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ILLINOIS REALTORS® **EEGSSATIVE** SCORECARD

2022 SESSION

Revised Seller Disclosure Report Source of Income - Human Rights Electric Vehicle Charging Act Vacancy Fraud Act The 2022 session was challenging and unique with the movement of the primary election from March to June accelerating the legislative schedule. Nonetheless, the REALTOR® advocacy agenda was largely a story of success, due to our formidable advocacy efforts that are backed by our 50,000+ REALTOR® voices in every legislative district throughout our state's vast boundaries.

1. Revised Seller Disclosure Report

The Residential Real Property Disclosure Act (the "Act") was revised and changes became effective immediately upon Gov. J.B. Pritzker's signature on May 13, 2022. It was an initiative of the Illinois Real Estate Lawyers Association and was thoroughly vetted by our legal counsel and lobbyists, along with the legislative sponsors, who are close allies of the **REALTORS®**. The amendatory legislation updates existing provisions and the form itself has been slightly revised due to the changes in this bill.

The new law, Public Act 102–0765, includes updates and clarifies several "frequently asked questions" which resulted in a new seller disclosure report form. Seller clients should be using the new report form including the updated sections of the law that must accompany each report.

Even if sellers completed the form prior to Friday, May 13, 2022, prudence would suggest completion of a "new" report if the listing is not yet under contract to sell. The seller should be directed to legal counsel if there is a question.

At this point, if sellers have completed disclosure reports dated after Friday, May 13, 2022, the effective date of the Act, they should complete a "new" report. Generally, this would be the prudent thing for sellers to do. If you have seller clients who are reluctant to complete an updated report, advise the sellers to talk to their attorney.

For more information please visit: www.IllinoisRealtors. org/blog/illinois-residential-real-property-disclosurereport-has-been-updated-new-form-effectiveimmediately/

2. Source of Income - Human Rights

For more than 30 years, **Illinois REALTORS®** has opposed legislation that would effectively make it a human rights violation to deny someone a rental unit solely because the prospective tenant is a housing choice voucher recipient. This would essentially compel landlords to sign up for the program. This "source of income" provision is already law in the city of Chicago, Cook County, and in several other Illinois municipalities.

During the spring 2021 session, House Bill 2775 was introduced as the usual "source of income" (SOI) protection in the Human Rights Act. The bill narrowly passed the House, but ultimately was never called in the Senate. The bill was dormant until this year.

When the legislature picked up House Bill 2775 again this spring, amendments were proposed to greatly expand the bill with provisions **Illinois REALTORS®** strongly opposed. In essence, the SOI initiative became a magnet for the favorite ideas of tenant advocacy groups.

These provisions were not part of previous source of income legislation or discussions. With a rent control bill pending in the House at the time, and the harmful provisions being added to the source of income bill, our lobbying efforts shifted to keeping the additional sweeping proposals out of the underlying bill.

Through our strong relationships with legislative leaders, our relentless Statehouse and grassroots advocacy, our reputation as a trusted resource on housing issues, and the goodwill generated by the countless hours spent on this legislation, we were successfully able to remove all other onerous provisions. The bill was pared down to specifically mirror the language of existing SOI ordinances in Chicago and Cook County. With those changes, the narrowed bill passed both chambers and was signed into law by Gov. Pritzker, to become effective Jan. 1, 2023. Though the bill's passage may be a bitter pill for some rental owners and managers, there are also those who would argue that our continued opposition made us seem uncharacteristically exclusionary. Some observers also held growing concerns that a strict "no Section 8" rental policy would potentially expose landlords and managers to "disparate impact" fair housing complaints, where minorities are disproportionally affected.

The passage of HB 2775 eliminates the need to defeat this initiative year in and year out at a substantial expense of goodwill and political capital. **Illinois REALTORS®** will provide ongoing resources to our members who are housing providers to make navigating the program as straightforward and practical as possible. Watch **Illinois REALTORS®** media channels for more on this important topic prior to Jan. 1, 2023.

3. Electric Vehicle Charging Act

The Electric Vehicle (EV) Charging Act would have mandated new or renovated residential buildings, including single-family homes, to have the electrical infrastructure and components necessary for the installation of electric vehicle chargers.

Illinois REALTORS® has **OPPOSED** this legislation since it was first introduced in 2020. After months of negotiations with no agreement, we opposed House Bill 3125 and testified against the bill in committee. House Bill 3125 passed through committee and passed on the House floor with the sponsor's commitment to hold the bill for further negotiations.

Illinois REALTORS® urged legislators to let developers and housing providers be innovative in how they accommodate vehicle charging needs on their premises, and how they adapt to this ever-evolving technology. We also cautioned lawmakers not to forge ahead with a sweeping and expensive mandate on developers to install charging stations and the required electrical infrastructure upgrades for ALL new single and multifamily housing construction.

