

REALTOR® Party State Legislative Monitor Weekly Report May 2, 2019

Affordable Housing

California [AB 11](#) passed the Assembly Local Government Committee on April 24 and was referred to the Assembly Appropriations Committee. This bill would authorize a city, county, or two or more cities acting jointly, to propose the formation of an affordable housing and infrastructure agency. These agencies would be authorized to issue bonds for the purpose of financing redevelopment housing or infrastructure projects.

California [AB 723](#) passed a second reading in the Assembly on April 30 and was ordered to a third reading in that chamber. This bill would authorize Alameda and Contra Costa Counties to provide certain lessors with low-income rental housing incentives. In order to qualify, a property must be used exclusively for rental housing and is rented to no more than 30 percent of the income level of persons of low income.

California [AB 1717](#) passed the Assembly Local Government Committee on April 24 and was referred to the Assembly Appropriations Committee. This bill would establish the Transit-Oriented Affordable Housing Funding Program, which would promote the creation of municipal zoning districts which incentivize the creation of affordable housing in proximity with public transit.

California [AB 1763](#) passed the Assembly Local Government Committee on May 1. This bill would require a density bonus to be provided to a developer who agrees to construct a housing development in which 100 percent of the total units are for lower income households. It would also exempt housing developments from maximum controls on density if located within one half mile of a major transit stop or a high-quality transit corridor.

Florida [HB 7103](#) passed the House on April 25 and was transmitted to the Senate, where it was referred to the Community Affairs Committee. As passed the House, this bill would make numerous changes to property development regulations, including restricting counties and municipalities from adopting or imposing mandatory affordable housing ordinances.

Florida [SB 1730](#) is scheduled for a second reading in the Senate on May 2. This bill would specify that counties may not adopt or impose requirements mandating maximum sale or rental prices, require the allocation of rental units to a particular class or group of purchasers or tenants, or require a percentage of units to be designated as affordable housing units. The bill also contains numerous other provisions relating to affordable housing.

Hawaii [HB 820](#) passed a conference committee on May 2 and is now awaiting enrollment and presentation to Democratic Gov. David Ige. As passed the legislature, this bill would prohibit the imposition of inclusionary zoning requirements on housing offered exclusively for sale in perpetuity to

certain buyers. It would also create the ALOHA homes program aimed at providing affordable, locally owned homes for state residents within one-half mile of a public transit system.

Montana [HB 527](#) was presented to Democratic Gov. Steve Bullock on April 30. Governor Bullock has a deadline of May 10 to take action on this bill or it will become law without his signature. This bill would extend affordable housing tax exemptions to certain single-member limited liability companies. It would apply to all tax years beginning after December 31, 2019.

Oregon [HB 2997](#) is scheduled for a May 6 hearing in the Senate Housing Committee. This bill would authorize mid-size cities in the state to impose affordable housing conditions on housing developments through 2023.

Washington [HB 1746](#) was presented to Democratic Gov. Jay Inslee on April 26. Governor Inslee has a deadline of May 21 to take action on this bill or it will become law without his signature. As passed the legislature, this bill would incentivize the development of commercial office space in cities in a county with a population of less than 1.5 million by authorizing local sales and use and property taxes.

Growth Management

California [AB 587](#) passed the Assembly on April 25 and was referred to the House, where it is awaiting committee referral. This bill would require local accessory dwelling unit ordinances to allow such units to be sold or conveyed separately from the primary residence under certain circumstances.

California [AB 670](#) passed the Assembly Judiciary Committee on April 30. As passed the committee, this bill would make provisions in a common interest development's governing document void and unenforceable if it prohibits the construction of accessory dwelling units or junior accessory dwelling units.

California [AB 671](#) passed the Assembly Local Government Committee on April 24 and was referred to the Assembly Appropriations Committee. This bill would require local governments to enact ordinances that incentivize and promote the creation of accessory dwelling units that can be offered at affordable rent for very low, low and moderate-income households.

