



Community Associations Institute (CAI) Arizona Legislative Action Committee (AZ LAC) spent the 2026 legislative session advocating on behalf of the approximately [2,249,000 Arizonans living in 892,800 homes in more than 10,100 community associations across the state](#).

Legislative Overview

Arizona's 2026 legislative session began on January 12 and was originally scheduled to adjourn on April 25, 2026. As budget negotiations and discussions on several high-profile policy issues continued, lawmakers voted to extend the session beyond its planned adjournment date. The Legislature ultimately adjourned sine die on June 13, 2026, concluding one of the longer sessions in recent years.

The extended session created additional opportunities for legislation to be amended, negotiated, and reshaped during the final weeks of session. Bills often undergo significant changes as they move through committees and floor debates, and Arizona lawmakers use "striker amendments" to replace a bill's original language with an entirely new proposal while using the original bill number. Several bills affecting community associations evolved through this process.

2026 Key Bills of Interest to Community Associations in Arizona:

Below is a brief overview of highlights from the 2026 Arizona Legislative Session:

CAI OPPOSED THE BELOW BILLS

CAI LACs oppose legislation at odds with [CAI's public policy positions](#). If a LAC believes it may need to consider or adopt any legislative or regulatory position that would be in conflict with these official positions, it must submit a request for a deviation to be considered by CAI's Government & Public Affairs Committee and/or Board of Trustees.

[SB 1290: agricultural property; inspections; notice](#)

This bill was originally introduced as legislation unrelated to the community association industry. However, a striker amendment was adopted, giving it the new title Open meetings; exceptions; notice; agenda.

The striker amendment amended the law governing closed portions of meetings, adding the phrase "without action". This clarifies that when a meeting is closed, officials may only discuss or consider the listed matters. It explicitly prohibits taking any formal action, such as voting or making decisions, during

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those closed sessions. Overall, the change reinforces that decision-making must occur in open meetings, not behind closed doors.

AZ LAC opposed this bill, as it would prevent boards from taking action on sensitive, protected topics in executive session, such as pending litigation and contract negotiations. A call to action campaign was launched, encouraging advocates to email their Senator to oppose the bill as amended. A total of 125 advocates participated, sending 126 emails to Senators from across the state.

Status: PASSED, signed by Governor. Effective September 12, 2026.

HB2172; homeowner's associations; expiration

This proposal would have required a mandatory expiration of planned community declarations and dissolution of homeowners' associations. Associations would have been automatically dissolved on January 1, 2127, or 100 years after the original declaration recording date, whichever is later. Upon expiration, associations would have been required to liquidate their affairs according to law. Property owners could have voluntarily reestablished a planned community after dissolution as permitted by law.

AZ LAC opposed this bill because it goes against the principles outlined in CAI's [Government Regulation of Community Associations Public Policy](#). Forced dissolution could create significant legal and logistical challenges as well, including the equitable distribution of shared assets and liabilities. This proposal undermines the long-term stability and continuity of community associations, and would have created uncertainty for homeowners, associations, and local governments. Additionally, the proposal counters survey findings showing that 76% of Arizonans living in community associations believe their elected governing boards either absolutely or for the most part strive to serve the best interests of the community as a whole.*

Status: DIED in Committee.

HB2212: Homeowners' associations; lobbying; political activity

Under this bill, condominium and planned community associations would have been prohibited from using community funds to hire lobbying organizations or to influence election outcomes. The language was broad and would have encompassed many different organizations in this prohibition, including CAI.

AZ LAC opposed this bill citing conflicts with CAI's [Government Regulation of Community Associations Public Policy](#), and would have placed overly broad restrictions on how associations can use their community funds and would have limited their ability to effectively advocate on issues that directly impact their communities. This legislation would have imposed restrictions on community associations that are not applied to other organizations, while also raising significant constitutional concerns by potentially infringing on associations' First Amendment rights to free speech.

Status: DIED in Committee.

CAI SOUGHT AMENDMENTS TO THE BELOW BILLS

CAI works with legislators and other key stakeholders to seek amendments to legislation to help it better align with [CAI's public policy positions](#) and help community associations and their residents thrive.

SB 1582: Appropriation; school safety program

This bill was originally introduced as legislation unrelated to the community association industry. However, a striker amendment would have prohibited community associations from restricting pets based on breed, size, or weight. It also would have prevented associations from banning residents in single-family homes from keeping up to six backyard chickens, while allowing reasonable regulations on how those chickens would be kept. **AZ LAC opposed this provision**, as would have taken away community association local decision-making on critical issues. In addition to limiting a community's decision making, the proposal would have affected property values. According to survey data, 86% of Arizonans living in community associations believe their association's rules either protect and enhance property values (62%) or make no difference (24%). Residents also frequently cite clean, attractive surroundings and safe neighborhoods as among the greatest benefits of living in a community association.*

Several Call to Actions were sent to all Arizona CAI members, directing them to contact their legislators and educate them on the negative impacts the chicken provision would have. AZ advocates sent over 3,600 messages to legislators, including 2,232 personalized responses addressing individual concerns about the bill. This effort engaged 1,690 CAI advocates, 1,406 of whom were first-time participants in a CAI call to action.

