

## REALTOR® Party State Legislative Monitor Weekly Report March 28, 2019

### Affordable Housing

**California** [AB 11](#) is scheduled for an April 10 hearing in the Assembly Housing and Community Development 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](#) is scheduled for an April 8 hearing in the Assembly Revenue and Taxation Committee. 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.

**Maine** [LD 1398](#) is scheduled for an April 10 hearing in the Joint Energy, Utilities and Technology Committee. This bill would authorize the Efficiency Maine Trust to provide support for new home constructions.

**Montana** [HB 527](#) passed the Senate Taxation Committee on March 25. 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.

**Tennessee** [SB 176](#) was heard on March 26 in the Senate State and Local Government Committee, following which it was referred to the Committee's General Subcommittee. This bill would establish the "Affordable Rental Property Act" and would reduce property tax rates in areas identified to have a lack of affordable housing stock in exchange for the development of affordable housing by property owners. It would also authorize municipalities to enact inclusionary zoning ordinances, which are currently blocked by state law. Finally, the bill would grant property tax breaks for seniors in areas with appreciating home values. A companion bill, [HB 201](#), is pending in the House Government Operations Committee's Property and Planning Subcommittee.

**Utah** [SB 34](#) was presented to Republican Gov. Gary Herbert on March 25. Governor Hebert has a deadline of April 14 to take action on this bill or it will become law without his signature. As passed the legislature, this bill would establish the Olene Walker Housing Loan Fund, which would be used to provide loans and grants to municipalities and counties for the purchase of land to be used to develop moderate income housing units.

**Vermont** [SB 161](#) is scheduled for a March 29 hearing in the Senate Finance Committee. This bill would make numerous changes to affordable housing policy in the state, including authorizing new housing bonds, expanding the scope of the state's property transfer tax, increasing the first-time home buyer tax credit, and expanding the scope of the state's tax on short-term rentals.

## Growth Management

**North Carolina** [SB 355](#) was introduced on March 26 by Sen. Dan Bishop, R-Mecklenburg, and referred to 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 1746](#) is scheduled for a March 28 hearing the Senate Financial Institutions, Economic Development and Trade Committee. 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.

**Washington** [SB 5812](#) is scheduled for an April 2 hearing in the House Local Government Committee. This bill would require certain cities and counties to adopt ordinances and zoning regulations which authorize creating accessory dwelling units within designated urban growth areas by June 1, 2021. A companion bill, [HB 1797](#), is pending in the House.

## Home Buying Programs

**California** [SB 384](#) is scheduled for an April 10 hearing in the Senate Environmental Quality Committee. Under current law, individuals may exclude up to \$250,000 or \$500,000 of gross income from taxation for the purchase of a first-time home. This bill would increase that amount to \$300,000 or \$600,000.

**Illinois** [HB 3282](#) is scheduled for a March 28 hearing in the House Property Tax Subcommittee. 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

**Illinois** [HB 1655](#) is scheduled for March 28 hearings in the House Revenue and Finance Committee and Income Tax Subcommittee. This bill would create the "Illinois First-Time Homebuyer Savings Account Act." It would allow first-time homebuyers to open a savings account to pay or reimburse costs in connection with a qualified first-time home purchase.

**Montana** [HB 709](#) was introduced on March 21 by Rep. Jim Hamilton, D-Bozeman, and referred to the House Taxation Committee, where it is scheduled for a March 28 hearing. This bill would authorize first-time home buyer savings accounts in the state. The accounts would allow for a maximum deduction of \$3,500 in tax year 2019 and would increase by \$500 annually.

**Pennsylvania** [SB 309](#) passed the Senate Urban Affairs Committee on March 27. 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, [HB 128](#), passed the House on February 21 and is pending in the Senate Urban Affairs and Housing Committee.

**Washington** [HB 1798](#) is scheduled for a March 28 hearing in the Senate Financial Institutions, Economic Development and Trade Committee. 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. An identical companion bill, [SB 5870](#), is pending in the Senate Financial Institutions, Economic Development and Trade Committee.