California [AB 881](#) passed a second reading in the Assembly on April 25 and was ordered to a third reading in that chamber. This bill would restrict the types of regulations that local governments may impose on accessory dwelling units for the purpose of encouraging their construction.

California [AB 1279](#) passed the Assembly Local Government Committee on April 24 and was referred to the Assembly Appropriations Committee. This bill would allow development sites in "high-resource areas" to bypass certain density and height zoning restrictions if the development meets specified criteria.

California [AB 1485](#) passed a second reading in the Assembly on April 29 and was ordered to a third reading in that chamber. This bill would create a streamlined approval process for housing developments for projects that limit 20 percent of the units to up to 120 percent of the area median income or less.

California [SB 13](#) is scheduled for a May 6 hearing in the Senate Appropriations Committee. This bill would make changes to how municipalities may regulate accessory dwelling units, including reducing or eliminating municipal fees on such units.

California [SB 50](#) passed the Senate Governance and Finance Committee on April 30 and was referred to the Senate Appropriations Committee. This bill would require local governments to create incentives for relaxing zoning standards in job-rich and transit-rich areas.

Colorado [HB 1245](#) passed the Senate Finance Committee on April 26 and is now awaiting a second reading in that chamber. As passed the committee, this bill would increase affordable housing funding in the state through the creation of a sales tax vendor fee.

Maine [LD 970](#) passed the Joint State and Local Government Committee on April 30. This bill would direct municipalities to develop comprehensive planning policies that provide for accessory dwelling units.

North Carolina [SB 355](#) is scheduled for a May 2 hearing in the Senate Judiciary Committee. This bill would make numerous changes to state zoning law. It would grant more authority to the state over zoning regulations, at the expense of municipalities and counties. It would also prohibit counties and municipalities from regulating the design elements of buildings.

Washington [HB 1923](#) was presented to Democratic Gov. Jay Inslee on April 26. Governor Inslee has a deadline of May 21 to take action on this bill or it will become law without his signature. As passed the legislature, this bill would encourage cities with a population greater than 10,000 to take certain actions to increase residential building capacity and housing affordability through the adoption of new or amended land use and zoning laws.

Home Buying Programs

First-Time Home Buyer Savings Account

Michigan [SB 120](#) is scheduled for a May 7 hearing in the House Transportation Committee. This bill would specify that qualified withdrawals from a first-time home buyers savings account could be deducted from an individual's state income tax in the amount of \$5,000 for a single return or \$10,000 for a joint return. This bill is tie-barred with [SB 121](#), meaning that both bills must become enacted for either to take effect.

Oklahoma [SB 961](#) was signed by Republican Gov. Kevin Stitt on April 26 and will take effect January 1, 2020. This act, known as the "Oklahoma Home Buyers Savings Account Act" will authorize the creation of such tax-deductible savings accounts to be used to cover eligible costs for the purchase of a single-family residence in the state.

Washington [SB 5334/Chapter 238](#) was signed by Democratic Gov. Jay Inslee on April 30 and will take effect July 28. This act will modify requirements for the construction of a condominium under state law, by removing requirements that condominiums be built in accordance with all state laws and instead require the building be constructed only in accordance with applicable building codes. The act also contains provisions granting certain immunities to officers and board members of condominiums.

NAR Miscellaneous

Oklahoma [HB 1032](#) passed the Senate on April 25 and is now awaiting enrollment and transmission to Republican Gov. Kevin Stitt. This bill would prohibit counties and municipalities from regulating the design elements of single-family residential buildings.

Emotional Support Animals

Iowa [SF 341](#) was presented to Republican Gov. Kim Reynolds on April 30. Governor Reynolds has a deadline of May 30 to take action on this bill or it will become law without her signature. As passed the legislature, this bill would require landlords to waive lease restrictions on the keeping of animals for service or assistance animals. Renters would remain liable for any damage caused by a service or assistance animal.

Tennessee [HB 1190](#) was signed by Republican Gov. Bill Lee on April 30 and will take effect on July 1. This act will authorize landlords to request documentation from tenants relating to service or support animals.

