Rs). If the matter passes, the Board of Directors of the Planned Community must record, in the office of the applicable county recorder, a document confirming that the Planned Community continues to regulate the on-street parking.

If the Planned Community either fails to hold the Special Meeting of the Members by June 30, 2025 or if, after holding the Special Meeting of the Members, a majority of a quorum voting in person or by ballot, does not approve, then the Planned Community no longer has the authority to regulate on-street parking in the Planned Community.

HB 2301 - POLITICAL ACTIVITY IN HOMEOWNER ASSOCIATIONS -II. New A.R.S. §33-1261(D)(3) (Condominiums) and A.R.S. §33-1808(H)(3) (Planned Communities) – Deletion of A.R.S. §33-1261(I) (Condominiums) and A.R.S. §33-1808(L) (Planned Communities)

HB 2301 serves to allow all owners in Arizona Homeowner Associations to engage in door-to-door political activity, including solicitations of support or opposition regarding candidates or ballot issues and circulating political petitions, which include: candidate nomination petitions; petitions in support of or in opposition to an initiative, referendum or recall; or other political issue.

Arizona Homeowner Associations may prohibit non-Association owners, who are not accompanied by an Association owner, from engaging in door-to-door political activity if the Association restricts vehicular or pedestrian access (i.e., is a gated community or has private streets).

HB 2607 – BOARD REMOVAL - New Provisions A.R.S. §33-1243(H)(4)(d) III. (Condominiums) and A.R.S. §33-1813(A)(4)(d) (Planned Communities)......4

HB 2607 adds new requirements HOAs must consider when effectuating the removal of members of the Board of Directors. New A.R.S. §33-1243(H)(4)(d) (Condominiums) and new A.R.S. §33-1813(A)(4)(d) (Planned Communities) states:

> If all of the requirements... for calling a special meeting are met and the board of directors fails to call, notice and hold a special meeting within thirty days after receipt of the petition, the members of the board of directors are deemed removed from office effective at midnight of the thirty-first day.

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HB 2607 makes it imperative that HOAs ensure that the special meeting of the Members to potentially remove a Board member is called within 30 days of receipt of the removal petition.

SB 1049 – DISPLAY OF HISTORIC AMERICAN FLAGS - Amending A.R.S. IV. §33-1261 (Condominiums) and A.R.S. §33-1808 (Planned Communities)

SB 1049 adds new flags to the list of flags that HOAs must allow be displayed on an owner's property. Pursuant to new A.R.S. §33-1261(A)(8) (Condominiums) and new A.R.S. §33-1808(A)(8) (Planned Communities), Arizona Homeowners Associations must allow "[A]ny historic version of the American Flag, including the Betsy Ross Flag, without regard to how the stars and stripes are arranged on the Flag."

Pursuant to new A.R.S. §33-1261(N)(2) (Condominiums) and new A.R.S. §33-1808(O)(2), the ""Betsy Ross Flag" means an historic flag of the United States that consists of thirteen stripes alternating between red and white stripes and thirteen five-pointed white stars arranged in a circle against a blue background."

ADDENDUM A: HB 2298

Senate Engrossed House Bill

planned community authority; public roadways

State of Arizona House of Representatives Fifty-sixth Legislature First Regular Session 2023

CHAPTER 84

HOUSE BILL 2298

AN ACT

AMENDING SECTION 33-1818, ARIZONA REVISED STATUTES; RELATING TO PLANNED COMMUNITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 33-1818, Arizona Revised Statutes, is amended to read:

33-1818. <u>Community authority over public roadways; vote of</u> the membership; applicability

- A. FOR ANY PLANNED COMMUNITY FOR WHICH THE DECLARATION IS RECORDED AFTER DECEMBER 31, 2014 AND notwithstanding any provision in the community documents, after the period of declarant control, an association has no authority over and shall not regulate any roadway for which the ownership has been dedicated to or is otherwise held by a governmental entity.
- B. This section applies only to those planned communities for which the declaration is recorded after December 31, 2014.
- B. AFTER THE PERIOD OF DECLARANT CONTROL, FOR ANY PLANNED COMMUNITY FOR WHICH THE DECLARATION WAS RECORDED BEFORE JANUARY 1, 2015 AND THAT REGULATES ANY ROADWAY FOR WHICH THE OWNERSHIP HAS BEEN DEDICATED TO OR IS OTHERWISE HELD BY A GOVERNMENTAL ENTITY, THE EXISTING REGULATIONS CONTINUE IN EFFECT UNTIL EITHER OF THE FOLLOWING OCCURS:
- 1. NOT LATER THAN JUNE 30, 2025, THE PLANNED COMMUNITY SHALL CALL A MEETING OF THE MEMBERSHIP ON THE QUESTION OF WHETHER TO CONTINUE TO REGULATE PUBLIC ROADWAYS. IF THE NUMBER OF OWNERS VOTING AT THE MEETING ON THE QUESTION IS SUFFICIENT TO CONSTITUTE A QUORUM OF THE MEMBERSHIP AND A MAJORITY OF THAT NUMBER VOTES TO CONTINUE REGULATING PUBLIC ROADWAYS IN THE PLANNED COMMUNITY, THE PLANNED COMMUNITY RETAINS ITS AUTHORITY TO REGULATE THOSE PUBLIC ROADWAYS. THE BOARD OF DIRECTORS SHALL RECORD IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY IN WHICH THE PLANNED COMMUNITY IS LOCATED A DOCUMENT CONFIRMING THAT THE PLANNED COMMUNITY CONTINUES TO REGULATE THE PUBLIC ROADWAYS.
- 2. IF THE VOTE PRESCRIBED BY PARAGRAPH 1 OF THIS SUBSECTION FAILS OR IF THE PLANNED COMMUNITY DOES NOT HOLD A VOTE OF THE MEMBERSHIP IN COMPLIANCE WITH PARAGRAPH 1 OF THIS SUBSECTION, THE PLANNED COMMUNITY NO LONGER HAS AUTHORITY TO REGULATE THE PUBLIC ROADWAYS IN THE PLANNED COMMUNITY AND ANY EXISTING REGULATIONS EXPIRE.
- C. THIS SECTION DOES NOT APPLY TO ANY ONE-WAY STREETS, WITHOUT REGARD TO OWNERSHIP, OR TO ANY PRIVATELY OWNED ROADWAYS.

APPROVED BY THE GOVERNOR APRIL 18, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2023.

