

ADRE 2022 Legislative Summary



The Arizona State Legislature adjourned *sine die* on June 25, 2022 at 12:25 am. The following bills were passed and signed into law by Governor Douglas A. Ducey. If you have questions relating to the bills below, please contact the Department through the Message Center by [clicking here](#). The general effective date for legislation is September 24, 2022, unless otherwise stated.

Please be advised that this list and summary is not comprehensive and therefore may not include all bills or details that directly or indirectly affect ADRE licensees. The information provided is not legal advice or guidance. Please visit the state legislature's website www.azleg.gov for more information.

SB1276

(Chapter 19) State Real Estate Department; Continuation

Continued the Arizona Department of Real Estate (ADRE) for eight years to July 1, 2030.

[SB1276](#) was signed by the Governor on March 18, 2022. ARS Titles affected: [32](#)

HB2172

(Chapter 126) Real Estate Licensees; Employers; Compensation

1. This bill allows a real estate licensee to receive compensation from an employer, other than the employing broker that the licensee is licensed to, if all of the following apply:
 - a) The employer holds a license;
 - b) The licensee is the employer's employee and receives a federal W-2 form and tax statement;
 - c) The employer has the same employing broker as the licensee; and
 - d) The employer receives written permission from the employing broker to pay the licensee.
2. Clarifies the criteria for denial, suspension or revocation of a license for accepting compensation from a person who is not authorized to provide compensation.

[HB2172](#) was signed by the Governor on April 13, 2022. ARS Title affected: [32](#)

HB2747

(Chapter 170) Wholesale Real Estate Buyers; Disclosure

Provides disclosure requirements for wholesale buyers and sellers as listed:

1. Requires a wholesale buyer of residential real property, before entering into a binding agreement, to provide a disclosure in writing to the seller that the buyer is a wholesale buyer.
2. Stipulates if a wholesale buyer violates the disclosure requirement, the seller may cancel the contract for sale at any time prior to the close of escrow without penalty and may retain any earnest money paid by the wholesale buyer.
3. Requires a wholesale seller of residential real property, before entering into a binding agreement, to provide a disclosure in writing to the buyer that the seller is a wholesale seller who holds an equitable interest in the property and that the seller may not be able to convey title to the property.
4. Stipulates if a wholesale seller violates the disclosure requirement, the buyer may cancel

the contract for sale at any time prior to the close of escrow without penalty and may retain any earnest money paid by the buyer.

5. Defines residential real property as real property with fewer than five dwelling units.
6. Defines wholesale buyer as a person or entity that enters into a purchase contract for residential real property as the buyer and assigns that same contract to another person or entity.
7. Defines wholesale seller as a person or entity that enters into a purchase contract for residential real property as the seller, that does not hold legal title to that real property and that assigns the same contract to another person or entity.

[HB2747](#) was signed by the Governor on April 22, 2022. ARS Title affected: [32](#)

HB2731

(Chapter 187) Regulatory Sandbox; Expansion

Broadens the regulatory sandbox program by permitting innovations which are not financial products or services to qualify.

[HB2731](#) was signed by the Governor on April 25, 2022. ARS Title affected: [32](#)

HB2612

(Chapter 59) Occupational Regulation

Deletes statutory references relating to a person's virtues with respect to occupational regulation. Removes statutory references, with respect to occupational regulation, pertaining to character, good, honesty, integrity, moral and trustworthy.

[HB2612](#) was signed by the Governor on March 24, 2022. ARS Title affected: [32](#)

HB2599

(Chapter 265) Administrative Hearings; GRRC

Makes various revisions to laws relating to occupational licensure, review of agency rules and appealable agency actions.

[HB2599](#) was signed by the Governor on May 27, 2022. ARS Titles Affected: [12](#) [41](#) [49](#)

HB2694

(Chapter 298) Department of Real Estate; Fees

1. Removes minimum fee basement;
2. Defines live classroom course;
3. Requires that an applicant must take the exam for a live classroom course in person;
4. Specifies that an initial real estate applicant or brokers license may complete the required courses through any in person or synchronous delivery method;
5. Requires that pre-licensure and renewal fees are the same regardless of delivery method for courses.