Real Estate License Law

Louisiana [HB 299](#) was engrossed on May 1 and is now awaiting a third reading in the House. This bill would require certain continuing education courses for real estate licensure be approved by the state Real Estate Commission, others would be exempt from any type of approvals process.

Missouri [HB 106](#) passed the Senate Professional Registration Committee on May 1. As passed the committee, this bill would specify that a real estate licensee shall not be the subject of any administrative action relating to the misrepresentation of the size of a property or of improvements to the property unless the licensee knew the information was false at the time of transmission or publication of the information. An identical companion bill, [SB 36](#), is scheduled for a May 2 hearing in the House Rules Committee.

Seller Disclosures

Indiana [HB 1495](#) passed the legislature on April 24 and is now awaiting enrollment and transmission to Republican Gov. Eric Holcomb. This bill would require sellers of real estate to provide the buyer with an FHA appraisal of the property, a description of any liens encumbering the property, a lead-based paint disclosure, the annual percentage rate of the loan for the property and a legal protection notice. Additionally, the bill contains numerous other provisions relating to real estate transactions.

Texas [SB 339](#) passed the House on April 25 and was transmitted to the Senate, where it is awaiting committee referral. This bill would require a sellers disclosure notice for residential real property to include information regarding floodplains, flood pools or reservoirs.

Rent Control



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California [AB 1482](#) passed the Assembly Housing and Community Development Committee on April 25 and was referred to the Assembly Appropriations Committee. This bill contains provisions that would create rent caps by prohibiting owners of residential real property from increasing the rental rate for a property by more than a yet-unspecified percentage over the previous year's rental rate.

Colorado [SB 225](#) is scheduled for a second reading in the Senate on May 2. This bill would repeal a statewide prohibition on municipal rent control ordinances.

Washington [HB 1798](#) was presented to Democratic Gov. Jay Inslee on April 26. Governor Inslee has a deadline of May 21 to take action on this bill or it will become law without his signature. As passed the legislature, this bill would require short-term rental owners and online hosting platforms to register with the state, collect and remit taxes, and comply with consumer safety requirements.

Local Short-Term Rental

Indiana [HB 1001](#), the state budget bill, was signed by Republican Gov. Eric Holcomb on April 29 and took effect immediately. This act contains provisions relating to the collection of taxes on short-term rentals by individuals who do not use a marketplace facilitator.

Louisiana [HB 43](#) is scheduled for a May 2 hearing in the House Municipal, Parochial and Cultural Affairs Committee. This bill would authorize the city of New Orleans to levy a local tax on short-term rentals.

Electronic and Remote Notarization

Alabama [SB 359](#) was introduced on April 30 by Sen. Clay Scofield, R-Cullman, and referred to the Senate Judiciary Committee. This bill, the Online Notary Public Act, would authorize the use of electronic notarization in the state and create rules regarding the licensure of notaries public performing such notarizations.

Colorado [HB 1167](#) passed the Senate Finance Committee on April 25 and is awaiting a second reading in the Senate. As passed the Senate, this bill would authorize notaries public to perform a notarial act on behalf of an individual who is not in the notary's physical presence, but only with respect to an electronic document. The bill would also establish requirements for such remote notarizations. A similar bill, [SB 84](#), is pending in the Senate State, Veterans and Military Affairs Committee.

Florida [HB 409](#) was withdrawn from the Senate Judiciary Committee on May 1 and was referred to the Senate floor, where it is awaiting a third reading. This bill would authorize online notarizations in the state and establish requirements relating to the performance of such notarizations. A companion bill, [SB 548](#), was substituted for HB 409 on May 1.

Iowa [SF 475](#) was signed by Republican Gov. Kim Reynolds on April 30 and will take effect July 1, 2020. This act will authorize the use of electronic notarizations for real estate transactions in the state.

Missouri [SB 409](#) is scheduled for a second reading in the Senate on May 2. This bill would authorize the use of electronic and remote notarizations in the state. A companion bill, [HB 495](#), passed the House Rules – Administrative Oversight Committee on April 11 and is awaiting a second reading in that chamber.

