

REALTOR® Party State Legislative Monitor Weekly Report February 21, 2019

Affordable Housing

Montana [HB 527](#) is scheduled for a February 22 hearing in the House Taxation Committee. 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.

Oklahoma [SB 961](#) passed the Senate Judiciary Committee on February 19 and was subsequently referred to the Senate Appropriations Committee. This bill, known as the “Oklahoma Home Buyers Savings Account Act” would 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 5746](#) was substituted by and subsequently passed the Senate Housing Stability and Affordability Committee on February 19. The bill was then referred to the Senate Rules Committee. As substituted, this bill would require at least 13 percent of Housing Trust Fund grants and loans be used for the benefit of homeownership projects for households at or below 80 percent of the area’s median income. It would also provide down payment and closing cost assistance to first-time home buyers. A companion bill, [HB 1834](#), passed the House Housing, Community Development and Veterans Committee on February 12.

Home Buying Programs

Illinois [HB 3282](#) was introduced on February 15 by Rep. David Welter, R-Morris, and referred to the House Rules Committee. This bill would create a property tax exemption in the amount of \$7,500 on a residential property that is owned and occupied by a first-time homebuyer.

First-Time Home Buyer Savings Account

Minnesota [SF 1406](#) was introduced on February 18 by Sen. Karin Housley, R-St. Marys Point, and referred to the Senate Taxes Committee. This bill would make changes to the amount allowed for contributions to a first-time home buyers savings account, and authorize employers to make contributions to an employees’ first-time home buyers savings account of up to \$1,000 per year.

North Dakota [HB 1241](#) passed the House on February 14 and was transmitted to the Senate, where it was referred to the Finance and Taxations Committee. This bill would create an income tax deduction for contributions made to a first-time home buyer savings account, in the amount of \$2,000 annually for individuals and \$4,000 for married couples filing jointly. If enacted, the bill would take effect for taxable years beginning after December 31, 2018.

Pennsylvania [HB 128](#) passed the House Urban Affairs Committee on February 19 and was referred to the House Appropriations Committee. This bill would authorize the creation of first-time homebuyers savings accounts in the state. Money deposited into this account would be able to be deducted from state income tax. An identical companion bill, [SB 309](#), was introduced on February 19 by Sen. Bob Mensch, R-Red Hill, and referred to the Senate Urban Affairs Committee.

NAR Miscellaneous

Arkansas [SB 170](#) passed the House City, County and Local Affairs Committee on February 20. As passed the committee, this bill would prohibit counties and municipalities from regulating residential building design elements, except in certain authorized situations.

Georgia [HB 302](#) passed the House Agriculture and Consumer Affairs Committee on February 20. As passed the committee, this bill would prohibit local governments from adopting or enforcing ordinances or regulations on building design elements for one or two family dwellings.

Emotional Support Animals

Florida [SB 1128](#) was prefiled on February 18 by Sen. Manny Diaz, R-Hialeah, and will be introduced when the legislature convenes on March 5. This bill would specify that an individual who has an emotional support animal is entitled to full and equal access to all housing accommodations, and would prohibit such accommodations from charging a fee for emotional support animals. Under the bill, individuals would be liable for damage caused by their emotional support animal.

Illinois [HB 1645](#) is scheduled for a February 26 hearing in the House Judiciary – Criminal Committee. This bill would make it a crime to knowingly misrepresent that an animal is a service animal.

Illinois [HB 3671](#) was introduced on February 15 by Rep. Andre Thapedi, D-Chicago, and referred to the House Rules Committee. This bill would authorize landlords to request supporting documentation from individuals who request the use of an assistance or service animal. It also provides that landlords may require tenants to cover costs for damage caused by such animals.

Missouri [HB 107](#) passed the House Agricultural Policy Committee on February 20. This bill would create penalties for the misrepresentation of service animals and emotional support animals.

North Dakota [HB 1259](#) passed the House on February 15 and was transmitted to the Senate, where it was referred to the Judiciary Committee. This bill would create penalties for knowingly making a false claim that a pet is a service animal in order to obtain a reasonable housing accommodation or gain admission to a public place.

Rhode Island [HB 5299](#) is scheduled for a February 27 hearing in the House Health, Education and Welfare Committee. This bill would prohibit the misrepresentation of an animal as a service animal for the purpose of acquiring any right or privilege afforded to disabled persons.

Real Estate License Law

California [AB 687](#) was introduced on February 15 by Asm. Tom Daly, D-Santa Ana, and is awaiting committee referral. This bill would authorize limited liability companies to become licensed as real estate brokers.

Hawaii [HB 63](#) passed a second reading in the House on February 14, and was subsequently referred to the House Consumer Protection and Commerce Committee. This bill would require a high school education or equivalent as a prerequisite for obtaining a license as a real estate broker or salesperson. A companion bill, [SB 770](#), is scheduled for a February 21 hearing in the Senate Commerce and Consumer Protection Committee.

Missouri [SB 36](#) passed a second reading in the Senate on February 20 and is now awaiting a third reading in that chamber. 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, [HB 106](#), is pending in the House Judiciary Committee.

