

Capitol Conference REALTOR® LOBBY DAY

— **SPRING 2025** —

LEGISLATIVE ISSUES





Illinois REALTORS® Housing Stability and Affordability Initiative

During this legislative session, Illinois REALTORS® ramped up its advocacy efforts and introduced its “Housing Stability & Affordability Initiative,” which includes bills it has worked with Gov. JB Pritzker’s office and state legislators to develop, all aimed at increasing housing stability and affordability. Specifically, these measures would increase housing supply, help first-time homebuyers and tackle zoning and local regulations that hinder growth.

Sensible Zoning Reform to Create Missing Middle Housing

SUPPORT - HB 1814 (Rep. Rita)

Known as the “Missing Middle Housing Act,” **HB 1814** tackles housing density while combating negative gentrification by allowing for “sensible zoning reform” that will create a multitude of housing typologies considered “middle housing.”

Almost every authority on zoning reform, as it relates to the housing shortage in America, agrees on several “must have” changes that need to happen. One of those is reducing the minimum lot size requirements in all local zoning codes.

- ▶ In new single-family home subdivisions, it’s common for minimum lot sizes to be 7,500 square feet. This has two obvious practical effects.
- ▶ First, it reduces the total number of homes that can go on a piece of land, further restricting supply.

- ▶ Second, it requires builders to construct larger and more expensive homes on large lots to make the development economically feasible. When you hear the words “suburban sprawl,” this is where it comes from.

HB 1814 Allows moderate increases in neighborhood density without raising the cost of living significantly.

- ▶ Encourages varied housing typologies on larger lots to meet future housing needs and reduce land acquisition costs.
- ▶ Provides for moderate increases in neighborhood density, without dramatic increases in the cost of living.

By allowing more housing types on larger lots, developers and builders can design “missing middle” housing to meet the needs of tomorrow’s homebuyers, while reducing sprawl and costly land acquisition costs. Urge your Representative to advance **HB 1814** and **SUPPORT** more housing.

Elimination of Zoning Bans on Accessory Dwelling Units

SUPPORT - HB 1813 (Rep. Rita)

This bill creates the “Local Accessory Dwelling Unit Act,” a quick, simple and effective way to balance the need for more housing while ensuring safety standards.

Accessory dwelling units (ADUs) can have many advantages in Illinois, including:

- ▶ ADUs offer a quick, affordable housing solution due to their size and ability to increase housing density without raising the cost of living dramatically.
- ▶ Affordable housing: ADUs can provide more affordable housing options for seniors and others who don’t need full-scale assisted living.
- ▶ Community building: ADUs can provide additional housing options for family, friends and tenants.
- ▶ Increased property value: Adding an ADU can increase the overall value of your property.
- ▶ Rental income: ADUs can provide an additional stream of income for homeowners.
- ▶ Aging in place: ADUs allow seniors to age in place while remaining close to family and friends.
- ▶ Sustainability: ADUs often use fewer resources to build and maintain.
- ▶ Reduced commuting: ADUs located in urban areas can provide a housing option that is closer to work.

HB 1813 has a tremendous amount of support from legislators and is a simple, small step toward removing historical barriers to additional and non-traditional housing options.

Illinois Homebuyers Savings Account Act

SUPPORT - SB 148 (Sen. Castro)

Creates the Illinois Homebuyers Savings Account Act:

- ▶ Allows for homebuyers to receive a tax deduction for funds they save and put toward their first home purchase.
- ▶ Single tax filers may create designated savings accounts and receive a tax deduction of up to \$5,000 per year.
- ▶ Joint filers or married couples can receive up to \$10,000 in deductions each year for contributions to their account.
- ▶ The bill caps tax deductions over the lifetime of the account at \$25,000 for single filers and \$50,000 for joint filers.

SB 148 would create an easy and simple process for prospective homebuyers, banks and state agencies to administer that provides financial security and a roadmap to the American Dream of Homeownership. Ask your legislator to **SUPPORT SB 148**.