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ADDENDUM B: HB 2301

homeowners' associations; political activity

State of Arizona House of Representatives Fifty-sixth Legislature First Regular Session 2023

CHAPTER 61

HOUSE BILL 2301

AN ACT

AMENDING SECTIONS 33-1261 AND 33-1808, ARIZONA REVISED STATUTES; RELATING TO CONDOMINIUMS AND PLANNED COMMUNITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 33-1261, Arizona Revised Statutes, is amended to read:

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33-1261. Flag display; for sale, rent or lease signs; political signs; political and community activities; applicability; definitions
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- 1. The American flag or an official or replica of a flag of the uniformed services of the United States by a unit owner on that unit owner's property if the American flag or a uniformed services flag is displayed in a manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4 United States Code sections 4 through 10).
 - 2. The POW/MIA flag.
 - 3. The Arizona state flag.
 - 4. An Arizona Indian nations flag.
 - 5. The Gadsden flag.
- 6. A first responder flag. A first responder flag may incorporate the design of one or two other first responder flags to form a combined flag.
 - 7. A blue star service flag or a gold star service flag.
- B. The association shall adopt reasonable rules and regulations regarding the placement and manner of display of the flags prescribed by subsection A of this section. The association rules may regulate the location and size of flagpoles but shall not prohibit installing a flagpole.
- C. Notwithstanding any provision in the condominium documents, an association shall not prohibit or charge a fee for the use of, the placement of or the indoor or outdoor display of a for sale, for rent or for lease sign and a sign rider by a unit owner on that owner's property in any combination, including a sign that indicates the unit owner is offering the property for sale by owner. The size of a sign offering a property for sale, for rent or for lease shall be in conformance with the industry standard size sign, which shall not exceed eighteen by twenty-four inches, and the industry standard size sign rider, which shall not exceed six by twenty-four inches. This subsection applies only to a commercially produced sign and an association may prohibit using signs that are not commercially produced. With respect to real estate for sale, for rent or for lease in the condominium, an association shall not prohibit in any way other than as is specifically authorized by this section or otherwise regulate any of the following:
- 1. Temporary open house signs or a unit owner's for sale sign. The association shall not require the use of particular signs indicating an open house or real property for sale and may not further regulate the use

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of temporary open house or for sale signs that are industry standard size and that are owned or used by the seller or the seller's agent.

- 2. Open house hours. The association may not limit the hours for an open house for real estate that is for sale in the condominium, except that the association may prohibit an open house being held before 8:00 a.m. or after 6:00 p.m. and may prohibit open house signs on the common elements of the condominium.
- 3. An owner's or an owner's agent's for rent or for lease sign unless an association's documents prohibit or restrict leasing of a unit or units. An association shall not further regulate a for rent or for lease sign or require the use of a particular for rent or for lease sign other than the for rent or for lease sign shall not be any larger than the industry standard size sign of eighteen by twenty-four inches and on or in the unit owner's property. If rental or leasing of a unit is allowed, the association may prohibit an open house for rental or leasing being held before 8:00 a.m. or after 6:00 p.m.
- D. Notwithstanding any provision in the condominium documents, an association shall not prohibit door-to-door political activity, including solicitations of support or opposition regarding candidates or ballot issues, and shall not prohibit circulating political petitions, including candidate nomination petitions or petitions in support of or opposition to an initiative, referendum or recall or other political issue on property normally open to visitors within the association, except that an association may do the following:
- 1. Restrict or prohibit door-to-door political activity regarding candidates or ballot issues from sunset to sunrise.
- 2. Require the prominent display of an identification tag for each person engaged in the activity, along with the prominent identification of the candidate or ballot issue that is the subject of the support or opposition.
- 3. PROHIBIT A PERSON WHO IS NOT ACCOMPANIED BY A UNIT OWNER OR RESIDENT OF THE CONDOMINIUM FROM ENTERING THE CONDOMINIUM PREMISES IF THE CONDOMINIUM RESTRICTS VEHICULAR OR PEDESTRIAN ACCESS.
- E. Notwithstanding any provision in the condominium documents, an association shall not prohibit the indoor or outdoor display of a political sign by a unit owner by placement of a sign on that unit owner's property, including any limited common elements for that unit that are doors, walls or patios or other limited common elements that touch the unit, other than the roof. An association may prohibit the display of political signs as follows:
- 1. Earlier than seventy-one days before the day of a primary election.
 - 2. Later than fifteen days after the day of the general election.

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- 3. For a sign for a candidate in a primary election who does not advance to the general election, later than fifteen days after the primary election.
- F. An association may regulate the size and number of political signs that may be placed in the common element ground, on a unit owner's property or on a limited common element for that unit if the association's regulation is not more restrictive than any applicable city, town or county ordinance that regulates the size and number of political signs on residential property. If the city, town or county in which the property is located does not regulate the size and number of political signs on residential property, the association shall not limit the number of political signs, except that the maximum aggregate total dimensions of all political signs on a unit owner's property shall not exceed nine square feet. An association shall not make any regulations regarding the number of candidates supported, the number of public officers supported or opposed in a recall or the number of propositions supported or opposed on a political sign.
- G. An association shall not require political signs to be commercially produced or professionally manufactured or prohibit the utilization of both sides of a political sign.
- H. Notwithstanding any provision in the condominium documents, an association may not prohibit or unreasonably restrict the indoor or outdoor display of an association-specific political sign by a unit owner by placement of a sign on that unit owner's property, including any limited common elements for that unit that are doors, walls or patios or other limited common elements that touch the unit, other than the roof. An association may adopt reasonable rules regarding the placement, location and manner of display of association-specific political signs, except an association shall not do any of the following:
- 1. Prohibit the display of association-specific political signs between the date that the association provides written or absentee ballots to unit owners and three days after the condominium election.
- 2. Limit the number of association-specific POLITICAL signs, except that the association may limit the aggregate total dimensions of all association-specific POLITICAL signs on a unit owner's property to not more than nine square feet.
- 3. Require association-specific political signs to be commercially produced or professionally manufactured or prohibit using both sides of the sign.
- 4. Regulate the number of candidates supported or opposed, or the number of board members supported or opposed in a recall or the number of ballot measures supported or opposed on an association-specific political sign.
- 5. Make any other regulations regarding the content of an association-specific political sign, except that the association may

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 prohibit using profanity and discriminatory text, images or content based on race, color, religion, sex, familial status or national origin as prescribed by federal or state fair housing laws.

I. A condominium is not required to comply with subsection D of this section if the condominium restricts vehicular or pedestrian access to the condominium. This section does not require a condominium to make its common elements other than roadways and sidewalks that are normally open to visitors available for the circulation of political petitions to anyone who is not an owner or resident of the community.

J. I. Notwithstanding any provision in the condominium documents, an association may not prohibit or unreasonably restrict a unit owner's ability to peacefully assemble and use common elements of the condominium if done in compliance with reasonable restrictions for the use of that property adopted by the board of directors. An individual unit owner or group of unit owners may assemble to discuss matters related to the condominium, including board of director elections or recalls, potential or actual ballot issues or revisions to the condominium documents, property maintenance or safety issues or any other condominium matters. A unit owner may invite one political candidate or one non-unit owner guest to speak to an assembly of unit owners about matters related to the condominium. The association shall not prohibit a unit owner from posting notices regarding those assemblies of unit owners on bulletin boards located on the common elements or within common element facilities. assembly of unit owners prescribed by this subsection does not constitute an official unit owners' meeting unless the meeting is noticed and convened as prescribed in the condominium documents and this chapter.

