



# Mulcahy Memo – June, 2017

Published for clients and friends of the Mulcahy Law Firm, P.C.

by Beth Mulcahy, Esq.



Dear Clients and Friends,

Happy Summer (a little early) to our clients and friends! I love everything about this time of the year- cookouts on the grill, ice cream and popsicles, swimming at night and fireworks on the 4th of July!

As you may know, three bills were passed in this year's legislature that will impact Arizona community associations. The new bills cover the following topics: HOA/Condo Dispute Process, Transfer Fees and Homeowners' Association Open meetings. These new laws will become effective on August 9, 2017. Please scroll down to the bottom of this memo to view a summary of all three bills. Or, to view our new 2017 Legislative Update cheat sheet, please click [here](#).

We are excited to announce our Virtual Summer Seminar Series! Over the course of the next few months, Mulcahy Law Firm, P.C. will be conducting 10 seminars on hot topics pertaining to Arizona community association law. The Virtual Summer Seminar videos will be posted to our Facebook page every Wednesday throughout the summer. Board members and managers will be able to watch the videos when they go live at noon every Wednesday or at their leisure. And, best of all, whether you are in Arizona or another cooler climate, you will still have access to cutting edge information, all summer long!

**Follow us on Facebook!** Our law firm has a very active page with free topics and legislative updates for board members, managers and owners that is updated weekly. Please consider "liking" us on Facebook so you don't miss any of our important updates on Arizona community association law.

Thank you!



Sincerely,  
Beth Mulcahy, Founder and Senior Partner  
Mulcahy Law Firm, P.C.

## 2017 Legislative Update



***By Beth Mulcahy, Esq.***

Bill #	Summary	Status
<b>HOA/CONDO DISPUTE PROCESS</b>		
SB1060	<p>This is a technical correction bill that formally moves the administrative hearings dispute process for members of a condominium or a planned community from the dissolved Department of Fire, Building and Life Safety (DFBLS) to the Arizona Department of Real Estate Department (ADRE). Note: Effective last Summer, hearings were being held at the ADRE, this is just to formalize this change.</p> <p>Applies to Planned Communities and Condominiums.</p>	Signed by the Governor on 3/27/17
<b>TRANSFER FEES</b>		
SB1175	<p>Technical correction to bill on transfer fees.</p> <p>Applies to Planned Communities and Condominiums.</p>	Signed by the Governor on 4/28/17
<b>HOMEOWNERS' ASSOCIATIONS; OPEN MEETINGS</b>		
HB2411	<p>This bill has changes to the Planned Communities Act and the Condominium Act regarding meetings, absentee/mail-in ballots and resale disclosure fees:</p> <ol style="list-style-type: none"> <li>1) Boards can no longer require advance notice of audio or videotaping open board meetings.</li> <li>2) The board can pass a rule precluding those attending from audiotaping or videotaping an open board meeting if the board audio or videotapes an open board meeting, and makes the unedited audiotapes or videotapes available to members on request without restrictions on its use as evidence in any dispute resolution process.</li> <li>3) The notice of any meeting of the unit owners shall state the date, time and place of the meeting.</li> </ol> <p style="text-align: center;">(continued on next page)</p>	Signed by the Governor on 4/28/17

- 4) The notice of any annual, regular or special meeting of the unit owners shall also state the purpose for which the meeting is called, including the general nature of any proposed amendment to the declaration or bylaws, any changes in assessments that require approval of the unit owners and any proposal to remove a director or officer.
- 5) Before entering executive session, the board shall identify the section that authorized the board to close the meeting.
- 6) An emergency meeting of the board of directors may be called to discuss business or take action that cannot be delayed for the 48 hours required for notice. At any emergency meeting called by the board of directors, the board of directors may act only on emergency matters.
- 7) It is the policy of this state as reflected in this section that all meetings of a condominium or planned community, whether meetings of the unit owners' association or meetings of the board of directors of the association, be conducted openly and that notices and agendas be provided for those meetings that contain the information that is reasonably necessary to inform the unit owners of the matters to be discussed or decided and to ensure that unit owners have the ability to speak after discussion of agenda items, but before a vote of the board of directors or members is taken. Toward this end, any person or entity that is charged with the interpretation of these provisions, including members of the board of directors and any community manager, shall take into account this declaration of policy and shall construe any provision of this section in favor of open meetings (this is just a technical change adding the words "and any community manager").
- 8) The requirement passed by last year's legislature (2016) to have the envelope used for returning an absentee or mail-in ballot contain the name, address and signature of the voter is repealed.
- 9) For resale disclosure statements, the association may charge the unit owner a fee of not more than an aggregate of four hundred dollars to compensate the association for the costs incurred in the preparation and delivery of a statement or other documents furnished by the association pursuant to this section for purposes of resale disclosure, lien estoppel and any other services related to the transfer or use of the property (this is just a technical change adding the words "and delivery").

Applies to Planned Communities and Condominiums.