Prohibit discriminatory crime-free housing ordinances statewide

SUPPORT - HB 3110 (Rep. Gong-Gershowitz)

Prohibiting municipalities from promulgating, enforcing, or implementing any ordinance, rule, policy, program, or regulation effecting a tenancy by imposing or threatening to impose a penalty against a resident, property owner, tenant, landlord, or other person solely as a consequence of contact with a law enforcement agency.

HB 3110 would not allow municipalities and counties to require property owners to do, or impose a penalty on a property owner or landlord for the failure to do any of the following:

- ▶ Evict or penalize a tenant because of the tenant's association with another tenant or household member who has had contact with a law enforcement agency or has a criminal conviction.
- ▶ Evict, refuse to lease or refuse to renew a lease, or otherwise penalize a tenant because of the tenant's criminal history or alleged unlawful conduct or arrest.
- ▶ Include a provision in a lease or rental agreement that provides as grounds for eviction, any cause that conflicts with state or federal law.

Also, the bill would not allow municipalities to:

- ▶ Define a nuisance as, any contact by a tenant with a law enforcement agency any request by a tenant, landlord, resident or property owner for emergency assistance.
- ▶ Requires a tenant to obtain a certificate of occupancy as a condition of tenancy.
- ▶ Establish, maintain or promote a registry of tenants for the purposes of discouraging a landlord from renting to a tenant on the registry or excluding a tenant on the registry from rental housing within the local government's jurisdiction.

HB 3110, focuses on preserving housing stability and bans outright any so-called local crime-free housing ordinance and would render any existing version of a local crime-free housing ordinance invalid and unenforceable and would prohibit any municipality from creating a new, similar regulation.

NOTE: The bill was assigned to the House Housing Committee but did not receive a hearing and does not seem likely to advance in the first year of the 104th General Assembly. We ask that you continue to have conversations with your legislators and urge them to address this very vital issue.

Bring Fairness and Consistency to Impact Fees

SUPPORT - SB 1959 (Sen. Castro)

This bill would incentivize towns and cities to bring their local impact fee ordinances in compliance with state law to tackle unnecessary added costs to the home building process.

Municipal impact fees add to the cost of home building and were designed to be strictly regulated by state statute. Despite this, many municipalities have applied inflated impact fees outside of statute parameters, negatively affecting property owners, home builders, developers and community growth.

SB 1959 provides:

- ▶ Fairness and uniformity to this critical development mechanism.
- ▶ Creates consistency to the impact fee application process.
- ▶ Simpler and clearer path for home builders to advance new housing projects.

SB 1959 will not **negatively** impact any municipality that is currently in compliance with state law. Our amendment to the existing statute proposes an incentive for towns and cities not in compliance to reform their local impact fee ordinances within the next 12-18 months. The effect of these changes would be another simple step we can take to lower costs and regulatory hurdles to housing development.

NOTE: Since the bill did not advance in the legislative process this spring, remind your legislator today that out-of-compliance impact fees hurt property owners, builders, housing stock and community growth.

In The Senate

The following bills are legislative matters to only be discussed with members of the Senate

Rental Housing Legislation

OPPOSE - HB 3564 Tenant Move-in Fees (Rep. Syed / Sen. Simmons) This bill amends the Landlord and Tenant Act. It provides that a landlord, lessor, sublessor, or grantor may charge a fee to reimburse costs associated with conducting a background check if the cumulative fee for a check is no more than the actual cost of the background check or \$20, whichever is less.

- ▶ It allows this fee if the potential tenant provides a copy of a background check conducted within the past 30 days.
- ▶ Prohibits a landlord from imposing a move-in fee. Unless provided by law elsewhere, a landlord may not demand any charge for the processing, reviewing or accepting of an application, or demand any other payment, fee or charge before or at the beginning of the tenancy.
- ▶ Prohibits a landlord from renaming a fee or charge to avoid application of these provisions. Limits fees for the late payment of rent in certain situations. Any provision of a lease, rental agreement, contract, or any similar document purporting to waive or limit these provisions is void and unenforceable against public policy. HB 3564 narrowly passed the House with a 61-43-0 vote.