[HB2694](#) was signed by the Governor on June 13, 2022. ARS Title affected: [32](#)

HB2741

(Chapter 336) State Licensing; Fee Waiver

Any individuals applying for a license in this state for the first time, fees shall be waived if any of the following apply:

1. Any individual applicant whose family income does not exceed two hundred percent of the federal poverty guidelines
2. Any active duty military service member's spouse
3. Any honorably discharged veteran who has been discharged not more than two years before the application

[HB2741](#) was signed by the Governor on July 1, 2022. ARS Title affected: [41](#)

HB2057

(Chapter 63) Water Supply Development Fund; Revisions

Amends Water Infrastructure Finance Authority (WIFA) and Water Supply Development Revolving Fund statutes to conform with 2016 and 2021 laws.

[HB2057](#) was signed by the Governor on March 25, 2022. ARS Title affected: [49](#)

SB1067

(Chapter 133) Cities; Water Infrastructure Finance Authority

Outlines the requirements and exceptions for municipalities, counties and sanitary districts to enter financial assistance loan repayment agreements with the Water Infrastructure Finance Authority (WIFA).

[SB1067](#) was signed by the Governor on April 13, 2022. ARS Title affected: [9](#)

HB2409

(Chapter 154) Multi-County Water Districts; Storage Tax

Extends a property tax levied by the Central Arizona Water Conservation District (CAWCD) until 2035 and the tax's current limit of 4 cents per \$100 assessed valuation until 2029.

[HB2409](#) was signed by the Governor on April 18, 2022. ARS Title Affected: [48](#)

HB2037

(Chapter 164) Counties; Powers; Water Supply Projects

Authorizes a county board of supervisors to enter agreements with federal, state and local governments to enable federal funding for projects that increase water supply and availability.

[HB2037](#) was signed by the Governor on April 22, 2022. ARS Title Affected: [11](#) [48](#)

SB1564

(Chapter 332) On-Farm Irrigation Efficiency; Fund

Establishes the On-farm Irrigation Efficiency Pilot Program (Program) and Fund (Fund) to provide grants and collect data for on-farm irrigation efficiency systems (systems).

[SB1564](#) was signed by the Governor on June 30, 2022. ARS Title Affected: [48](#)

HB2275

(Chapter 373) Condominium Termination; Unit Owners; Percentage

Allows a condominium created on or after the effective date to be terminated only by agreement of unit owners of units to which 95% of the votes in the association are allocated, with exceptions.

[HB2275](#) was signed by the Governor on July 06, 2022. ARS Title Affected: [33](#)

SB1168

(Chapter 343) Vacation Rentals; Short-Term Rentals; Enforcement

Outlines further regulations of vacation or short-term rentals and restructures the civil penalties for verified violations.

[SB1168](#) was signed by the Governor on July 06, 2022. ARS Titles Affected: [9](#) [11](#) [42](#)

SB1265

(Chapter 17) Property Tax Liens; Foreclosure; Notice

Requires the purchaser of a property tax lien to send a notice of intent to foreclose the right to redeem to the property owner's mailing address.

[SB1265](#) was signed by the Governor on March 18, 2022. ARS Title Affected: [42](#)

HB2629

(Chapter 69) Property Tax Liens; Expiration Dates

Extends the time period for a county treasurer to notify a purchaser that a property tax lien is going to expire within 365 days before the expiration date and within 30 days after the expiration date. Removes the requirement that the notice be sent by certified mail and allows it to be sent by email.

[HB2629](#) was signed by the Governor on March 25, 2022. ARS Title Affected: [42](#)

SB1740

(Chapter 266) Water Infrastructure Financing; Supply; Augmentation

Re-establishes the Water Infrastructure Finance Authority as a separate state agency with a governing board and several committees to assist in reviewing applications for fund monies. Authorizes WIFA to engage in public-private partnerships for water supply development projects. Establishes the Long-Term Water Augmentation Fund to primarily fund projects to import water into Arizona. Amends the criteria for the Water Supply Development Revolving Fund and increases the amount of a single fund grant to \$2,000,000. Repeals the Drought Mitigation Board and transfers most of its fund monies to the Water Supply Development Revolving Fund.

[SB1740](#) was signed by the Governor on July 06, 2022. ARS Title Affected: [41](#) [45](#) [48](#) [49](#)