 $\mbox{\sc K.}\mbox{\sc J.}$ An association or managing agent that violates subsection C of this section forfeits and extinguishes the lien rights authorized under section 33-1256 against that unit for a period of six consecutive months after the date of the violation.

t. K. This section does not apply to timeshare plans or associations that are subject to chapter 20 of this title.

 ${\sf M.}$ L. An association or managing agent that violates subsection C of this section forfeits and extinguishes the lien rights authorized under section 33-1256 against that unit for a period of six consecutive months after the date of the violation.

N. For the purposes of this section:

- 1. "Association-specific political sign" means a sign that supports or opposes a candidate for the board of directors, σr the recall of a board member or a condominium ballot measure that requires a vote of the association unit owners.
- 2. "First responder flag" means a flag that recognizes and honors the services of any of the following:
- (a) Law enforcement and that is limited to the colors blue, black and white, the words "law enforcement", "police", "officers", "first

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responder", "honor our", "support our" and "department" and the symbol of a generic police shield in a crest or star shape.

- (b) Fire department DEPARTMENTS and that is limited to the colors red, gold, black and white, the words "fire", "fighters", "F", "D", "FD", "first responder", "department", "honor our" and "support our" and the symbol of a generic Maltese Cross.
- (c) Paramedics or emergency medical technicians and that is limited to the colors blue, black and white, the words "first responder", "paramedic", "emergency medical", "service", "technician", "honor our" and "support our" and the symbol of a generic star of life.
- 3. "Political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer.
- Sec. 2. Section 33-1808, Arizona Revised Statutes, is amended to read:

33-1808. Flag display: political signs: caution signs: for sale, rent or lease signs: political and community activities; definitions

- A. Notwithstanding any provision in the community documents, an association shall not prohibit the outdoor front yard or backyard display of any of the following:
- 1. The American flag or an official or replica of a flag of the uniformed services of the United States by an association member on that member's property if the American flag or a uniformed services flag is displayed in a manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4 United States Code sections 4 through 10).
 - 2. The POW/MIA flag.
 - 3. The Arizona state flag.
 - 4. An Arizona Indian nations flag.
 - 5. The Gadsden flag.
- 6. A first responder flag. A first responder flag may incorporate the design of one or two other first responder flags to form a combined flag.
 - 7. A blue star service flag or a gold star service flag.
- B. The association shall adopt reasonable rules and regulations regarding the placement and manner of display of the flags prescribed by subsection A of this section. The association rules may regulate the location and size of flagpoles, may limit the member to displaying not more than two flags at once and may limit the height of the flagpole to not more than the height of the rooftop of the member's home but shall not prohibit installing a flagpole in the front yard or backyard of the member's property.

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- C. Notwithstanding any provision in the community documents, an association shall not prohibit the indoor or outdoor display of a political sign by an association member on that member's property, except that an association may prohibit the display of political signs as follows:
- 1. Earlier than seventy-one days before the day of a primary election.
 - 2. Later than fifteen days after the day of the general election.
- 3. For a sign for a candidate in a primary election who does not advance to the general election, later than fifteen days after the primary election.
- D. An association may regulate the size and number of political signs that may be placed on a member's property if the association's regulation is not more restrictive than any applicable city, town or county ordinance that regulates the size and number of political signs on residential property. If the city, town or county in which the property is located does not regulate the size and number of political signs on residential property, the association shall not limit the number of political signs, except that the maximum aggregate total dimensions of all political signs on a member's property shall not exceed nine square feet.
- E. Notwithstanding any provision in the community documents, an association shall not prohibit using cautionary signs regarding children if the signs are used and displayed as follows:
 - 1. The signs are displayed in residential areas only.
- 2. The signs are removed within one hour of children ceasing to play .
- 3. The signs are displayed only when children are actually present within fifty feet of the sign.
 - 4. The temporary signs are not taller than three feet in height.
 - 5. The signs are professionally manufactured or produced.
- F. Notwithstanding any provision in the community documents, an association shall not prohibit children who reside in the planned community from engaging in recreational activity on residential roadways that are under the jurisdiction of the association and on which the posted speed limit is twenty-five miles per hour or less.
- G. Notwithstanding any provision in the community documents, an association shall not prohibit or charge a fee for the use of, the placement of or the indoor or outdoor display of a for sale, for rent or for lease sign and a sign rider by an association member on that member's property in any combination, including a sign that indicates the member is offering the property for sale by owner. The size of a sign offering a property for sale, for rent or for lease shall be in conformance with the industry standard size sign, which shall not exceed eighteen by twenty-four inches, and the industry standard size sign rider, which shall not exceed six by twenty-four inches. This subsection applies only to a

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 commercially produced sign, and an association may prohibit using signs that are not commercially produced. With respect to real estate for sale, for rent or for lease in the planned community, an association shall not prohibit in any way other than as is specifically authorized by this section or otherwise regulate any of the following:

- 1. Temporary open house signs or a member's for sale sign. The association shall not require the use of particular signs indicating an open house or real property for sale and may not further regulate the use of temporary open house or for sale signs that are industry standard size and that are owned or used by the seller or the seller's agent.
- 2. Open house hours. The association may not limit the hours for an open house for real estate that is for sale in the planned community, except that the association may prohibit an open house being held before 8:00 a.m. or after 6:00 p.m. and may prohibit open house signs on the common areas of the planned community.
- 3. An owner's or an owner's agent's for rent or for lease sign unless an association's documents prohibit or restrict leasing of a member's property. An association shall not further regulate a for rent or for lease sign or require the use of a particular for rent or for lease sign other than the for rent or for lease sign shall not be any larger than the industry standard size sign of eighteen by twenty-four inches on or in the member's property. If rental or leasing of a member's property is not prohibited or restricted, the association may prohibit an open house for rental or leasing being held before 8:00 a.m. or after 6:00 p.m.
- H. Notwithstanding any provision in the community documents, an association shall not prohibit door-to-door political activity, including solicitations of support or opposition regarding candidates or ballot issues, and shall not prohibit circulating political petitions, including candidate nomination petitions or petitions in support of or opposition to an initiative, referendum or recall or other political issue on property normally open to visitors within the association, except that an association may do the following:
- 1. Restrict or prohibit the door-to-door political activity from sunset to sunrise.
- 2. Require the prominent display of an identification tag for each person engaged in the activity, along with the prominent identification of the candidate or ballot issue that is the subject of the support or opposition.
- 3. PROHIBIT A PERSON WHO IS NOT ACCOMPANIED BY A MEMBER OR RESIDENT OF THE PLANNED COMMUNITY FROM ENTERING THE PLANNED COMMUNITY IF THE PLANNED COMMUNITY RESTRICTS VEHICULAR OR PEDESTRIAN ACCESS.
- I. A planned community shall not make any regulations regarding the number of candidates supported, the number of public officers supported or opposed in a recall or the number of propositions supported or opposed on a political sign.

