

ARIZONA SMALL BUSINESS BILL OF RIGHTS

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(Pursuant to Laws 2014, Chapter 204)



Arizona
Department
of Housing

1110 W. Washington, Suite 310 | Phoenix, AZ 85007 | www.azhousing.gov



Arizona
Department
of Housing

NOTICE OF YOUR RIGHTS AS A SMALL BUSINESS REGULATED BY ADOH

This policy applies to rental properties that may be considered small businesses which have been financed through the Arizona Department of Housing (“ADOH” or “the Department”) and which may be subject to an inspection by the Department as required under federal regulations or other policies pertaining to Low-Income Tax Credits, HOME Investment Partnership, State Housing Trust Fund, Tax Credit Assistance Program, Tax Credit Exchange Program, Neighborhood Stabilization Program, or other financing mechanisms which may be offered by the Department from time to time.

The division responsible for such inspections is the Housing Compliance division. The compliance staff monitors compliance with these programs through a review of [annual reports](#) and periodic on-site visits. On-site visits generally consist of file reviews and [physical inspections](#). Most compliance and inspection related questions can be answered by contacting the Department and requesting reference materials pertaining to the financing source associated with a particular property. Most materials can be found on the agency’s website at www.azhousing.gov.

ADOH’s obligation to monitor for compliance with the requirements of Section 42 of the U.S. Internal Revenue Code and other regulations does not make it liable for an owner’s noncompliance. It is the owner’s agent responsibility to remain in compliance. Because of the complexity of housing regulations and the necessity to consider their applicability to specific circumstances, owners are urged to seek competent legal and accounting advice regarding compliance issues affecting their property.

ADOH Housing Compliance Contact:

Lisa Troy
Housing Compliance Administrator
1110 W. Washington Street, Ste. 310
Phoenix, AZ 85007
Telephone: (602) 771-1000
Fax: (602) 771-1002
lisa.troy@azhousing.gov

You may also contact the Office of Ombudsman-Citizens Aide as provided in A.R.S. §§ 41-1371 to 1383 in the event that you have made a reasonable effort to resolve a problems with the ADOH and have not been successful. The contact information for the Office of Ombudsman-Citizens Aide is:

Arizona Ombudsman-Citizens’ Aide
3737 N. 7th Street, Suite 209
Phoenix, AZ 85014
Telephone: (602) 277-7292 or
1-800-872-2879 (Arizona outside Phoenix metro area)
Fax: (602) 277-7312
Email at: ombuds@azoca.gov

UNDER A.R.S. § 41-1009, TO ENSURE FAIR INSPECTIONS BY THE ARIZONA DEPARTMENT OF HOUSING (ADOH), YOU HAVE THE FOLLOWING RIGHTS AS A REGULATED ENTITY:

- A. An agency inspector, auditor or regulator who enters any premises of a regulated person for the purpose of conducting an inspection or audit shall, unless otherwise provided by law:
1. Present photo identification on entry of the premises.
 2. On initiation of the inspection or audit, state the purpose of the inspection or audit and the legal authority for conducting the inspection or audit.
 3. Inform each person interviewed during the inspection or audit that statements made by the person may be included in the inspection or audit report.
- B. On initiation of an audit or an inspection of any premises of a regulated person, an agency inspector, auditor or regulator shall provide the following in writing:
1. The rights described in subsection A of section 41-1009.
 2. The name and telephone number of a contact person who is available to answer questions regarding the inspection or audit.
- C. An agency inspector, auditor or regulator shall obtain the signature of the regulated person or on-site representative of the regulated person on the writing prescribed in subsection B of section 41-1009 indicating that the regulated person or on-site representative of the regulated person has read the writing prescribed in subsection B and is notified of the regulated person's or on-site representative of the regulated person's inspection or audit and due process rights. The agency shall maintain a copy of this signature with the inspection or audit report and shall leave a copy with the regulated person or on-site representative of the regulated person. If a regulated person or on-site representative of the regulated person is not at the site or refuses to sign the writing prescribed in subsection B, the agency inspector, auditor or regulator shall note that fact on the writing prescribed in subsection B.
- D. An agency that conducts an inspection shall give a copy of the inspection report to the regulated person or on-site representative of the regulated person either:
1. Notwithstanding any other state law, within thirty working days after the inspection.
 2. As otherwise required by federal law.
- E. The inspection report shall contain deficiencies identified during an inspection. Unless otherwise provided by law, the agency may provide the regulated person an opportunity to correct the deficiencies unless the agency determines that the deficiencies are:
1. Committed intentionally.
 2. Not correctable within a reasonable period of time as determined by the agency.
 3. Evidence of a pattern of noncompliance.
 4. A risk to any person, the public health, safety or welfare or the environment.
- F. If the agency allows the regulated person an opportunity to correct the deficiencies pursuant to subsection E, the regulated person shall notify the agency when the deficiencies have been corrected. Within thirty days of after receipt of notification from the regulated person that the deficiencies have been corrected, the agency shall determine if the regulated person is in substantial compliance and notify the regulated person whether or not the regulated person is in

substantial compliance. If the regulated person fails to correct the deficiencies or the agency determines the deficiencies have not been corrected within a reasonable period of time, the agency may take any enforcement action authorized by law for the deficiencies.

G. An agency decision pursuant to subsection E or F is not an appealable agency action.

H. At least once every month after the commencement of the inspection, an agency shall provide a regulated person with an update on the status of any agency action resulting from an inspection of the regulated person. An agency is not required to provide an update after the regulated person is notified that no agency action will result from the agency inspection or after the completion of agency action resulting from the agency inspection.

I. Section 41-1009 does not authorize an inspection or any other act that is not otherwise authorized by law.