ARIZONA HOUSE OF REPRESENTATIVES



Fifty-sixth Legislature First Regular Session

House: NREW DPA/SE 8-0-0-2 | 3rd Read 31-28-1-0 **Senate**: COM DP 6-1-0-0 | 3rd Read 30-0-0-0

Final Pass: 56-0-3-0-1

HB 2590: seller disclosure; water; solar; batteries
Sponsor: Representative Griffin, LD 19
Transmitted to the Governor

Overview

Requires the seller's affidavit of disclosure for land divisions to contain applicable information on who hauls water to the property and the source of that water and whether the property has any battery energy storage devices. Additionally requires the seller to disclose in this affidavit information on the proper replacement and disposal of these devices.

History

Counties may adopt ordinances for staff review and approval of land divisions, which involve splitting a parcel of land into five or fewer lots, parcels or fractional interests, each of which is ten acres or smaller. A land division application will be approved if:

- 1) The resulting lots, parcels or fractional interests comply with applicable county zoning requirements;
- 2) The applicant provides documentation demonstrating legal access to the lots, parcels or fractional interests and evidence indicating that each lot, parcel or fractional interest is physically accessible by a two-wheel drive passenger motor vehicle; and
- 3) The applicant reserves the necessary and appropriate utility easements to serve each resulting lot, parcel or fractional interest.

An application can still be approved if it does not comply with these requirements provided the applicant confirms that no building or use permit will be issued until the lot, parcel or fractional interest complies with all the above requirements. A county may also grant a variance to any of the requirements (A.R.S. § 11-831).

Someone who sells lands resulting from a land division must provide a written affidavit of disclosure to a buyer at least seven days before the property is transferred to the buyer. A buyer has the right to rescind a sale within five days of receiving this affidavit. This affidavit of disclosure must include information on:

- 1) Whether the property is served by a water supply that requires transportation of water to the property;
- 2) Whether the property is served by a private water company, a municipal water provider, a private well or a shared well; and
- 3) Whether the property has any solar energy devices, including whether those devices are sold or leased (A.R.S. § 33-422)

Provisions

- 1. Requires, for county approval, an application for a land division to include a signed affidavit acknowledging that the applicant is aware that:
 - a) it is unlawful to attempt to avoid laws relating to land divisions or subdivisions by acting in concert to divide a parcel of land into six or more lots or parcels; and

- b) the applicable county or the Arizona Department of Real Estate may investigate and enforce the prohibition. (Sec. 1)
- 2. Increases, from \$1,000 to \$2,000, the maximum civil penalty for each infraction that the State Real Estate Commissioner (Commissioner) may assess against a subdivider or an agent who violates any law or engages in any unlawful practice with respect to the sale or lease of subdivided lands. (Sec. 2)
- 3. Requires that the affidavit of disclosure be completed by the seller and contain all disclosures specified in statute. (Sec. 3)
- 4. Requires that the affidavit of disclosure furnished to buyers of a land division include:
 - a) For properties served by water transported to the property, the name and contact information of the water hauler or water hauling company that currently services the property and the name and location of the water supply from which the water is currently being transported; and
 - b) Disclosure of whether the property has either leased or owned battery energy storage devices and, if so, contact information for the leasing company. (Sec. 3)
- 5. Adds, in the affidavit of disclosure for land divisions, a disclosure of whether the sale of the property meets the notice requirements to the Commissioner. (Sec. 3)
- 6. Adds, in the affidavit for land divisions, a notice that it is unlawful to attempt to avoid land division or subdivision laws by acting in concert to divide a parcel of land into six or more lots or parcels. (Sec. 3)
- 7. Makes conforming changes. (Sec. 1, 2 and 3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note