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- J. A planned community shall not require political signs to be commercially produced or professionally manufactured or prohibit the utilization of both sides of a political sign.
- K. Notwithstanding any provision in the community documents, an association may not prohibit or unreasonably restrict the indoor or outdoor display of an association-specific political sign by a member by placement of a sign on that member's property. An association may adopt reasonable rules regarding the placement, location and manner of display of association-specific political signs, except an association shall not do any of the following:
- 1. Prohibit the display of association-specific political signs between the date that the association provides written or absentee ballots to members and three days after the planned community election.
- 2. Limit the number of association-specific POLITICAL signs, except that the association may limit the aggregate total dimensions of all association-specific POLITICAL signs on a member's property to not more than nine square feet.
- 3. Require association-specific political signs to be commercially produced or professionally manufactured or prohibit using both sides of the sign.
- 4. Regulate the number of candidates supported or opposed, or the number of board members supported or opposed in a recall or the number of ballot measures supported or opposed on an association-specific political sign.
- 5. Make any other regulations regarding the content of an association-specific political sign except that the association may prohibit using profanity and discriminatory text, images or content based on race, color, religion, sex, familial status or national origin as prescribed by federal or state fair housing laws.
- t. A planned community is not required to comply with subsection H of this section if the planned community restricts vehicular or pedestrian access to the planned community. This section does not require a planned community to make its common elements other than roadways and sidewalks that are normally open to visitors available for the circulation of political petitions to anyone who is not an owner or resident of the community.
- M. L. Notwithstanding any provision in the community documents, an association may not prohibit or unreasonably restrict a member's ability to peacefully assemble and use common areas of the planned community if done in compliance with reasonable restrictions for the use of that property adopted by the board of directors. An individual member or group of members may assemble to discuss matters related to the planned community, including board elections or recalls, potential or actual ballot issues or revisions to the community documents, property maintenance or safety issues or any other planned community matters. A

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member may invite one political candidate or one non-member guest to speak to an assembly of members about matters related to the community. The association shall not prohibit a member from posting notices regarding those assemblies of members on bulletin boards located on the common areas or within common area facilities. An assembly of members prescribed by this subsection does not constitute an official members' meeting unless the meeting is noticed and convened as prescribed in the community documents and this chapter.

- N. M. An association or managing agent that violates subsection G of this section forfeits and extinguishes the lien rights authorized under section 33-1807 against that member's property for a period of six consecutive months after the date of the violation.
 - 0. N. For the purposes of this section:
- 1. "Association-specific political sign" means a sign that supports or opposes a candidate for the board of directors, σr the recall of a board member or a planned community ballot measure that requires a vote of the association members.
- 2. "First responder flag" means a flag that recognizes and honors the services of any of the following:
- (a) Law enforcement and that is limited to the colors blue, black and white, the words "law enforcement", "police", "officers", "first responder", "honor our", "support our" and "department" and the symbol of a generic police shield in a crest or star shape.
- (b) Fire department DEPARTMENTS and that is limited to the colors red, gold, black and white, the words "fire", "fighters", "F", "D", "FD", "first responder", "department", "honor our" and "support our" and the symbol of a generic Maltese Cross.
- (c) Paramedics or emergency medical technicians and that is limited to the colors blue, black and white, the words "first responder", "paramedic", "emergency medical", "service", "technician", "honor our" and "support our" and the symbol of a generic star of life.
- 3. "Political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer.

APPROVED BY THE GOVERNOR APRIL 17, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 2023.

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ADDENDUM C: HB 2607

Senate Engrossed House Bill

meetings; homeowners' associations

(now: board members; condominiums; planned communities)

State of Arizona House of Representatives Fifty-sixth Legislature First Regular Session 2023

CHAPTER 111

HOUSE BILL 2607

AN ACT

AMENDING SECTIONS 33-1243 AND 33-1813, ARIZONA REVISED STATUTES; RELATING TO PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- j -

Be it enacted by the Legislature of the State of Arizona: Section 1. Section 33-1243, Arizona Revised Statutes, is amended to read:

33-1243. <u>Board of directors and officers; conflict; powers;</u> limitations; removal; annual audit; applicability

- A. Except as provided in the declaration, the bylaws, subsection B of this section or other provisions of this chapter, the board of directors may act in all instances on behalf of the association.
- B. The board of directors shall not act on behalf of the association to amend the declaration, terminate the condominium, elect members of the board of directors or determine the qualifications, powers and duties or terms of office of board of directors members. Except as provided in subsection H of this section, the board of directors may fill vacancies in its membership for the unexpired portion of any term.
- C. If any contract, decision or other action for compensation taken by or on behalf of the board of directors would benefit any member of the board of directors or any person who is a parent, grandparent, spouse, child or sibling of a member of the board of directors or a parent or spouse of any of those persons, that member of the board of directors shall declare a conflict of interest for that issue. The member shall declare the conflict in an open meeting of the board before the board discusses or takes action on that issue and that member may then vote on that issue. Any contract entered into in violation of this subsection is void and unenforceable.
- D. Except as provided in the declaration, within thirty days after adoption of any proposed budget for the condominium, the board of directors shall provide a summary of the budget to all the unit owners. Unless the board of directors is expressly authorized in the declaration to adopt and amend budgets from time to time, any budget or amendment shall be ratified by the unit owners in accordance with the procedures set forth in this subsection. If ratification is required, the board of directors shall set a date for a meeting of the unit owners to consider ratification of the budget not fewer than fourteen nor OR more than thirty days after mailing of the summary. Unless at that meeting a majority of all the unit owners or any larger vote specified in the declaration rejects the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the unit owners shall be continued until such time as the unit owners ratify a subsequent budget proposed by the board of directors.
- E. The declaration may provide for a period of declarant control of the association, during which period a declarant or persons designated by the declarant may appoint and remove the officers and members of the board of directors. Regardless of the period provided in the declaration, a period of declarant control terminates $\frac{1}{100}$ NOT later than the earlier of:

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- 1. Ninety days after conveyance of seventy-five percent of the units that may be created to unit owners other than a declarant.
- 2. Four years after all declarants have ceased to offer units for sale in the ordinary course of business.
- F. A declarant may voluntarily surrender the right to appoint and remove officers and members of the board of directors before termination of the period prescribed in subsection E of this section, but in that event the declarant may require, for the duration of the period of declarant control, that specified actions of the association or board of directors, as described in a recorded instrument executed by the declarant, be approved by the declarant before they become effective.
- G. Not later than the termination of any period of declarant control the unit owners shall elect a board of directors of at least three members, at least a majority of whom must be unit owners. The board of directors shall elect the officers. The board members and officers shall take office on election.
- H. Notwithstanding any provision of the declaration or bylaws to the contrary, all of the following apply to a meeting at which a member of the board of directors, other than a member appointed by the declarant, is proposed to be removed from the board of directors:
- 1. The unit owners who are eligible to vote at the time of the meeting may remove any member of the board of directors, other than a member appointed by the declarant, by a majority vote of those voting on the matter at a meeting of the unit owners.
- 2. The meeting of the unit owners shall be called pursuant to this section and action may be taken only if a quorum is present.
- 3. The unit owners may remove any member of the board of directors with or without cause, other than a member appointed by the declarant.
- 4. For purposes of calling for removal of a member of the board of directors, other than a member appointed by the declarant, the following apply:
- (a) In an association with one thousand or fewer members, on receipt of a petition that calls for removal of a member of the board of directors and that is signed by the number of persons who are eligible to vote in the association at the time the person signs the petition equal to at least twenty-five percent of the votes in the association or by the number of persons who are eligible to vote in the association at the time the person signs the petition equal to at least one hundred votes in the association, whichever is less, the board shall call and provide written notice of a special meeting of the association as prescribed by section 33-1248, subsection B.
- (b) Notwithstanding section 33-1248, subsection B, in an association with more than one thousand members, on receipt of a petition that calls for removal of a member of the board of directors and that is signed by the number of persons who are eligible to vote in the

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association at the time the person signs the petition equal to at least ten percent of the votes in the association or by the number of persons who are eligible to vote in the association at the time the person signs the petition equal to at least one thousand votes in the association, whichever is less, the board shall call and provide written notice of a special meeting of the association. The board shall provide written notice of a special meeting as prescribed by section 33-1248, subsection B.

- (c) The special meeting shall be called, noticed and held within thirty days after receipt of the petition.
- (d) IF ALL OF THE REQUIREMENTS OF THIS SUBSECTION FOR CALLING A SPECIAL MEETING ARE MET AND THE BOARD OF DIRECTORS FAILS TO CALL, NOTICE AND HOLD A SPECIAL MEETING WITHIN THIRTY DAYS AFTER RECEIPT OF THE PETITION, THE MEMBERS OF THE BOARD OF DIRECTORS ARE DEEMED REMOVED FROM OFFICE EFFECTIVE AT MIDNIGHT OF THE THIRTY-FIRST DAY.
- (d) (e) For purposes of a special meeting called pursuant to this subsection, a quorum is present if the number of owners who are eligible to vote in the association at the time the person attends the meeting equal to at least twenty percent of the votes of the association or the number of persons who are eligible to vote in the association at the time the person attends the meeting equal to at least one thousand votes, whichever is less, is present at the meeting in person or as otherwise permitted ALLOWED by law.
- (e) (f) If a civil action is filed regarding the removal of a board member, the prevailing party in the civil action shall be awarded its reasonable attorney fees and costs.
- (f) (g) The board of directors shall retain all documents and other records relating to the proposed removal of the member of the board of directors and any election or other action taken for that director's replacement for at least one year after the date of the special meeting and shall permit ALLOW members to inspect those documents and records pursuant to section 33-1258.
- (g) (h) A petition that calls for the removal of the same member of the board of directors shall not be submitted more than once during each term of office for that member.
- 5. On removal of at least one but fewer than a majority of the members of the board of directors at a special meeting of the membership called pursuant to this subsection, the vacancies shall be filled as provided in the condominium documents.
- 6. On removal of a majority of the members of the board of directors at a special meeting of the membership called pursuant to this subsection, or if the condominium documents do not provide a method for filling board vacancies, the association shall hold an election for the replacement of the removed directors at a separate meeting of the members

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of the association that is held not later than thirty days after the meeting at which the members of the board of directors were removed.

- 7. A member of the board of directors who is removed pursuant to this subsection is not eligible to serve on the board of directors again until after the expiration of the removed board member's term of office, unless the condominium documents specifically provide for a longer period of ineligibility.
- I. For an association in which board members are elected from separately designated voting districts, a member of the board of directors, other than a member appointed by the declarant, may be removed only by a vote of the members from that voting district, and only the members from that voting district are eligible to vote on the matter or be counted for purposes of determining a quorum.
- J. Unless any provision in the condominium documents requires an annual audit by a certified public accountant, the board of directors shall provide for an annual financial audit, review or compilation of the association. The audit, review or compilation shall be completed no later than one hundred eighty days after the end of the association's fiscal year and shall be made available on request to the unit owners within thirty days after its completion.
- K. This section does not apply to timeshare plans or associations, or the period of declarant control under timeshare instruments, that are subject to chapter 20 of this title.
- Sec. 2. Section 33-1813, Arizona Revised Statutes, is amended to read:

33-1813. Removal of board member; special meeting

- A. Notwithstanding any provision of the declaration or bylaws to the contrary, all of the following apply to a meeting at which a member of the board of directors, other than a member appointed by the declarant, is proposed to be removed from the board of directors:
- 1. The members of the association who are eligible to vote at the time of the meeting may remove any member of the board of directors, other than a member appointed by the declarant, by a majority vote of those voting on the matter at a meeting of the members.
- 2. The meeting of the members shall be called pursuant to this section and action may be taken only if a quorum is present.
- 3. The members of the association may remove any member of the board of directors with or without cause, other than a member appointed by the declarant.
- 4. For purposes of calling for removal of a member of the board of directors, other than a member appointed by the declarant, the following apply:
- (a) In an association with one thousand or fewer members, on receipt of a petition that calls for removal of a member of the board of directors and that is signed by the number of persons who are eligible to

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vote in the association at the time the person signs the petition equal to at least twenty-five percent of the votes in the association or by the number of persons who are eligible to vote in the association at the time the person signs the petition equal to at least one hundred votes in the association, whichever is less, the board shall call and provide written notice of a special meeting of the association as prescribed by section 33-1804, subsection B.

- (b) Notwithstanding section 33-1804, subsection В. association with more than one thousand members, on receipt of a petition that calls for removal of a member of the board of directors and that is signed by the number of persons who are eligible to vote in the association at the time the person signs the petition equal to at least ten percent of the votes in the association or by the number of persons who are eligible to vote in the association at the time the person signs the petition equal to at least one thousand votes in the association, whichever is less, the board shall call and provide written notice of a special meeting of the association. The board shall provide written notice of a special meeting as prescribed by section 33-1804. subsection B.
- (c) The special meeting shall be called, noticed and held within thirty days after receipt of the petition.
- (d) IF ALL OF THE REQUIREMENTS OF THIS SUBSECTION FOR CALLING A SPECIAL MEETING ARE MET AND THE BOARD OF DIRECTORS FAILS TO CALL, NOTICE AND HOLD A SPECIAL MEETING WITHIN THIRTY DAYS AFTER RECEIPT OF THE PETITION, THE MEMBERS OF THE BOARD OF DIRECTORS ARE DEEMED REMOVED FROM OFFICE EFFECTIVE AT MIDNIGHT OF THE THIRTY-FIRST DAY.
- (d) (e) For purposes of a special meeting called pursuant to this subsection, a quorum is present if the number of owners who are eligible to vote in the association at the time the person attends the meeting equal to at least twenty percent of the votes of the association or the number of persons who are eligible to vote in the association at the time the person attends the meeting equal to at least one thousand votes, whichever is less, is present at the meeting in person or as otherwise permitted ALLOWED by law.
- (e) (f) If a civil action is filed regarding the removal of a board member, the prevailing party in the civil action shall be awarded its reasonable attorney fees and costs.
- (f) (g) The board of directors shall retain all documents and other records relating to the proposed removal of the member of the board of directors and any election or other action taken for that director's replacement for at least one year after the date of the special meeting and shall permit ALLOW members to inspect those documents and records pursuant to section 33-1805.