We strongly **OPPOSE** this legislation. Tell your Senator to **Vote NO on HB 3564.**

NEUTRAL - HB 3566 Evictions of Minors (Rep. Avelar / Sen. Villa) The bill amends the Eviction Article of the Code of Civil Procedure to seal an eviction file if a minor has been named. The Illinois REALTORS® State Legislative Team has been actively involved with the legislation for the entirety of the 2025 Spring Session.

- ▶ Requires dismissal of a complaint in its entirety against all defendants if the complaint names a defendant who is a minor at the time of filing.
- ▶ Provides that the case in which a minor was specifically named shall be immediately sealed.
- ▶ Provides that nothing in the Act prohibits a party from filing an action against any defendants who otherwise may be properly named.
- ▶ Upon REALTORS® request, an amendment was filed removing an automated process for defendants to recover court costs, attorney fees and punitive damages

With the agreed amendment, Illinois REALTORS® is **NEUTRAL** on **HB 3566**

Residential Mandates/ Zoning

OPPOSE - HB 3652 Fuel Detection Device (Rep. Lilly) The bill requires that all “covered buildings” defined as any residential commercial or industrial building that has one or more gas fueled appliances, have a fuel gas alarm installed in every room that has at least one gas fueled appliance.

- ▶ Would become the first state in the country to MANDATE fuel gas alarms installation.
- ▶ Provides that ALL new “covered buildings” or those that have had a major renovation must have fuel gas alarms hardwired for each qualifying room of the development by 2028.
- ▶ All new developments MUST have either battery operated or hardwired detectors in each room of the dwelling that has a gas fueled appliance.
- ▶ Requiring “hardwiring” detectors will not only create enormous additional costs to the developments, but it also removes certainty in safety due to detectors now only be operative if there is electric power available. In power outages, hardwired detectors will not work.
- ▶ Includes new definitions for “single family” and “multi-family” not found in Illinois statutes mandating this requirement would be extremely costly for new developments, especially large multi-family developments.

It is our belief that installation or maintenance of these devices should be at the discretion of the property owner or occupant of the premises and not ***mandated*** by law. Without a significant amendment removing the mandate, let your Senator know we **OPPOSE** this costly mandate and to not consider advancing **HB 3652.**

SUPPORT - HB 1843 Municipal Code/Zoning (Rep. Ness) Zoning powers of a municipality may not be used in any way that violates Illinois or federal law, including the federal Fair Housing Act and the Americans with Disabilities.

- ▶ Provides that a municipality may not adopt zoning regulations that prohibit the creation of housing for a community integrated living arrangement. Community Integrated Living Arrangements (CILAs), are supervised housing designed to accommodate eight or fewer individuals with mental illness or developmental disabilities.

Illinois REALTORS® **SUPPORTS** this legislation and the bill passed the House 77-35-0. Ask your Senator to **SUPPORT HB 1843.**



In the House of Representatives

The following bills are legislative matters to only be discussed with members of the House

Property Ownership and Rights

SUPPORT - SB 1523 – Deed Verification (Sen. D. Turner / Rep. Gill) The bill amends the Counties Code to provide that any person who files a deed that is fraudulent may be held liable to the rightful property owner affected in an action. The bill also requires every county to establish and maintain a property fraud alert system and requires every recorder to establish a fraud referral and review process to review deeds and instruments.

Illinois REALTORS® **SUPPORTS** this legislation that passed the Senate 51-0-0.

SB 1523 will aid in protecting homeowners by limiting the availability of fraudulently transferring titles to property by recording false or altered documents and deeds. Ask your Representative to protect property owners and **SUPPORT SB 1523**.

NEUTRAL - SB 1563 Eviction/Criminal Trespass (Sen. Collins / Rep. J. Williams) The bill was introduced as a response to property owners struggling to remove individuals occupying property illegally, or “squatting.”

