



ILLINOIS REALTORS®

LEGISLATIVE SCORECARD

2019 SESSION



4 CRITICAL BATTLES

Rent Control, License Act Rewrite,
Commercial Property Valuation Change,
Transfer Tax Increase

PLUS

More than \$230 million
in state funding for
**AFFORDABLE
HOUSING**

REALTORS®
advocate for
**PROPERTY
TAX RELIEF**



ILLINOIS
REALTORS®



It was a historic session of the Illinois General Assembly

- NEW governor + NEW administration
- More than **50** newly elected freshman lawmakers
 - **6000+** bills introduced
 - **155** bills directly affecting real estate
- **12** bills advocated by Illinois REALTORS® at Capitol Conference

4 CRITICAL BATTLES

1. Rent Control

Rent Control was a dominant issue in the General Assembly this spring, as advocates pushed to repeal the statewide ban on local Rent Control ordinances, a REALTOR®-supported law which has been in place since 1997.

Illinois REALTORS® delivered a full-court press to defeat all Rent Control bills introduced. **It was a good demonstration of how we work the bill process.**

- Illinois REALTORS® is a bipartisan and knowledgeable participant in the process.
- Our statehouse team was in constant contact with legislative leaders, lawmakers and staff.
- Member grassroots advocacy was key to our success:
 - ✓ Calls for Action – a **record 10,000 messages sent to lawmakers by members**
 - ✓ In-District member meetings with key legislators
 - ✓ Capitol Conference – 750+ members delivering the message to legislators at a key point in the bill process
- Third-party research – A REALTOR®-commissioned study provided legislators with empirical economic data reinforcing our point that Rent Control will decrease the supply and quality of rental housing
- We were a key participant and leader in a broad coalition of organizations opposed to Rent Control

The result? The bill seeking the Act's repeal never even made it out of a subcommittee. This was round one. We expect to see Rent Control come up again.

In the Rent Control debate, Illinois REALTORS® and other groups argued that Rent Control would *decrease* the supply and quality of affordable housing and urged lawmakers to focus on removing barriers and providing funding and incentives to foster the development of more affordable housing.

This approach was reflected in the capital spending program passed by the General Assembly at the end of session, which provides **more than \$230 million in funding for affordable housing development.** (Public Act 101-29)

2. Real Estate License Act Rewrite

State regulatory laws governing professions that are licensed by the state are reviewed and updated every 10 years. The current License Act was set to sunset at the end of 2019.

For a full year a REALTOR®-member task force reviewed and suggested initiatives that would lead to changes to the Act. The Board of Directors approved these initiatives and our Legal Team drafted proposed legislation in the areas of business practices, education and enforcement.

Illinois REALTORS® legal team and statehouse lobbyists worked very closely with the Illinois Department of Financial and Professional Regulation.



After some give-and-take negotiations, we were able to jointly present an “agreed bill” to the General Assembly, which was key to moving the legislation through the process. **The bill passed with unanimous bipartisan support.**

The new law (Public Act 101-0357) will modernize and improve the Act for the benefit and greater protection of the real estate consumer, enhance the education of real estate licensees and streamline the administration of the Act.

- Enhancement of pre- and post-licensing requirements; reduces pre-license hours from 90 to 75 hours and overhauls post-license education from the current 30 hours to a 45-hour program that targets essential skill-building;
- Enhances and more clearly specifies managing broker supervisory responsibilities, especially for new licensees;
- Reduces the minimum age for obtaining a license from 21 to 18;
- Defines and recognizes real estate brokerage “teams” and addresses the use of team names in advertising;
- Clarifies and streamlines consumer access to the Real Estate Recovery Fund and addresses and clarifies other disciplinary provisions.

Learn more: www.IllinoisRealtors.org/RELA_rewrite

3. Cook County Assessor Initiative - Data Reporting on Income-Producing Properties

The newly elected Cook County Assessor backed a bill this session which would have altered how the office establishes the assessed value of commercial property for property tax purposes. The legislation was of critical importance to REALTORS® because commercial property in Cook County has been targeted in the past, and the commercial sector is already sensitive to sudden valuation changes.

We questioned various elements of the bill which sought to require the annual submission of detailed income, expense and other financial information regarding many types of income-producing properties.

REALTOR® opposition in part resulted in the bill NOT being called in the final days of the session, although the assessor’s office has made clear it will try again to pass the bill as early as the fall veto session.