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- (g) (h) A petition that calls for the removal of the same member of the board of directors shall not be submitted more than once during each term of office for that member.
- 5. On removal of at least one but fewer than a majority of the members of the board of directors at a special meeting of the membership called pursuant to this subsection, the vacancies shall be filled as provided in the community documents.
- 6. On removal of a majority of the members of the board of directors at a special meeting of the membership called pursuant to this subsection, or if the community documents do not provide a method for filling board vacancies, the association shall hold an election for the replacement of the removed directors at a separate meeting of the members of the association that is held not later than thirty days after the meeting at which the members of the board of directors were removed.
- 7. A member of the board of directors who is removed pursuant to this subsection is not eligible to serve on the board of directors again until after the expiration of the removed board member's term of office, unless the community documents specifically provide for a longer period of ineligibility.
- B. For an association in which board members are elected from separately designated voting districts, a member of the board of directors, other than a member appointed by the declarant, may be removed only by a vote of the members from that voting district, and only the members from that voting district are eligible to vote on the matter or be counted for purposes of determining a quorum.

APPROVED BY THE GOVERNOR MAY 1, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 1, 2023.

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ADDENDUM D: SB 1409

homeowners' associations; Betsy Ross flag

State of Arizona Senate Fifty-sixth Legislature First Regular Session 2023

CHAPTER 13

SENATE BILL 1049

AN ACT

AMENDING SECTIONS 33-1261 AND 33-1808, ARIZONA REVISED STATUTES; RELATING TO CONDOMINIUMS AND PLANNED COMMUNITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 33-1261, Arizona Revised Statutes, is amended to read:

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33-1261. Flag display; for sale, rent or lease signs; political signs; political and community activities; applicability; definitions
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- 1. The American flag or an official or replica of a flag of the uniformed services of the United States by a unit owner on that unit owner's property if the American flag or a uniformed services flag is displayed in a manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4 United States Code sections 4 through 10).
 - 2. The POW/MIA flag.
 - 3. The Arizona state flag.
 - 4. An Arizona Indian nations flag.
 - 5. The Gadsden flag.
- 6. A first responder flag. A first responder flag may incorporate the design of one or two other first responder flags to form a combined flag.
 - 7. A blue star service flag or a gold star service flag.
- 8. ANY HISTORIC VERSION OF THE AMERICAN FLAG, INCLUDING THE BETSY ROSS FLAG, WITHOUT REGARD TO HOW THE STARS AND STRIPES ARE ARRANGED ON THE FLAG.
- B. The association shall adopt reasonable rules and regulations regarding the placement and manner of display of the flags prescribed by subsection A of this section. The association rules may regulate the location and size of flagpoles but shall not prohibit installing a flagpole.
- C. Notwithstanding any provision in the condominium documents, an association shall not prohibit or charge a fee for the use of, the placement of or the indoor or outdoor display of a for sale, for rent or for lease sign and a sign rider by a unit owner on that owner's property in any combination, including a sign that indicates the unit owner is offering the property for sale by owner. The size of a sign offering a property for sale, for rent or for lease shall be in conformance with the industry standard size sign, which shall not exceed eighteen by twenty-four inches, and the industry standard size sign rider, which shall not exceed six by twenty-four inches. This subsection applies only to a commercially produced sign and an association may prohibit using signs that are not commercially produced. With respect to real estate for sale, for rent or for lease in the condominium, an association shall not prohibit in any way other than as is specifically authorized by this section or otherwise regulate any of the following:

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- 1. Temporary open house signs or a unit owner's for sale sign. The association shall not require the use of particular signs indicating an open house or real property for sale and may not further regulate the use of temporary open house or for sale signs that are industry standard size and that are owned or used by the seller or the seller's agent.
- 2. Open house hours. The association may not limit the hours for an open house for real estate that is for sale in the condominium, except that the association may prohibit an open house being held before 8:00 a.m. or after 6:00 p.m. and may prohibit open house signs on the common elements of the condominium.
- 3. An owner's or an owner's agent's for rent or for lease sign unless an association's documents prohibit or restrict leasing of a unit or units. An association shall not further regulate a for rent or for lease sign or require the use of a particular for rent or for lease sign other than the for rent or for lease sign shall not be any larger than the industry standard size sign of eighteen by twenty-four inches and on or in the unit owner's property. If rental or leasing of a unit is allowed, the association may prohibit an open house for rental or leasing being held before 8:00 a.m. or after 6:00 p.m.
- D. Notwithstanding any provision in the condominium documents, an association shall not prohibit door-to-door political activity, including solicitations of support or opposition regarding candidates or ballot issues, and shall not prohibit circulating political petitions, including candidate nomination petitions or petitions in support of or opposition to an initiative, referendum or recall or other political issue on property normally open to visitors within the association, except that an association may do the following:
- 1. Restrict or prohibit door-to-door political activity regarding candidates or ballot issues from sunset to sunrise.
- 2. Require the prominent display of an identification tag for each person engaged in the activity, along with the prominent identification of the candidate or ballot issue that is the subject of the support or opposition.
- E. Notwithstanding any provision in the condominium documents, an association shall not prohibit the indoor or outdoor display of a political sign by a unit owner by placement of a sign on that unit owner's property, including any limited common elements for that unit that are doors, walls or patios or other limited common elements that touch the unit, other than the roof. An association may prohibit the display of political signs as follows:
- 1. Earlier than seventy-one days before the day of a primary election.
 - 2. Later than fifteen days after the day of the general election.