Technology changes rapidly and what is needed today might be obsolete in the near future. This is, in essence, a "cart before the horse" proposal that would impose a very expensive mandate. We stressed that, with housing inventory at an all-time low and given such uncertainty in the marketplace, now is not the time to impose an expensive, and potentially shortsighted infrastructure component.

Top REALTOR® Issues Snapshot

OPPOSED LEGISLATION

- **STOPPED:** Mobile Home Sale Terms/Leases (HB 4248)
- **STOPPED:** Prohibits Landlords Requiring Electronic Payments (HB 4786)
- **STOPPED:** Mold Inspections (HB 4939, HB 5131)
- **STOPPED:** Requires Two-day Notification from Landlord to Tenant (HB 5022)
- **STOPPED:** Sealed Eviction Records (HB 5180, SB 3913, SB 3973)
- **STOPPED:** Affirmative Defense to Eviction (HB 5284, HB 5299, SB 3739)
- **STOPPED:** Omnibus Tenant Protection Act (HB 5390, SB 3992)
- **STOPPED:** Requires Electric Charging Stations in New Buildings (HB 5571)
- **STOPPED:** Prohibits Landlord Compelling Tenants to Display Signs (SB 3004)
- **STOPPED:** Water Heater Valve Safety (HB 4482)
- **STOPPED:** Sellers Disclose if Purchased Flood Insurance (HB 4793)
- STOPPED: Lead inspections (SB 3741)
- **STOPPED:** Vacancy Fraud (HB 4374, SB 3477)
- **STOPPED:** Nuisance Greenery (HB 4123)

SUPPORTED LEGISLATION

- AMENDED/PASSED: Source of Income (Public Act 102-0896/HB 2775)
- AMENDED/PASSED: Condo Reserve Study Requirement (Public Act 102-0921/HB 4158)
- AMENDED/PASSED: Special Warranty Deeds (Public Act 102-0927/HB 4270)
- AMENDED/PASSED: New Seller Disclosure Report (Public Act 102-0765/HB 4322)
- AMENDED/PASSED: Human Rights Violations (Public Act 102-0706/HB 4605)
- AMENDED/PASSED: Condo HOA Fee and Reporting Changes (Public Act 102-0976/HB 5246)
- AMENDED/PASSED: General Contractor & Subcontractor Wage Payment and Collection (Public Act 102-1076/HB 5412)

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REALTORS® Support HOA and Condo Reporting Initiatives

Illinois REALTORS® has consistently supported legislative efforts to assist and remove hurdles in condominium association and HOA reporting. Illinois REALTORS® SUPPORTED the following measures:

Public Act 102-0976 - Sets a timeframe of no more than 10 days (rather than the current 30-day limit) for the HOA to provide copies of requested information and caps any fees for providing such documents at the actual cost of providing and copying the information (current law). The Act now states that in no event may the fees charged exceed \$375.

Public Act 102-0921 - As a result of the Surfside Condo collapse in Florida, condo owners are increasingly asking for reserve studies to be made available to residents. This law adds "any reserve study that has been conducted" to the list of documents that the HOA must maintain and make available upon request.

Mold Disclosure and Abatement

Measure Stalled - Two repeat measures were again introduced in the 2022 session to require mold disclosure and abatement. One bill would have required landlords to pay for mold tests and removal if mold was found in senior living residences. The other would have added an additional item to the residential real property disclosure form, requiring sellers to disclose if they are aware of "unsafe concentrations of and/or unsafe conditions due to mold on the premises."

We **OPPOSED** both measures because no standards exist to determine what constitutes a mold hazard or what type and volume of mold would constitute a hazard. The sponsors agreed to hold the bills for possible further study and discussions in the future. Additionally, recently enacted state and federal legislation contains hundreds of millions of dollars for electric vehicle charging infrastructure and components. It would be foolish to impose an expensive, unfunded mandate before exhausting potential incentive and grant-based programs.

The Electric Vehicle Charging Act passed on the House floor with a vote of 68-35-0, but with the help of **REALTOR®** opposition and our strong advocacy efforts, the bill was NOT called in the Senate in the final days of session. We expect other EV initiatives to arise in the coming months.

4. Vacancy Fraud Act

The Vacancy Fraud Act would have allowed for the Cook County Assessor's office to file a "vacancy fraud" complaint if a vacant commercial property is being assessed at a rate lower than if it were occupied, and the property owner is not actively attempting to sell or lease the property.

Illinois REALTORS® strongly **OPPOSED** the Vacancy Fraud Act and stressed that there are a multitude of perfectly legitimate reasons a property owner might have for holding vacant property and not actively trying to sell or lease it.

Illinois REALTORS® collaborated with other stakeholders and succeeded in getting state Sen. Laura Murphy and proponent groups to hold the bill. We will continue to discuss the issue to clarify any legitimate concerns in the future.



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. If you're not at the table, you're on the menu.



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- Attend Capitol Conference
 April 25, 2023
- Scan the QR Code and complete a short form to receive REALTOR® Party Mobile Alerts



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