By amending the Criminal Code, **SB 1563's** intent is to clarify that law enforcement has the right to enforce the offense of criminal trespass and is allowed to remove persons or their property from premises they are found to be trespassing. Illinois REALTORS® is closely following the bill, agreeing with the intent, but will not be taking a position as an organization.

NEUTRAL - SB 1742 Roof Safety for First Responders

(Sen. Porfirio / Rep. Guerrero - Cuellar) Due to deaths and accidents of firefighters accessing buildings through rooftops, **SB 1742** was introduced to reduce the risk first responders take on in emergency situations.

SB 1742 will require all skylights and other openings located in the plane of a **low-sloped roof** that are not otherwise required to remain open and unobstructed to be either glazed or provided with some sort of guard that is designed to withstand at least 400 pounds. We agree completely with the bills intent and are thankful to the sponsors for their collaboration on this bill and Illinois REALTORS® is **NEUTRAL** on **SB 1742**



Spring 2025 Key Legislative Victories

STOPPED – SB 1955 Sealing of Evictions (Sen. Sims, Jr.) amends the Code of Civil Procedure Act and replaces the term “seal” with “impound.” Illinois REALTORS® opposed **SB 1955** due to one very problematic section that can be found in the final paragraph of the 58-page bill. Section (b-5) would change Illinois’ Civil Code to allow sealing or “impounding” of eviction files “upon agreement” of all parties. Even with the language stating “upon agreement,” **SB 1955** and Section (b-5) is an attempt to prevent the public from being able to see a prospective tenant’s eviction records. Illinois REALTORS® remained **OPPOSED** and after several negotiations without an agreement, **SB 1955** was not called on the Senate Floor for a vote and is not expected to be revisited this session.

STOPPED – House Amendment 1 to HB 1929 Just Housing (Rep. Lilly) provides that it would be a civil rights violation for an owner, real estate broker or salesman to refuse to engage in any real estate transaction because of a conviction record. HA1 was offered by the Illinois Department of Human Rights as a gut and replace amendment creating an entirely new bill. The Illinois REALTOR® State Legislative Team **OPPOSED HA 1 to HB 1929** and after meeting with the sponsor was re-referred to the Rules committee and is not expected to be called for a vote during the 2025 spring session.

STOPPED - HB 3526 Rent Control (Rep. Rashid) amends the Mobile Home Landlord and Tenant Rights Act. It prohibits a park owner from increasing rent more than 3 percent per year. Provides that a park owner may adjust rent annually, beginning in 2027, to reflect a percentage equal to the percentage change in the consumer price index during the preceding 12-month calendar year that may not be more than a 5 percent increase in the 3 percent cap. We **OPPOSED HB 3526** and the bill was not called for a vote in the House and is not expected to be revisited this spring.

STOPPED - HB 1873 Navigable Waters (Rep. Yang Rohr) The bill goes against Illinois common law and an Illinois Supreme Court decision and would be a massive infringement of private property rights. **HB 1873** would have created multiple circumstances where any member of the public would be allowed to access a riparian owner’s private property. Illinois REALTORS® was among several organizations that **OPPOSED HB 1873**. The bill was re-referred to the Rules Committee and is not expected to be revisited this year.

Additional Legislative Victories

Due to Illinois REALTORS® involvement and engagement, the following legislation is NOT to be considered this session:

- ▶ **HB 1144**– Requires master metering for residential public utilities (Rep. Ness)
- ▶ **HB 1154**– Increases human rights penalties (Rep. Guzzardi)
- ▶ **HB 1603** – Removes all restrictions on dog breeds (Rep. Morris)
- ▶ **HB 2559** – Mandated disclosure of age of roof (Rep. Avelar)
- ▶ **HB 3305** – Mandates taxing “dark stores” as if in full operation (Rep. Benton)
- ▶ **HB 3596** – Creates overextending wetlands (Rep. Moeller)
- ▶ **SB 1260** – Rent Control for all residential rental housing (Sen. Guzmán)
- ▶ **SB 2401** – Creates overextending wetlands protection (Sen. Ellman)

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