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- 3. For a sign for a candidate in a primary election who does not advance to the general election, later than fifteen days after the primary election.
- F. An association may regulate the size and number of political signs that may be placed in the common element ground, on a unit owner's property or on a limited common element for that unit if the association's regulation is not more restrictive than any applicable city, town or county ordinance that regulates the size and number of political signs on residential property. If the city, town or county in which the property is located does not regulate the size and number of political signs on residential property, the association shall not limit the number of political signs, except that the maximum aggregate total dimensions of all political signs on a unit owner's property shall not exceed nine square feet. An association shall not make any regulations regarding the number of candidates supported, the number of public officers supported or opposed in a recall or the number of propositions supported or opposed on a political sign.
- G. An association shall not require political signs to be commercially produced or professionally manufactured or prohibit the utilization of both sides of a political sign.
- H. Notwithstanding any provision in the condominium documents, an association may not prohibit or unreasonably restrict the indoor or outdoor display of an association-specific political sign by a unit owner by placement of a sign on that unit owner's property, including any limited common elements for that unit that are doors, walls or patios or other limited common elements that touch the unit, other than the roof. An association may adopt reasonable rules regarding the placement, location and manner of display of association-specific political signs, except an association shall not do any of the following:
- 1. Prohibit the display of association-specific political signs between the date that the association provides written or absentee ballots to unit owners and three days after the condominium election.
- 2. Limit the number of association-specific POLITICAL signs, except that the association may limit the aggregate total dimensions of all association-specific POLITICAL signs on a unit owner's property to not more than nine square feet.
- 3. Require association-specific political signs to be commercially produced or professionally manufactured or prohibit using both sides of the sign.
- 4. Regulate the number of candidates supported or opposed or the number of board members supported or opposed in a recall or the number of ballot measures supported or opposed on an association-specific political sign.
- 5. Make any other regulations regarding the content of an association-specific political sign, except that the association may

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 prohibit using profanity and discriminatory text, images or content based on race, color, religion, sex, familial status or national origin as prescribed by federal or state fair housing laws.

- I. A condominium is not required to comply with subsection D of this section if the condominium restricts vehicular or pedestrian access to the condominium. This section does not require a condominium to make its common elements other than roadways and sidewalks that are normally open to visitors available for the circulation of political petitions to anyone who is not an owner or resident of the community.
- J. Notwithstanding any provision in the condominium documents, an association may not prohibit or unreasonably restrict a unit owner's ability to peacefully assemble and use common elements of the condominium if done in compliance with reasonable restrictions for the use of that property adopted by the board of directors. An individual unit owner or group of unit owners may assemble to discuss matters related to the condominium, including board of director elections or recalls, potential or actual ballot issues or revisions to the condominium documents, property maintenance or safety issues or any other condominium matters. A unit owner may invite one political candidate or one non-unit owner guest to speak to an assembly of unit owners about matters related to the condominium. The association shall not prohibit a unit owner from posting notices regarding those assemblies of unit owners on bulletin boards located on the common elements or within common element facilities. assembly of unit owners prescribed by this subsection does not constitute an official unit owners' meeting unless the meeting is noticed and convened as prescribed in the condominium documents and this chapter.
- K. An association or managing agent that violates subsection C of this section forfeits and extinguishes the lien rights authorized under section 33-1256 against that unit for a period of six consecutive months after the date of the violation.
- L. This section does not apply to timeshare plans or associations that are subject to chapter 20 of this title.
- M. An association or managing agent that violates subsection C of this section forfeits and extinguishes the lien rights authorized under section 33-1256 against that unit for a period of six consecutive months after the date of the violation.
 - N. For the purposes of this section:
- 1. "Association-specific political sign" means a sign that supports or opposes a candidate for the board of directors or the recall of a board member or a condominium ballot measure that requires a vote of the association unit owners.
- 2. "BETSY ROSS FLAG" MEANS AN HISTORIC FLAG OF THE UNITED STATES THAT CONSISTS OF THIRTEEN STRIPES ALTERNATING BETWEEN RED AND WHITE STRIPES AND THIRTEEN FIVE-POINTED WHITE STARS ARRANGED IN A CIRCLE AGAINST A BLUE BACKGROUND.

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- 2. 3. "First responder flag" means a flag that recognizes and honors the services of any of the following:
- (a) Law enforcement and that is limited to the colors blue, black and white, the words "law enforcement", "police", "officers", "first responder", "honor our", "support our" and "department" and the symbol of a generic police shield in a crest or star shape.
- (b) Fire department DEPARTMENTS and that is limited to the colors red, gold, black and white, the words "fire", "fighters", "F", "D", "FD", "first responder", "department", "honor our" and "support our" and the symbol of a generic Maltese cross.
- (c) Paramedics or emergency medical technicians and that is limited to the colors blue, black and white, the words "first responder", "paramedic", "emergency medical", "service", "technician", "honor our" and "support our" and the symbol of a generic star of life.
- 3. 4. "Political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer.
- Sec. 2. Section 33-1808, Arizona Revised Statutes, is amended to read:

33-1808. Flag display; political signs; caution signs; for sale, rent or lease signs; political and community activities; definitions

- A. Notwithstanding any provision in the community documents, an association shall not prohibit the outdoor front yard or backyard display of any of the following:
- 1. The American flag or an official or replica of a flag of the uniformed services of the United States by an association member on that member's property if the American flag or a uniformed services flag is displayed in a manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4 United States Code sections 4 through 10).
 - 2. The POW/MIA flag.
 - 3. The Arizona state flag.
 - 4. An Arizona Indian nations flag.
 - 5. The Gadsden flag.
- $6.\$ A first responder flag. A first responder flag may incorporate the design of one or two other first responder flags to form a combined flag.
 - 7. A blue star service flag or a gold star service flag.
- 8. ANY HISTORIC VERSION OF THE AMERICAN FLAG, INCLUDING THE BETSY ROSS FLAG, WITHOUT REGARD TO HOW THE STARS AND STRIPES ARE ARRANGED ON THE FLAG.
- B. The association shall adopt reasonable rules and regulations regarding the placement and manner of display of the flags prescribed by

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subsection A of this section. The association rules may regulate the location and size of flagpoles, may limit the member to displaying not more than two flags at once and may limit the height of the flagpole to not more than the height of the rooftop of the member's home but shall not prohibit installing a flagpole in the front yard or backyard of the member's property.