AZ LAC members worked on amending the language to remove the chicken provision in its entirety, as well as limiting the pet provision to certain domesticated animals. Due to tireless advocacy efforts, the chicken provision was removed, and the language amended to limit types of pets, and associations are still able to adopt reasonable, behavior based pet rules that comply with other laws. [Due to these compromises, the LAC changed its position from oppose to neutral.](#)

Status: DIED, did not receive a final vote in the Senate..

HB2397: Homeowners' associations; property covenants; disclosures

As introduced, this legislation included several provisions negatively affecting condominium and planned community associations. It proposed changes to Arizona's private covenant statute to limit enforcement of certain covenants deemed inconsistent with public policy and would have authorized property owners to challenge those provisions in court. The bill also sought to restrict mandatory assessments for certain third-party properties and limit the use of association funds for those purposes.

The original version included additional purchaser and transaction-related requirements, such as a five-day post-disclosure review period allowing buyers to cancel contracts without penalty, expanded disclosure obligations, shorter timelines for document delivery, and broader liability standards for associations and managing agents.

AZ LAC initially opposed the bill due to the many administrative burdens it would have placed on day-to-day association governance, volunteer board members, and professional association managers and

worked with legislators on a significantly narrower version than what was first introduced. The following provisions were removed in their entirety: the private covenant “public policy” challenges, the prohibition on mandatory assessment for third-party property, and the new definition to Planned Community Act. AZ LAC worked with lawmakers to completely remove the five-day rescission period as well as removing the requirement to provide closing information to escrow agents at no cost. The final language included narrower proposals of certain issues, such as removing speculation around future special assessments and removing ambiguity around disclosure of outstanding unresolved violations.

Expanded resale disclosure package requirements remained in the final bill including, but not limited to, requirements to include board meeting minutes, financial statements, reserve studies, insurance disclosures, transfer fee disclosures, and special assessment disclosures.

AZ LAC worked tirelessly to narrow the original draft of this language to ensure it is workable and more favorable to associations. [As a result of ongoing advocacy efforts, the bill was favorably amended](#) to focus primarily on resale disclosure rather than the broader HOA reform measure it originally was drafted as.

Status: PASSED, signed by Governor. Effective September 12, 2026.

CAI MONITORED THE BELOW BILLS

CAI and its LACs monitor legislation with the potential to impact those living and working in community associations across their state, as well as legislation that may indirectly or unintentionally impact community associations.

SB1246: Homeowner’s associations; foreclosure process

This bill imposes stricter foreclosure thresholds for condominium associations to bring them in line with changes made to the foreclosure requirements for planned communities in 2025. The Condominium Act now requires a delinquency of 18 months or \$10,000 in assessments before foreclosure, and prevents a one-time special assessment in the amount of \$10,000 or more from satisfying the threshold requirement. This Bill also extended the prohibition against a one-time special assessment of \$10,000 or more from satisfying the threshold foreclosure requirement for Planned Communities. .

Status: PASSED, signed by Governor. Effective September 12, 2026.

HB4011: HOAs; duties

Under this bill, duty is imposed on homeowners associations in Arizona to act reasonably, neutrally, fairly, without favoritism, and in a nonarbitrary manner when exercising discretionary powers. This bill adds new legal language to explicitly define the association's duty to act reasonably in governance and enforcement actions.

Status: PASSED, signed by Governor. Effective September 12, 2026.

HB2342: Homeowners’ associations; shade structures

This bill addresses the rights of homeowners in planned communities to install backyard shade structures by prohibiting homeowners' associations from banning such installations, while allowing associations to set reasonable, non-restrictive rules regarding their size, placement, and appearance in alignment with municipal zoning ordinances. A "shade structure" is defined broadly to include movable, temporary or permanent features such as umbrellas, awnings, shade sails, gazebos, pergolas, or canopies.

Status: PASSED, signed by Governor. Effective September 12, 2026.

[SB1184: HOAs; uniformed services division flags](#)

This bill specifies that homeowners associations cannot prohibit the outdoor display of division flags of uniformed armed services, alongside other protected flags. The bill also defines the term "division flag."

Status: PASSED, signed by Governor. Effective September 12, 2026.

[SB1808: Homeowners' associations; allied countries' flags](#)

This bill prohibits bans on displaying flags from a nation allied with the US as a major non-NATO ally that was established on May 14, 1948. The allied nation identified in this Bill is the State of Israel. As such, this bill prohibits bans on displaying the Israeli flag.

Status: PASSED, signed by Governor. Effective September 12, 2026.

[Get Involved in CAI's Arizona Advocacy Work through Your Local Chapter!](#)

In addition to strong and effective advocacy work in Phoenix, CAI's Arizona Chapter provide information, resources, education programs and best practices designed to help you and your communities throughout Colorado thrive.

Not a member yet? Join a growing global network of more than 51,000 community managers, management company executives, homeowner leaders, and business partners, and open up a world of opportunities for professional growth, networking and industry knowledge.

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Track AZ Legislation CAI tracks legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here .	CAI AZ Legislative Resources and Contact Information CAI Arizona Legislative Action Committee - (888) 224-4321 CAI Arizona Chapter - (602) 388-1159
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community association housing model, CAI's Advocacy Summit offers a unique opportunity to meet face-to-face with federal lawmakers and help shape public policy impacting the industry.

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**The data referenced in this message is drawn from the [Homeowner Satisfaction Survey](#) conducted by [the Foundation for Community Association Research](#).*

Review CAI's Public Policy Positions



Help Shape Future Legislation

Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so sign up now to make your mark!



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