



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, Second Regular Session*

**REVISED**  
FACT SHEET FOR H.B. 2006

real estate; acting in concert

Purpose

Outlines exemptions to *unlawful acting in concert* for the purpose of the sale or lease of subdivision lots or parcels of land.

Background

A *subdivision* or *subdivided land* is improved or unimproved land divided or proposed to be divided for the purpose of sale or lease, whether immediate or future, into six or more lots, parcels or fractional interests, including: 1) a stock cooperative; 2) lands divided or proposed to be divided as part of a common promotion plan; and 3) residential condominiums. Leasehold offerings of one year or more are exempt from the classification of subdivision or subdivided lands ([A.R.S. § 32-2101](#)).

A county board of supervisors (county BOS) must approve any land divisions of five or fewer lots, parcels or fractional interests, any of which is 10 acres or smaller in size, if the land division meets outlined requirements, including that the applicant must sign an affidavit or similar document under oath acknowledging that the applicant is aware that it is unlawful for a person or group of persons to attempt to avoid the requirements or subdivision laws by acting in concert to divide a parcel of land into six or more lots or parcels. A person or group of persons may not act in concert to attempt to avoid the requirements to divide a parcel of land or sell subdivision lots by using a series of owners or conveyances or by any other method that ultimately results in the division of lands into a subdivision or the sale of subdivided land. A familial relationship is not sufficient to constitute *unlawful acting in concert* (A.R.S. §§ [11-831](#) and [32-2181](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Specifies that, for the purpose of attempting to avoid subdivision laws by acting in concert to divide a parcel of land into six or more lots or sell or lease six or more lots by using a series of owners or conveyances, any of the following alone is not sufficient to constitute *unlawful acting in concert*:
  - a) a familial relationship;
  - b) a well share agreement;
  - c) a road maintenance agreement; or
  - d) for a county with a population of fewer than 500,000 persons, the use of or referral to the same licensed contractor or registered architect, engineer, geologist, home inspector, landscape architect or surveyor.

2. Specifies that, for the purpose of attempting to avoid subdivision laws by acting in concert to divide a parcel of land or sell subdivision lots by using a series of owners or by any other method that ultimately results in the division of the lands into a subdivision or the sale of subdivided lands, any of the following is not sufficient to constitute *unlawful acting in concert*:
  - a) a familial relationship;
  - b) a well share agreement;
  - c) a road maintenance agreement; or
  - d) the use of or referral to the same licensed contractor or registered architect, engineer, geologist, home inspector, landscape architect or surveyor.
3. Makes technical changes.
4. Becomes effective on the general effective date.

#### Revisions

- Corrects the provisions to remove the specification that, for the purpose of attempting to avoid subdivision laws by acting in concert to divide a parcel of land or sell subdivision lots by using a series of owners or by any other method that ultimately results in the division of the lands into a subdivision or the sale of subdivided lands, the use of or referral to the same contractor who is licensed contractor or registered architect, engineer, geologist, home inspector, landscape architect or surveyor is not sufficient to constitute *unlawful acting in concert* if the act occurs in a county with a population of fewer than 50,000 persons.

#### House Action

LARA	1/29/24	DP	7-2-0-0
3 <sup>rd</sup> Read	2/20/24		33-24-2-0-1

Prepared by Senate Research  
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RA/SDR/cs/slp