- C. Notwithstanding any provision in the community documents, an association shall not prohibit the indoor or outdoor display of a political sign by an association member on that member's property, except that an association may prohibit the display of political signs as follows:
- 1. Earlier than seventy-one days before the day of a primary election. $\ensuremath{\text{-}}$
 - 2. Later than fifteen days after the day of the general election.
- 3. For a sign for a candidate in a primary election who does not advance to the general election, later than fifteen days after the primary election.
- D. An association may regulate the size and number of political signs that may be placed on a member's property if the association's regulation is not more restrictive than any applicable city, town or county ordinance that regulates the size and number of political signs on residential property. If the city, town or county in which the property is located does not regulate the size and number of political signs on residential property, the association shall not limit the number of political signs, except that the maximum aggregate total dimensions of all political signs on a member's property shall not exceed nine square feet.
- E. Notwithstanding any provision in the community documents, an association shall not prohibit using cautionary signs regarding children if the signs are used and displayed as follows:
 - 1. The signs are displayed in residential areas only.
- 2. The signs are removed within one hour of children ceasing to play.
- 3. The signs are displayed only when children are actually present within fifty feet of the sign.
 - 4. The temporary signs are not taller than three feet in height.
 - 5. The signs are professionally manufactured or produced.
- F. Notwithstanding any provision in the community documents, an association shall not prohibit children who reside in the planned community from engaging in recreational activity on residential roadways that are under the jurisdiction of the association and on which the posted speed limit is twenty-five miles per hour or less.
- G. Notwithstanding any provision in the community documents, an association shall not prohibit or charge a fee for the use of, the placement of or the indoor or outdoor display of a for sale, for rent or for lease sign and a sign rider by an association member on that member's

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property in any combination, including a sign that indicates the member is offering the property for sale by owner. The size of a sign offering a property for sale, for rent or for lease shall be in conformance with the industry standard size sign, which shall not exceed eighteen by twenty-four inches, and the industry standard size sign rider, which shall not exceed six by twenty-four inches. This subsection applies only to a commercially produced sign, and an association may prohibit using signs that are not commercially produced. With respect to real estate for sale, for rent or for lease in the planned community, an association shall not prohibit in any way other than as is specifically authorized by this section or otherwise regulate any of the following:

- 1. Temporary open house signs or a member's for sale sign. The association shall not require the use of particular signs indicating an open house or real property for sale and may not further regulate the use of temporary open house or for sale signs that are industry standard size and that are owned or used by the seller or the seller's agent.
- 2. Open house hours. The association may not limit the hours for an open house for real estate that is for sale in the planned community, except that the association may prohibit an open house being held before 8:00 a.m. or after 6:00 p.m. and may prohibit open house signs on the common areas of the planned community.
- 3. An owner's or an owner's agent's for rent or for lease sign unless an association's documents prohibit or restrict leasing of a member's property. An association shall not further regulate a for rent or for lease sign or require the use of a particular for rent or for lease sign other than the for rent or for lease sign shall not be any larger than the industry standard size sign of eighteen by twenty-four inches on or in the member's property. If rental or leasing of a member's property is not prohibited or restricted, the association may prohibit an open house for rental or leasing being held before 8:00 a.m. or after 6:00 p.m.
- H. Notwithstanding any provision in the community documents, an association shall not prohibit door-to-door political activity, including solicitations of support or opposition regarding candidates or ballot issues, and shall not prohibit circulating political petitions, including candidate nomination petitions or petitions in support of or opposition to an initiative, referendum or recall or other political issue on property normally open to visitors within the association, except that an association may do the following:
- 1. Restrict or prohibit the door-to-door political activity from sunset to sunrise.
- 2. Require the prominent display of an identification tag for each person engaged in the activity, along with the prominent identification of the candidate or ballot issue that is the subject of the support or opposition.

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- I. A planned community shall not make any regulations regarding the number of candidates supported, the number of public officers supported or opposed in a recall or the number of propositions supported or opposed on a political sign.
- J. A planned community shall not require political signs to be commercially produced or professionally manufactured or prohibit the utilization of both sides of a political sign.
- K. Notwithstanding any provision in the community documents, an association may not prohibit or unreasonably restrict the indoor or outdoor display of an association-specific political sign by a member by placement of a sign on that member's property. An association may adopt reasonable rules regarding the placement, location and manner of display of association-specific political signs, except an association shall not do any of the following:
- 1. Prohibit the display of association-specific political signs between the date that the association provides written or absentee ballots to members and three days after the planned community election.
- 2. Limit the number of association-specific POLITICAL signs, except that the association may limit the aggregate total dimensions of all association-specific POLITICAL signs on a member's property to not more than nine square feet.
- 3. Require association-specific political signs to be commercially produced or professionally manufactured or prohibit using both sides of the sign.
- 4. Regulate the number of candidates supported or opposed or the number of board members supported or opposed in a recall or the number of ballot measures supported or opposed on an association-specific political sign.
- 5. Make any other regulations regarding the content of an association-specific political sign except that the association may prohibit using profanity and discriminatory text, images or content based on race, color, religion, sex, familial status or national origin as prescribed by federal or state fair housing laws.
- L. A planned community is not required to comply with subsection H of this section if the planned community restricts vehicular or pedestrian access to the planned community. This section does not require a planned community to make its common elements other than roadways and sidewalks that are normally open to visitors available for the circulation of political petitions to anyone who is not an owner or resident of the community.
- M. Notwithstanding any provision in the community documents, an association may not prohibit or unreasonably restrict a member's ability to peacefully assemble and use common areas of the planned community if done in compliance with reasonable restrictions for the use of that property adopted by the board of directors. An individual member or group

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of members may assemble to discuss matters related to the planned community, including board elections or recalls, potential or actual ballot issues or revisions to the community documents, property maintenance or safety issues or any other planned community matters. A member may invite one political candidate or one non-member guest to speak to an assembly of members about matters related to the community. The association shall not prohibit a member from posting notices regarding those assemblies of members on bulletin boards located on the common areas or within common area facilities. An assembly of members prescribed by this subsection does not constitute an official members' meeting unless the meeting is noticed and convened as prescribed in the community documents and this chapter.

- N. An association or managing agent that violates subsection G of this section forfeits and extinguishes the lien rights authorized under section 33-1807 against that member's property for a period of six consecutive months after the date of the violation.
 - O. For the purposes of this section:
- 1. "Association-specific political sign" means a sign that supports or opposes a candidate for the board of directors or the recall of a board member or a planned community ballot measure that requires a vote of the association members.
- 2. "BETSY ROSS FLAG" MEANS AN HISTORIC FLAG OF THE UNITED STATES THAT CONSISTS OF THIRTEEN STRIPES ALTERNATING BETWEEN RED AND WHITE STRIPES AND THIRTEEN FIVE-POINTED WHITE STARS ARRANGED IN A CIRCLE AGAINST A BLUE BACKGROUND.
- 2. 3. "First responder flag" means a flag that recognizes and honors the services of any of the following:
- (a) Law enforcement and that is limited to the colors blue, black and white, the words "law enforcement", "police", "officers", "first responder", "honor our", "support our" and "department" and the symbol of a generic police shield in a crest or star shape.
- (b) Fire department DEPARTMENTS and that is limited to the colors red, gold, black and white, the words "fire", "fighters", "F", "D", "FD", "first responder", "department", "honor our" and "support our" and the symbol of a generic Maltese cross.
- (c) Paramedics or emergency medical technicians and that is limited to the colors blue, black and white, the words "first responder", "paramedic", "emergency medical", "service", "technician", "honor our" and "support our" and the symbol of a generic star of life.
- 3. 4. "Political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing the recall of a public officer or supporting or opposing the circulation of a petition for a ballot measure, question or proposition or the recall of a public officer.

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SHAW & LINES, LLC Counselors to Community Associations

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