**Washington** [SB 5334](#) passed the House Civil Rights and Judiciary Committee on March 22 and was subsequently referred to the House Rules 2 Committee. This bill would 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 bill also contains provisions granting certain immunities to officers and board members of condominiums.

## Emotional Support Animals

**Florida** [HB 721](#) passed the Children, Families and Seniors Subcommittee of the House Judiciary Committee on March 26 and is now awaiting consideration before the full Judiciary Committee. This bill would specify that individuals with disabilities who have emotional support animals are entitled to access to housing accommodations and would prohibit charging an individual extra for such accommodations. The bill would also prohibit the misrepresentation of an animal as an emotional support animal.

**Florida** [SB 1128](#) passed the Senate Innovation, Industry and Technology Committee on March 26 and was subsequently referred to the Senate Rules Committee. 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 3671](#) passed the House Judiciary – Civil Committee on March 27. 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.

**Iowa** [SF 341](#) passed the House Commerce Committee on March 26. 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.

**Kentucky** [HB 411](#) was signed by Republican Gov. Matt Bevin on March 26 and will take effect on June 26. This act will allow lessors to evict lessees if a lessor is found to have misrepresented an animal as a service animal.

**North Dakota** [HB 1259](#) passed the Senate on March 25 and was returned to the House, where it is awaiting enrollment. 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.

**South Carolina** [SB 281](#) is scheduled for a March 28 hearing in the Senate Agriculture and Natural Resources Committee. This bill would specify that intentional misrepresentation of a service animal is a misdemeanor and would outline penalties for violations.

**Tennessee** [HB 1190](#) is scheduled for an April 4 hearing on the House floor. This bill would authorize landlords to request documentation from tenants relating to service or support animals. A companion bill, [SB 1393](#), passed the Senate Commerce and Labor Committee on March 26.

## Real Estate License Law

**Arkansas** [HB 1703](#) is scheduled for a March 29 hearing in the House Insurance and Commerce Committee. This bill would reduce the minimum number of annual continuing education requirements for real estate licensure from six hours per year to four hours per year and create a new two-year license that requires a minimum of eight continuing education hours per two-year cycle.

**Hawaii** [SB 770](#) is scheduled for a March 28 hearing in 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, [HB 63](#), is pending in the House Consumer Protection and Commerce Committee.

**Illinois** [HB 2960](#) passed the House Commerce and Innovation Subcommittee on March 27, though no action was taken on the bill and it remains pending. This bill would prohibit the creation of real estate appraisal or market value reports unless the creator holds a real estate license in the state.

**Kansas** [SB 60](#) passed the House on March 26. The bill is now awaiting enrollment and transmission to Democratic Gov. Laura Kelly. This bill would make numerous changes to real estate licensure, including changes to application fee payments, eliminating temporary licenses, altering continuing education requirements, deactivation and reinstatement of licenses, and suspension and revocation of licenses.

**Mississippi** [SB 2697](#) was signed by Republican Gov. Phil Bryant on March 22 and will take effect July 1. This act will provide for qualifications for trainee real estate appraisers.

**Nebraska** [LB 384](#) was signed by Republican Gov. Pete Ricketts on March 21 and will take effect July 1, 2020. This act will 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.

**New Jersey** [SB 2472](#) passed the Senate on March 25 and is awaiting transmission to the Assembly. This bill would require real estate licensees to complete at least one hour of education concerning fair housing and housing discrimination as a prerequisite for licensure as a broker, broker-salesperson or salesperson, and complete at least one hour of continuing education concerning fair housing and housing discrimination during each biennial license term as a broker, broker-salesperson or salesperson. A companion bill, [AB 3756](#), is currently awaiting a second reading in the Assembly.

## Seller Disclosures

**Indiana** [HB 1495](#) was heard in the Senate Judiciary Committee on March 27, however no action was

taken on the bill and it remains pending. 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.