Nebraska [LB 384](#) passed the Banking, Commerce and Insurance Committee on February 19 and advanced to Enrollment and Review. This bill would increase the period of time served as a salesperson in order to qualify for a broker's license, and would impose new continuing education requirements on all licensed brokers in the state.

Seller Disclosures

Hawaii [SB 1126](#), passed a second reading in the Senate on February 15, and was subsequently referred to the Senate Commerce, Consumer Protection and Health Committee, where it is scheduled for a February 26 hearing. This bill would require that a vulnerable coastal property statement accompany the sale of a vulnerable coastal property. It would also require seller disclosures for real estate located within a sea level rise exposure area. A companion bill, [HB 565](#), passed a second reading in the House on February 8 and was subsequently referred to the House Consumer Protection and Commerce Committee.

Hawaii [SB 1340](#) passed the Senate Water and Land Committee and a subsequent second reading on February 14. The bill was then referred to the Senate Judiciary and Commerce, Consumer Protection and Health committees, where it is scheduled for a joint hearing on February 27. This bill would require mandatory seller disclosures in real estate transactions to include identification of residential real properties lying within a sea level rise exposure area.

Illinois [SB 1559](#) was introduced on February 15 by Sen. David Koehler, D-Peoria, and referred to the Senate Assignments Committee. This bill would require landlords to provide that before a lease is signed, landlords must provide each tenant with a record or report outlining radon concentrations within the dwelling unit.

Illinois [SB 1876](#) was introduced on February 15 by Sen. Sue Rezin, R-Morris, and referred to the Senate Assignments Committee. This bill would require lessors to disclose to lessees the risks of flooding for dwelling units located on or below the second floor of a building. It would also require lessors to disclose

if their insurance does not cover the loss of a lessee's personal possessions due to flood, fire or other risk of loss.

Indiana [HB 1495](#) passed the House Financial Institutions Committee on February 19. 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.

North Dakota [HB 1251](#) was referred to the Senate Industry, Business and Labor Committee on February 18; the bill previously passed the House on January 21. This bill would require, prior to an agreement for the sale, exchange or purchase of real estate, the seller to make a written disclosure to the buyer including all material facts of which the seller is aware could adversely and significantly affect an ordinary buyer's use and enjoyment of the property.

Rental Restrictions

Local Short-Term Rental

Arizona [HB 2672](#) is scheduled for a February 21 hearing in the House Government Committee. This bill would authorize municipalities to limit the maximum number of occupants of short-term rentals, set curfews for guests at short-term rentals, and require the installation of security monitors at short-term rentals. The bill would also prohibit the nonresidential use of short-term rentals. Finally, the bill would require online lodging operators to obtain a transaction privilege tax license.

Illinois [HB 2919](#) was introduced on February 14 by Rep. Michael Zalweski, D-Riverside, and referred to the House Rules Committee. This bill would prohibit local governments from enacting or enforcing regulations or ordinances that would prohibit short-term rentals. It would, however, authorize local governments to regulate short-term rentals on the basis of public health, safety, sanitation, traffic control and other circumstances. It would also require hosting platforms to apply, collect and remit taxes imposed on short-term rentals.

Vermont [HB 280](#) was introduced on February 20 by Rep. Michael Marcotte, R-Newport, and is awaiting committee referral. This bill would require short-term rentals to be inspected and licensed in the same manner as other types of lodging accommodations, such as hotels.

Homeowners' Associations

Indiana [HB 1138](#) passed a second reading in the House on February 20 and is now awaiting a third reading in that chamber. This bill would require that disputes involving homeowners' associations, if not resolved through an informal grievance process, be resolved through binding arbitration.

Rent Control

Illinois [HB 255](#) is scheduled for February 27 hearings in the House Judiciary – Civil Committee and the House Commercial Law Subcommittee. This bill would repeal the state’s [Rent Control Preemption Act](#), which prohibits municipalities from enacting or enforcing rent control measures.

Illinois [HB 2192](#) is also scheduled for February 27 hearings in the House Judiciary – Civil Committee and House Commercial Law Subcommittee. This bill would create the Rent Control Act, which would establish regulations concerning rent stabilization rates for certain lessors and properties, and would impose rent control registration fees to fund a small rental property owner repair and improvement fund.

Minnesota [HF 1214](#) was introduced on February 14 by Rep. Pat Garofalo, R-Farmington, and referred to the House Housing Finance and Policy Committee. This bill would repeal a provision of law that authorizes municipalities to enact rent control ordinances.

Oregon [SB 608](#) passed the House Human Services and Housing Committee on February 20. This bill would limit rent increases to no more than seven percent plus the average change in the consumer price index, no more than once in any 12-month period. It also contains provisions relating to the conversion of tenancies from fixed-term to month-to-month, and prohibits evictions without cause during the first year of occupancy.

Electronic and Remote Notarization

Arizona [SB 1030](#) passed the Senate on February 18 and was transmitted to the House, where it is awaiting committee referral. This bill would allow a notary public to perform a notarial act by means of an electronic device or process for a remotely located individual, known as a remote online notarization. The bill would also establish registration and recordkeeping requirements for such notarizations.

