



HOAMCO®

2026 LEGISLATION LOADING ...

At HOAMCO, one of the commitments we make is to actively monitor legislation that is pending in Arizona to stay ahead of any changes that could impact our communities.

As we enter this new year, we wanted to share updates on pending bills that have the potential to impact Community Associations. While these bills have not yet passed, it is important for us to stay ahead of any legislation being proposed so that we are aware of any potential impacts before they happen, and we can reach out to legislators to show our support or share our concerns about any of the bills being considered.

Please see below to learn more about the pending legislation we are monitoring as of February 9, 2026. **For a full understanding of everything in the legislation, we recommend reviewing the full bill text by clicking the name of each bill**, as the high-level summaries do not cover every item included.

PENDING 2026 ARIZONA LEGISLATION:

1. Governing Documents ([HB 2743](#))

HB 2743 would fine associations if their governing documents include provisions that violate state law. If an owner gives written notice and the association does not fix the issue, the association could be fined \$1,000 after the first notice and \$2,500 for each additional notice, regardless of whether each notice comes from the same or different people. This bill would increase pressure on boards and management companies to quickly review and update all governing documents to avoid escalating fines. Additionally, this bill has the potential to be misused by residents challenging rules they disagree with, even if they are legal, which could result in costly legal disputes.

2. Repetitive Records Requests (HB 2612)

HB 2612 would allow associations to deny records requests if the homeowner already received the same documents within the last two years and those records have not changed. This bill could reduce administrative workload and repetitive requests for boards and management.

3. Liens, Collections, and Foreclosure (SB 1246)

SB 1246 adds new restrictions and procedural requirements around how associations handle liens, collections, and foreclosures. While the bill is intended to protect homeowners, it would likely slow collections and shift financial strain onto paying owners.

4. ADRE Complaint Process (HB 2909)

HB 2909 would change how HOA complaints are filed and handled through the Arizona Department of Real Estate (ADRE), and depending on the final language, it could either streamline disputes or make it easier for homeowners to file complaints against associations.

5. ADRE Filing Fees (HB 2834)

HB 2834 would reduce the filing fee for ADRE complaints from \$500 per issue to \$100 per issue. These lower costs may lead to more homeowners filing complaints, increasing enforcement and dispute activity for associations.

6. Local Government Limits on HOAs (HB 2588)

HB 2588 would specify what cities and towns can require of developers, including mandating HOAs or certain design standards. While existing associations are mostly unaffected in the current language, it may cause fewer HOAs to be created in the future.

7. Owner Rights, Disclosures, and Fees (HB 2397)

HB 2397 would make it easier for homeowners to challenge and invalidate rules or covenants that conflict with public policy, increase disclosure requirements, limit disclosure fees, restrict spending on non-association property, and make it easier to challenge HOA rules. The bill aims to increase transparency requirements and compliance obligations for associations and management companies.

8. Automatic HOA Dissolution (HB 2172)

HB 2172 would require all planned community associations to automatically dissolve after a set period, either after 100 years or January 1, 2127, whichever is later. This means associations would need long-term plans for common areas and infrastructure once an HOA expires.

9. HOA Spending on Lobbying Organizations (HB 2212)

HB 2212 prohibits associations from using HOA funds to support any organization involved in lobbying or election activities, even if the governing documents allow it. This could limit participation in industry groups that advocate for laws or regulations affecting community associations and require closer review of memberships and sponsorships.

10. Budgets and Financial Oversight (HB 2277)

HB 2277 would change how HOAs handle budgeting and finances by turning many common HOA budgeting practices into strict legal requirements, including homeowner approval for major financial decisions, budget increases, or special assessments in larger communities. It would also require more board control over association bank accounts and limit how much financial authority can be delegated to management. This would increase transparency but reduce board flexibility and increase administrative burden.

11. Meetings and Quorum Rules (SB 1151)

SB 1151 would require almost any discussion involving a quorum to be treated as an official meeting that must be noticed and open to members, would limit executive sessions to discussion only, and would also change the way recalls are handled. This would make boards have less flexibility to discuss matters informally and face a higher compliance risk.

12. ADRE Complaints and Penalties (SB 1158)

SB 1158 would cap ADRE filing fees, limits petitions to four issues, and strengthens enforcement of administrative law judge decisions. It would make the ADRE process more formal and higher-stakes for both associations and homeowners.

13. Enforcement and Due Process (SB 1440)

SB 1440 would add detailed requirements for violation notices, appeals, fines, and enforcement consistency, and would allow property owners to request administrative hearings through the Arizona Department of Real Estate to challenge association actions. It would mean that associations would need to revise enforcement procedures and could face more administrative hearings.

14. Violation Tracking and Reporting (SB 1260)

SB 1260 would require HOAs to track and disclose detailed violation records for the past two years and update them monthly, and requires that they be made available to owners with identifying information redacted, and authorizes recurring monthly civil penalties for noncompliance.

15. Board Decisions Outside Meetings (HB 2128)

HB 2128 would limit a board's ability to make decisions through unanimous written

consent such as by email or informal agreements. Instead, boards would need more formal meetings, making time-sensitive decisions harder.

16. Records Requests Standards (HB 2606)

HB 2606 would clarify which records homeowners can request and require requests to be made in good faith and for a stated purpose. It aims to add structure to records requests and requires clear processes and documentation.

17. Virtual Meetings (HB 2613)

HB 2613 would allow associations to hold virtual meetings and electronic voting even if governing documents prohibit it. It would modernize meetings, but require updated procedures and technology.

18. Assessments and Payment Application (HB 2614)

HB 2614 updates and clarifies legal definitions for how “assessments” are defined and limits how associations can apply owner payments toward balances. It would require more precision in financial processing by boards and management.

19. Backyard Shade Structures (HB 2342)

HB 2342 would prevent associations from banning backyard shade structures and limit rules to be no more restrictive than local zoning standards. It would reduce HOA control over backyard features and increase enforcement risk.

20. Cumulative Voting (HB 2353)

HB 2353 would ban cumulative voting in HOA board elections, even if the governing documents currently allow it. It would simplify the voting election process and override conflicting governing documents.

21. Military Division Flags (SB 1184)

SB 1184 would allow homeowners to display official U.S. military division flags and expand the types of flags HOAs cannot prohibit.

22. Drought-Year Watering (HB 2185)

HB 2185 would prevent HOAs from requiring lawn watering or overseeding during declared drought years. It would limit the enforcement of landscaping rules during drought conditions.

23. Lighted Address Signs (SB 1083)

SB 1083 would require HOAs to allow approved lighted address signs for emergency visibility. It would allow associations to set reasonable restrictions, but they would need to adjust architectural guidelines and face penalties if they do not comply.

24. HOA Elections and Voting (SB 1438)

SB 1438 eliminates proxy voting after developer control and expands allowed voting methods with strict requirements. It also outlines procedures for challenging election results when credible evidence of a statutory violation exists. Associations and management companies would need to update election procedures, governing documents, and technology platforms to ensure compliance with new ballot, verification, and recordkeeping standards.