**Maine** [LD 89](#) is scheduled for a March 28 hearing in the Joint Judiciary Committee. This bill would require landlords and other persons entering into a lease or tenancy to disclose to the potential tenant or lessee that a property has been used in the manufacture of methamphetamine. It would also require landlords to ensure that property used in the manufacture of methamphetamine be decontaminated and tested in accordance with EPA standards.

**Maine** [LD 229](#) passed the Joint Judiciary Committee on March 14 with [minor amendments](#). This bill would require sellers of residential real property to disclose to the buyer whether the chimneys and vents of the property have been inspected.

**New York** [AB 6936](#) was introduced on March 27 by Asm. Joseph Lentol, D-Brooklyn, and referred to the Assembly Judiciary Committee. This bill would require real estate owners and landlords to disclose if a property has ever been used as a methamphetamine lab when the property is sold or leased.

**Rhode Island** [SB 466](#) is scheduled for a March 28 hearing in the Senate Judiciary Committee. This bill would require sellers of real estate to provide a disclosure of the annual building energy cost estimate by an approved energy rater. A companion bill, [HB 5730](#) is pending in the House Corporations Committee. A similar bill, [HB 5774](#), is also pending in the House Corporations Committee.

## Rent Control

Three **Illinois** bills relating to rent control were heard in the House Commercial Law Subcommittee on March 27, however the committee did not take action on any of the proposals at this time, these bills include:

- [HB 255](#), which would repeal the state's [Rent Control Preemption Act](#), which prohibits municipalities from enacting or enforcing rent control measures.
- [HB 2192](#), which 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.
- [HB 3207](#), which would create the Rent Control Act, which would establish rent control boards in every county. These boards would be required to implement rent control regulations in each county based on income and the average rent for a dwelling in that county. It would also repeal the existing Rent Control Preemption Act.

## Local Short-Term Rental

**Arizona** [HB 2672](#) is scheduled for a March 28 hearing in the Senate Commerce Committee. As passed the House, 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 heard in the House Executive Committee on March 27, however no action was taken on the bill. 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.

**Maryland** [SB 533](#) passed the Senate Budget and Taxation Committee on March 27 with [minor amendments](#). This bill would require hosting platforms to collect and remit the sales and use tax on short-term rentals. It would also require hosting platforms to display any taxes and fees at the time of sale. A companion bill, [HB 884](#), is pending in the House Ways and Means Committee.

**New Jersey** [AB 3721](#) passed a second reading in the Assembly on March 25. This bill would permit municipalities to regulate short-term rentals and outlines specific steps that owners and municipalities must follow when seeking to offer a short-term rental. A companion bill, [SB 1734](#), is pending in the Senate Community and Urban Affairs Committee.

**Texas** [HB 4176](#) was introduced on March 25 by Rep. Angie Button, R-Richardson, and referred to the House Business and Industry Committee. This bill would explicitly authorize homeowners or property owners' associations to adopt or enforce a bylaw regulating the use of short-term rentals.

## Electronic and Remote Notarization

**Colorado** [HB 1167](#) is scheduled for a March 29 hearing on the House floor after passing the House Appropriations Committee on March 27. 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 passed the Transportation and Tourism Appropriations Subcommittee of the House Judiciary Committee on March 26 and is now awaiting full consideration before the Judiciary Committee. As substituted, this bill would authorize online notarizations in the state and establish requirements relating to the performance of such notarizations. A companion bill, [SB 548](#), is scheduled for an April 1 hearing in the Senate Judiciary Committee.

**Idaho** [SB 1111/Chapter 160](#) was signed by Republican Gov. Brad Little on March 21 and will take effect January 1, 2020. This act will authorize the use and acceptance of remote electronic notarizations in the state.

**Kentucky** [SB 114](#) was signed by Republican Gov. Matt Bevin on March 25 and will take effect January 1, 2020. This act will authorize notaries public to perform online notarial acts in the state and sets forth requirements for such acts, and for notaries public to become licensed to perform online notarial acts.