Washington [SB 5641/Chapter 154](#) was signed by Democratic Gov. Jay Inslee on April 28 and will take effect October 1, 2020. This act will authorize a notary public to perform an electronic notarization and outlines standards for such notarizations.

Session Overview

Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Kansas, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont and Wisconsin are in regular session. The **District of Columbia, Puerto Rico** and the **United States** Congress are also in regular session.

Maryland convened a one-day special session on May 1 to elect the next House speaker after the unexpected passing of former speaker Michael Busch on April 7. Del. Adrienne Jones, D-Baltimore City, was unanimously elected to be the next speaker, even after dropping out of the race last week to support her opponent Del. Maggie McIntosh, D-Baltimore City, reports [WBAL Baltimore](#).

West Virginia Republican Gov. Jim Justice signed a [proclamation](#) on March 7 authorizing a special session to act on education matters, the [Charleston Gazette-Mail](#) reports. The proclamation outlines a broad special session scope, authorizing consideration of general improvements to the state's public education system and employee compensation. Education officials kicked off a series of public hearings on March 18 as part of preparations for their upcoming special session. The special session is currently in recess to the call of the House speaker and the Senate president, but is anticipated to overlap with the May 20-21 interim meetings, reports the [Herald Dispatch](#).

The following states adjourned their 2019 legislative sessions on the dates provided: **Arkansas** and **Indiana** (April 24); **Montana** (April 25); **North Dakota** (April 26); **Iowa** (April 27) and **Washington** (April 28).

The following states are scheduled to adjourn on the dates provided: **Kansas** and **Tennessee** (May 2); **Colorado, Florida** and **Hawaii** (May 3) and **South Carolina** (May 9).

Indiana Republican Gov. Eric Holcomb has until May 8 to act on legislation or it becomes law without signature. **Georgia** Republican Gov. Brian Kemp has until May 12 to act on legislation or it becomes law without signature. **Washington** Democratic Gov. Jay Inslee has until May 21 to act on legislation presented on or after April 23 or it becomes law without signature. **Iowa** Republican Gov. Kim Reynolds has until May 27 to act on legislation presented on or after April 24 or it is pocket vetoed. **Maryland** Republican Gov. Larry Hogan has until May 28 to act on legislation or it becomes law without signature. **Arkansas** Republican Gov. Asa Hutchinson has 20 days from presentment to act on legislation presented on or after April 18 or it becomes law without signature. **Kentucky** Republican Gov. Matt Bevin has 10 days from presentment, Sundays excepted, to act on legislation or it becomes law without signature. **Mississippi** Republican Gov. Phil Bryant has 15 days from presentment, Sundays excepted, to act on

legislation presented on or after March 24 or it becomes law without signature. **Montana** Democratic Gov. Steve Bullock has 10 days from presentment to act on legislation or it becomes law without signature. **North Dakota** Republican Gov. Doug Burgum has 15 days from presentment, Saturdays and Sundays excepted, to act on legislation or it becomes law without signature.

The following states are currently holding 2019 interim committee hearings: [Kansas](#), [Kentucky](#), [Maryland](#), [New Mexico](#), [South Dakota](#), [Utah](#), [Virginia](#), [West Virginia](#) and [Wyoming](#).

The following states are currently posting 2019 bill drafts, prefiles and interim studies: [Arkansas](#) and [Kentucky](#).

Special Elections

Wisconsin held a special election for Assembly District 64 on April 30. The seat became vacant when Asm. Peter Barca, D-Kenosha, stepped down after Democratic Gov. Tony Evers elected him to be secretary of the state Department of Revenue. Tip McGuire, D-Kenosha, was able to defeat Mark Stalker, R-Kenosha, by receiving 62 percent of the vote. Unofficial election results can be found [here](#).

The following seats will be filled by special elections on the dates provided: **Pennsylvania** Senate District 41 (May 21); **California** Senate districts 1 and 33 (June 4); **Florida** House districts 7, 38 and 97 (June 18); and **New Jersey** Senate District 1 (November 5).