Colorado [HB 1167](#) passed the House State, Veterans and Military Affairs Committee on February 14 and was subsequently referred to the House Finance Committee. 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.

Hawaii [HB 77](#) is scheduled for a February 22 hearing in the House Judiciary Committee. This bill would authorize notaries public to perform remote notarizations in the state.

Idaho [SB 1111](#) was introduced on February 14 by the Senate State Affairs Committee, and subsequently referred to that committee for consideration. This bill would authorize the use and acceptance of remote electronic notarizations in the state.

Iowa [HSB 167](#) was introduced on February 14 by the House State Government Committee and referred to a subcommittee of that committee. This bill would authorize the use of electronic notarizations in the state.

Kentucky [SB 194](#) was introduced on February 14 by Sen. Stephen West, R-Paris, and referred to the Senate Judiciary Committee. This bill makes numerous changes to state law governing the practice of

notaries public in the state, including authorizing the use of electronic notarizations in real estate transactions, and registration and recordkeeping requirements for electronic notarizations.

Missouri [SB 409](#) was introduced on February 19 by Sen. Paul Wieland, R-Jefferson City, and is awaiting committee referral. This bill would outline the statutory procedures for remote online notarizations in the state, and the processes by which the recorder of deeds is to document such notarizations.

Oklahoma [SB 915](#) passed the Senate Judiciary Committee on February 19. This bill would authorize notaries public to certify electronic documents remotely. The bill would also create registration and recordkeeping requirements for such notarizations.

Transfer/Conveyance Taxes

Hawaii [SB 1120](#) passed a second reading on February 14 and was referred to the Senate Ways and Means Committee. This bill would increase the rate of real estate conveyance tax for properties with a value of \$2 million or greater.

Rhode Island [HB 5397](#) was introduced on February 14 by Rep. Katherine Kazarian, D-East Providence, and referred to the House Finance Committee. This bill would exempt housing developments financed in whole or in part with federal low-income tax credits, nonprofit corporations, tax exempt entities, and own real estate under an affordable housing program from the state's real estate conveyance tax.

Session Overview

Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming are in regular session. The **District of Columbia, Puerto Rico** and the **United States Congress** are also in regular session.

The following states are scheduled to convene their 2019 legislative sessions on the dates provided: **Alabama** and **Florida** (March 5) and **Louisiana** (April 8).

The following states are scheduled to adjourn on the dates provided: **Virginia** (February 23) and **Wyoming** (February 27).

The following states had crossover deadlines on the dates provided: **Virginia** (February 5); **Wyoming** (February 6); **Georgia** (February 11) and **Mississippi** (February 14).

The following states have crossover deadlines on the dates provided: **Arizona, Colorado** and **North Dakota** (February 22); **Indiana** and **South Dakota** (February 25); **West Virginia** (February 27) and **Kansas** (February 28).

District of Columbia Democratic Mayor Muriel Bowser has 10 days from presentment, not including weekends or holidays, to sign or veto a bill or it becomes law without signature. **Illinois** Democratic Gov. Jay Robert Pritzker has 60 calendar days while the legislature is in session to act on legislation or it becomes law without signature. **Massachusetts** Republican Gov. Charlie Baker has 10 days after a bill has been presented to either sign or veto the measure or it becomes pocket vetoed. **New York** Democratic Gov. Andrew Cuomo has 10 days from presentment, Sundays excepted, to sign or veto legislation or it becomes law without signature. **U.S.** Republican President Donald Trump has 10 days from presentment to act on legislation, Sundays excepted, or the bill is pocket vetoed.

The following states are currently holding 2019 interim committee hearings: [Alabama](#) and **Florida** [House](#) and [Senate](#).

The following states are currently posting 2019 bill drafts, prefiles and interim studies: **Florida** [House](#) and [Senate](#) and [Louisiana](#).

Special Elections

Virginia held a special election on February 19 for House District 86. The seat became vacant after Rep. Jennifer Boysko, D-Fairfax, won a special election for Senate District 33. Ibraheem Samirah, D-Fairfax, was able to defeat Gregg Nelson, R-Fairfax, by receiving 60 percent of the vote. Unofficial results can be found [here](#).

The following seats will be filled by special elections on the dates provided: **Louisiana** House districts 12, 17, 18, 26, 27, 47 and 62 (February 23); **Connecticut** House districts 39 and 99 and Senate districts 3, 5, 6 and 39 (February 26); **Kentucky** Senate District 31 and **Rhode Island** House District 68 (March 5); **Georgia** House District 176, **Maine** House District 124, **Mississippi** House districts 32, 71 and 101, **Pennsylvania** House districts 114 and 190 and **Tennessee** Senate District 32 (March 12); **South Carolina** Senate District 6 (March 26) and **Pennsylvania** Senate District 37 (April 2); **Tennessee** Senate District 22 and **South Carolina** House District 14 (April 23); **California** Senate districts 1 and 33 (June 4) and **Florida** House districts 7, 38, and 97 (June 18).