**Maryland** [SB 678](#) is scheduled for an April 2 hearing in the House Health and Government Operations Committee. This bill contains numerous provisions relating to the regulation of notaries public in the state and would outline the manner in which remote notarial acts are to be performed.

**Montana** [HB 370](#) was presented to Democratic Gov. Steve Bullock on March 26. Governor Bullock has a deadline on April 5 to take action on this bill or it will become law without his signature. This bill would authorize the use of remote and electronic notarization in the state, and establish standards relating to the licensing and recordkeeping of notaries public authorized to perform such notarizations.

**South Carolina** [HB 3917](#) is scheduled for a hearing in the House Judiciary Committee on April 3. This bill would authorize and implement an electronic notarization system in the state. A companion bill, [SB 486](#), is also pending in the House Judiciary Committee.

**South Dakota** [HB 1272](#) was signed by Republican Gov. Kristi Noem on March 18 and will take effect July 1. This act will authorize the use of electronic and remote notarization in the state.

## Transfer/Conveyance Taxes

**Georgia** [HB 507](#) passed the Senate on March 22 and is now awaiting enrollment and transmission to Republican Gov. Brian Kemp. This bill would revise the criteria used by tax assessors to determine the fair market value of real property for the purpose of ad valorem taxation of property.

**Georgia** [SB 216](#) passed the House on March 25 and is now awaiting Senate concurrence of House amendments. As passed the House, this bill would allow local governments to accept prepayments of ad valorem property taxes.

## Session Overview

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

**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 legislative session. Additional forums are scheduled to take place in early April. The special session is currently in recess to the call of the House speaker and the Senate president.

**South Dakota** has recessed their 2019 legislative session until March 29 where they will return to consider Republican Gov. Kristi Noem's vetoes. The **Virginia** legislature is scheduled to return on April 3 to consider gubernatorial amendments and vetoes.

The following state is scheduled to convene its 2019 legislative session on the date provided: **Louisiana** (April 8).

The following states are scheduled to adjourn on the dates provided: **Idaho** and **Kentucky** (March 28); **South Dakota** (March 29); **Georgia** (April 2); **Mississippi** (April 7) and **Maryland** (April 8).

The following states have crossover deadlines on the dates provided: **New Hampshire** (April 4); **South Carolina** (April 10) and **Illinois** and **Iowa** (April 12).

**Utah** Republican Gov. Gary Herbert has until April 3 to act on legislation or it becomes law without signature. **New Mexico** Democratic Gov. Michelle Grisham has until April 5 to act on legislation presented on or after March 13 or it is pocket vetoed. **Illinois** Democratic Gov. Jay Pritzker has 60 calendar days while the legislature is in session to act on legislation or it becomes law without signature.

**Virginia** Democratic Gov. Ralph Northam had a signing deadline on March 26. **West Virginia** Republican Gov. Jim Justice had a signing deadline on March 27.

The following state is currently posting 2019 bill drafts and prefiles: [Louisiana](#).

The following states are currently holding 2019 interim committee hearings: [Virginia](#) and [Wyoming](#).

## Special Elections

**South Carolina** held a special election for Senate District 6 on March 26. The seat became vacant when Sen. William Timmons, R-Greenville County, resigned. Dwight Loftis, R-Greenville, defeated Tina Belge, D-Greenville, by receiving 56 percent of the vote. Unofficial election results can be found [here](#).

The following seats will be filled by special elections on the dates provided: **Louisiana** House districts 12, 17, 18 and 62 (March 30); **Maine** House District 52, **Mississippi** House District 101 and **Pennsylvania** Senate District 37 (April 2); **Georgia** House District 28 (April 9); **Tennessee** Senate District 22 and **South Carolina** House District 14 (April 23); **Wisconsin** Assembly District 64 (April 30); **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).