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2020 STATE LEGISLATIVE HIGHLIGHTS

**The General Assembly adjourned in early June, having returned in May after a mid-March recess to adjust/pass a \$39.5B budget that cut \$1B from Gov. Bill Lee's earlier proposal.

**The budget does not fund new programs and initiatives, including previously planned pay raises for teachers, most state employees and legislators.

**It completes the elimination of the Hall income tax, includes \$200M in grants for cities and counties to respond to COVID-19, and adds \$15M for the two tax-free weekends.

**In Gov. Lee's proposed budget, the administration would have been able to raid funds from regulatory boards within the Dept. of Commerce and Insurance as well as real estate education and recovery education fund/claims fund. Tennessee REALTORS® worked with the legislature to remove access to these funds.

**Gov. Lee did not move forward with the rest of his legislative package, including a constitutional carry bill, a 50% deduction in the professional privilege tax for professions remaining, and a literacy bill.

**His fetal heartbeat bill passed. It bans abortions after the point a fetal heartbeat can be detected, if the doctor knows that the woman is seeking an abortion because of the child's sex or race, due to a diagnosis of Down syndrome, and for juveniles in custody of the Dept. of Children's Services (including removing the current option to petition a judge for permission).

**The House failed to adopt a conference committee report re: liability protection for certain entities related to COVID-19 (the Safe Harbor Act). Gov. Lee may call a special session to address this.

Legislation important to us that passed included bills that:

**Require marketplaces to collect and remit local tax on short-term rentals to the Dept. of Revenue.

**State that if a landowner knowingly landlocks their property, the Court does not have to grant them an easement from a neighboring parcel.

**Allow the housing authority to assist developing projects that promote affordable rental housing.

**Reduce the required notice for termination of residential tenancy to three days for unauthorized subtenants/occupants.

Unsuccessful bills that we opposed included legislation that would have:

**Authorized a person to perform, without a license or certification, work for which a license or certification is normally required, including real estate.

**Required the real estate disclosure to state whether residential real estate is located in a county identified by the EPA as having a high potential for radon.

**Required a landlord to give a tenant 60 days' notice prior to the

termination of a residential lease.

**Prohibited a landlord from refusing to lease/rent property, expel a person from property, or discriminate based solely on income.

**Enacted the "Licensing Innovation Act," which would have allowed the commissioner of commerce and insurance to issue a regulatory innovation waiver to license a person to pilot test an innovation.

**Required an owner or an owner's rep to inform a prospective buyer at or before closing if the road on which the property is located is private or public and who is responsible for its maintenance.

**Enacted the Licensing Independence for Future Tennesseans Act or LIFT Act.

**Removed restrictions on Nashville-Davidson Co. when renting/selling residential or commercial units below market.

**Required all landlords who own or control more than 25 rental units and require security deposits to accept, upon tenant's request, an alternative to a security depot.

**Authorized, for the period between June 1, 2020 and May 31, 2026, counties that have a metro government to enact an impact fee on development, or a privilege tax on development.

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