Top REALTOR® Issues Snapshot

Status of Opposed Legislation

- Rent Control (HB 255, HB 2192, HB 3207) - **STOPPED**
- Tripling of the Real Estate Transfer Tax for Nonresidential Property (House Amendment #2, SB 690) - **STOPPED**
- Changes to Tax Assessment of Commercial Property in Cook County (SB 1379, HB 2217) – **STOPPED**
- Prohibiting a real estate licensee or any member of their immediate family from serving as a Township Assessor (Senate Amendment #1, SB 683) - **STOPPED**
- Making “Source of Income” (including Section 8 vouchers) a Protected Class under the Illinois Human Rights Act (HB 926) - **STOPPED**
- Tenants Radon Protection Act (SB 1559) - **STOPPED**
- Sealing and Impoundment of Eviction Records (HB 2299) - **STOPPED**
- Duplicative or Onerous Wetlands Regulation (SB 1352) - **STOPPED**
- Prohibition on using “comps” in assessment appeals for commercial property with certain covenants (SB 1160) - **STOPPED**
- PACE Financing for Residential Properties (SB 1296) - **STOPPED**
- Removing Publication Requirement for Local Government Public Notices (SB 189, Senate Amendments to SB 1061) - **STOPPED**
- Designating homeowners and property managers as “Direct Contractors” under the Department of Labor’s Wage Payment and Collection Act if they hire contractors to work on their property (HB 2838) - **STOPPED**
- Excessively broad water heater safety regulations which would impose penalties, costs, inspections and other regulations on virtually EVERY homeowner and tenant (HB 3427) - **STOPPED**

Supported Legislation

- Real Estate License Act Rewrite (Public Act 101-0357/ SB 1872) – **PASSED**
- Local Government Consolidation (Public Acts 101-0230/HB348, Public Act 101-0111/HB 3369, Public Act 101-0298/SB 90) – **PASSED**
- Codification of fundamental rights of Illinois citizens to be free from non-consensual or unwarranted property inspections (HB 2206) – **NOT CALLED FOR FINAL VOTE**
- Encourage private property owner incentives to eliminate duplicative permit requirements under the Illinois Endangered Species Act (HB 2425) – **HELD IN THE HOUSE**
- Property tax incentives for new construction and rehab projects that designate some units as “affordable” rental housing (SB 2259/HB 2168) – **NOT CALLED FOR FINAL VOTE**

Visit www.IllinoisRealtors.org/CapitolReport for detail on these and more bills of interest to REALTORS® (member login required).



REALTORS® Advocate for Property Tax Relief

1. Local Government Consolidation Measures

Illinois REALTORS® has consistently supported legislative efforts to eliminate or consolidate the staggering number of property tax-funded units of government in Illinois. This year we successfully helped pass three bills to consolidate local government. (Public Acts 101-0230, Public Act 101-0111, Public Act 101-0298)

2. Property Tax Relief Task Force

Public Act 101-181 creates a new Property Tax Relief Task Force, which has been directed to identify the causes of increasingly burdensome property taxes in Illinois, review best practices and make recommendations needed for property tax relief. The task force's final report is due Dec. 31, 2019.

Online 2019 Legislative Scorecard
www.IllinoisRealtors.org/Advocacy

Download full session recap report
www.IllinoisRealtors.org/CapitolReport
(member login required)



4. Tripling of the Real Estate Transfer Tax on Non Residential Property

In the final hours of overtime session on June 2, a \$45 billion capital funding bill was introduced. Our statehouse lobbyists quickly discovered that buried in the 716-page amendment was a proposed **tripling of the state's real estate transfer tax on nonresidential real estate.**

This would have been a MAJOR tax on buying and selling real estate. The current state tax rate is \$1 per \$1,000; it would have increased to \$3 per \$1,000 of value. In the end, the tax increase was removed.

Why was the tax removed? Bottom line, because of our strong relationships with legislative leaders and our effective statehouse and grassroots advocacy over many decades on behalf of all property owners and investors.

- **Relationships matter.** We are a trusted source regarding the economic and community impact of proposed legislation.
- **Numbers matter.** REALTOR® grassroots lobbying through Calls for Action and coming by the hundreds to Capitol Conference are constant reminders to legislators of how their local constituents feel about issues.
- **Elections matter.** REALTORS® devote extensive resources through RPAC and Independent Expenditures to be effective participants in elections at all levels to help elect candidates that share our views.

VOTE, ACT, INVEST!

Our grassroots REALTOR® advocacy and relationship-building focus make all the difference to help educate lawmakers on the impact of their decisions on the economy, homeowners and private property rights.

Illinois REALTORS® continues to need help from our 50,000 REALTOR® members in the upcoming legislative sessions and the 2020 elections. **Thank you for your continued vigilance and support.**

1 VOTE

- **March 17, 2020**
Primary Election
- **Nov. 3, 2020**
General Election

2 ACT

- Come to Illinois REALTORS® Capitol Conference
April 21, 2020
- Sign up for REALTOR® Party Mobile Alerts by texting the word **REALTORS to 30644**

3 INVEST

Just \$20 makes a difference!

Invest in your business by investing in the REALTORS® Political Action Committee. "If you're not at the table, you're on the menu."

www.RPACnow.com

The REALTORS® Political Action Committee (RPAC) solicits contributions from Illinois REALTORS® members only.

