

House Engrossed

claims against HOAs; filing fees

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HOUSE BILL 2834

AN ACT

AMENDING SECTIONS 32-2199.01 AND 33-1270, ARIZONA REVISED STATUTES;
AMENDING TITLE 33, CHAPTER 16, ARIZONA REVISED STATUTES, BY ADDING ARTICLE
2; RELATING TO COMMUNITY ASSOCIATION DISPUTES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-2199.01, Arizona Revised Statutes, is amended
3 to read:

4 32-2199.01. Hearing; rights and procedures

5 A. For a dispute between an owner and a condominium association or
6 planned community association that is regulated pursuant to title 33,
7 chapter 9 or 16, the owner or association may petition the department for
8 a hearing concerning violations of condominium documents or planned
9 community documents or violations of the statutes that regulate
10 condominiums or planned communities. The petitioner shall file a petition
11 with the department and pay a filing fee ~~in an amount to be established by~~
12 ~~the commissioner~~ OF \$300 PER ISSUE CLAIMED IN THE PETITION. The filing
13 fee shall be deposited in the condominium and planned community hearing
14 office fund established by section 32-2199.05. On dismissal of a petition
15 at the request of the petitioner before a hearing is scheduled or by
16 stipulation of the parties before a hearing is scheduled, the filing fee
17 shall be refunded to the petitioner. The department does not have
18 jurisdiction to hear:

19 1. Any dispute among or between owners to which the association is
20 not a party.

21 2. Any dispute between an owner and any person, firm, partnership,
22 corporation, association or other organization that is engaged in the
23 business of designing, constructing or selling a condominium as defined in
24 section 33-1202 or any property or improvements within a planned community
25 as defined in section 33-1802, including any person, firm, partnership,
26 corporation, association or other organization licensed pursuant to this
27 chapter, arising out of or related to the design, construction, condition
28 or sale of the condominium or any property or improvements within a
29 planned community.

30 B. The petition shall be in writing on a form approved by the
31 department, shall list the complaints and shall be signed by or on behalf
32 of the persons filing and include their addresses, stating that a hearing
33 is desired, and shall be filed with the department.

34 C. On receipt of the petition and the filing fee, the department
35 shall mail by certified mail a copy of the petition along with notice to
36 the named respondent that a response is required within twenty days after
37 mailing of the petition showing cause, if any, why the petition should be
38 dismissed.

39 D. After receiving the response, the commissioner or the
40 commissioner's designee shall promptly review the petition for hearing
41 and, if justified, refer the petition to the office of administrative
42 hearings. The commissioner may dismiss a petition for hearing if it
43 appears to the commissioner's satisfaction that the disputed issue or
44 issues have been resolved by the parties.

1 E. Failure of the respondent to answer is deemed an admission of
2 the allegations made in the petition, and the commissioner shall issue a
3 default decision.

4 F. Informal disposition may be made of any contested case.

5 G. Either party or the party's authorized agent may inspect any
6 file of the department that pertains to the hearing, if the authorization
7 is filed in writing with the department.

8 H. At a hearing conducted pursuant to this section, a corporation
9 may be represented by a corporate officer, employee or contractor of the
10 corporation who is not a member of the state bar if:

11 1. The corporation has specifically authorized the officer,
12 employee or contractor of the corporation to represent it.

13 2. The representation is not the officer's, employee's or
14 contractor of the corporation's primary duty to the corporation but is
15 secondary or incidental to the officer's, employee's or contractor of the
16 corporation's, limited liability company's, limited liability
17 partnership's, sole proprietor's or other lawfully formed and operating
18 entity's duties relating to the management or operation of the
19 corporation.

20 Sec. 2. Section 33-1270, Arizona Revised Statutes, is amended to
21 read:

22 33-1270. Department of real estate; enforcement

23 A. ~~Nothing in~~ This chapter ~~shall be construed to~~ DOES NOT increase
24 or decrease or otherwise affect any rights or powers granted to the
25 commissioner of the department of real estate under title 32, chapter 20
26 with respect to the issuance of public reports.

27 B. The commissioner of the department of real estate shall require
28 compliance with ~~section~~ SECTIONS 33-1215 and ~~section~~ 33-1219 in connection
29 with the administration of the subdivision laws of this state under title
30 32, chapter 20, article 4. The commissioner ~~shall~~ IS not ~~be~~ required to
31 administer or enforce any other provisions of this chapter BUT SHALL
32 ADMINISTER THE DISPUTE RESOLUTION PROCESS AUTHORIZED UNDER SECTION
33 32-2199.01.

34 Sec. 3. Title 33, chapter 16, Arizona Revised Statutes, is amended
35 by adding article 2, to read:

36 ARTICLE 2. ADMINISTRATION

37 33-1831. State real estate department; enforcement

38 A. THIS CHAPTER DOES NOT INCREASE OR DECREASE OR OTHERWISE AFFECT
39 ANY RIGHTS OR POWERS GRANTED TO THE STATE REAL ESTATE COMMISSIONER UNDER
40 TITLE 32, CHAPTER 20 WITH RESPECT TO THE ISSUANCE OF PUBLIC REPORTS.

41 B. THE STATE REAL ESTATE COMMISSIONER IS NOT REQUIRED TO ENFORCE
42 ANY PROVISION OF THIS CHAPTER AS PART OF THE ADMINISTRATION OF THE
43 SUBDIVISION LAWS OF THIS STATE UNDER TITLE 32, CHAPTER 20, ARTICLE 4 BUT
44 SHALL ADMINISTER THE DISPUTE RESOLUTION PROCESS AUTHORIZED UNDER SECTION
45 32-2199.01.