

VOTE. ACT. INVEST.

2022 STATE LEGISLATIVE HIGHLIGHTS

In addition to passing a \$52.8 billion budget, the largest budget in state history, and \$250 million into the State's Rainy Day Fund, the Legislature was hard at work passing the following items of interest:

REALTOR® Championed Legislation

ARELLO Certification Removal

SB 1867/HB 1958 by Powers/Alexander removed the requirement for ARELLO certification from synchronous education courses, which are courses happening in real time, but the students and instructors are separate by distance, i.e. Zoom, Webex, Microsoft Teams, and Google Meets. The bill passed the House and Senate unanimously and was signed by the Governor on March 28, 2022. The Tennessee Real Estate Commission ("TREC") will now be the only certifying body for synchronous courses. TREC is working on formally adopting guidelines for these courses.

Bills Tennessee REALTORS® Opposed Which Did Not Pass

Impact Fees

SB2922/HB2904 by Reeves/Warner allows the City of Lewisburg to impose an impact fee on new development.

SB1840/HB1675 by Hensley/Cepicky, as amended, allows Maury County to impose impact fees on residential development within the County at a rate of \$3.00/sq ft and earmarking the funds to pay for the costs of construction or renovation of schools, public facilities and other related infrastructure.

Grandfathering of CE Requirements

SB2853/HB1889 by Bailey/Keisling exempts real estate brokers from continuing education requirements if the broker has been licensed for 10 years or more.

Creating a Misdemeanor for Littering on Landlords

SB2759/HB2618 by Akbari/Harris, as amended, makes it a Class C Misdemeanor for littering if a Landlord places a Tenant's abandoned items on the curb and those items are not in a concealed bin.

Exempting Slaughterhouses from County Zoning

SB2622/HB2740 by Niceley/Holsclaw, as amended, exempts slaughterhouses from local zoning requirements if the property is outside of city limits, zoned agricultural and the operation slaughters less than 100 animal units a week. An "animal unit" is one cow, two hogs and four sheep.

Notifying Neighbor to Trim, Cut or Remove a Tree

SB2312/HB2260 by Gilmore/Harris requires a 48-hour notice by a landowner or resident to a neighbor of the owner's intent to trim, cut, or remove a tree greater than 36 feet in height if the distance from the base of the tree to the neighbor's real property line is equal to or less than the tree's height.

Requiring Sellers to Make Certain Additional Disclosures

SB2065/HB2403 by Campbell/Mitchell, requires sellers to disclose to buyers whether maintenance of the road, water pumping station, or sewer pumping station is the sole responsibility of the property owner.

Fuel Gas Detector Act

SB2047/HB1831 by Jackson/Lamar, requires a building owner to install and maintain at least one fuel gas detector in every room containing an appliance fueled by propane, natural gas, or a liquefied petroleum gas in each unit in a building of (cont.) multi-family occupancy and in single family homes that are leased.

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Prohibiting Landlords from Refusing to Rent to Persons with Criminal Convictions

SB1771/HB1770 by Gilmore/Chism, prohibits a landlord from refusing to rent to a person solely because the person was previously convicted of a criminal offense if the conviction was for an offense other than a violent offense, sexual offense, or violent sexual offense and the conviction occurred more than five years before the refusal.

Other Bills of Interest to Tennessee REALTORS®

TACIR study on utility scale solar energy development

SB2797/HB2761 by Walley/Gant, as amended, directs the Tennessee Advisory Commission on Intergovernmental Relations to perform a study of the overall effect of utility scale solar energy development in this State. The Legislation directs TACIR to review, among other items, the importance of private property rights and the ability of a landowner to use or transfer interests in property and required lease terms and conditions to protect future property use and rights of lessors in the event of default or termination of a lease. The legislation passed both chambers on April 27, 2022.

Home Warranty Requirements

SB2779/HB2114 by White/Eldridge, as amended, makes it a violation of the Consumer Protection Act to advertise, issue or deliver a home warranty to consumers without explicitly stating in written detail what items will be covered and fully paid for by the home warranty. This bill was signed by the Governor on April 20, 2022 and takes effect July 1, 2022.

Prepayment of Property Taxes

SB2772/HB2467 by Rose/Hulsey, as amended, authorizes a county trustee to accept prepayments of property taxes in addition to partial payments of property taxes; such payments shall be held by the Trustee in a designated revenue account. The bill was signed by the Governor on April 20, 2022 and is now in effect.

Allows Property Owners to be Displayed as “Unlisted” in Property Data Searches

SB2695/HB2597 by Briggs/Hodges, as amended, authorizes an assessor of property to display “Unlisted” for the first and last name in the ownership field of an online database of property upon written request. Does not remove the owner’s information from public records requests. The bill was sent to the Governor for

signature on April 22, 2022 to take effect January 1, 2023.

Subdivision Regulations by Municipal Planning Commission

SB2692/HB2534 by Briggs/Hicks, as amended, changes the maximum number of lots that a plat of subdivision may divide a tract into and gain endorsement without the approval of the planning commission. Provides that such plats must be certified by the planning commission or by the planning staff of the planning commission, if such responsibility is delegated to the staff. Prohibits a county register from receiving, filing, or recording a plat of a subdivision without the approval of the planning staff, if this responsibility has been delegated to the planning staff. Establishes that a planning commission may only delegate the responsibility for approval of subdivision plats that meet certain criteria. Prohibits a planning commission from delegating to its planning staff the authority to preliminarily approve, finalize approval of, or certify a subdivision plat unless the appropriate local legislative body or bodies approve such delegation by a majority vote.

The bill was sent to the Governor for signature on April 22, 2022 and will take effect upon signature.

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Tennessee Broadband Investment Maximization Act of 2022

SB 2480/HB 2608 by Lundberg/Vaughan, as amended, creates a three year tax exemption from sales and use tax for companies investing in broadband equipment. Requires the Commissioner of the Department of Revenue to reimburse counties and municipalities for loss of revenue resulting from the Act's exemption. The bill passed both chambers on April 27, 2022.

Uniform Partition of Heirs Property Act

SB2167/HB2612 by Stevens/Farmer, as amended, enacts the Uniform Partition of Heirs Property Act which applies to partition actions filed on or after July 1, 2022. Requires the court, in an action to partition real property under this chapter, to determine whether the property is heirs property. If the court determines that the property is heirs property, then the property must be partitioned unless all of the cotenants otherwise agree in a record. Requires the court, after determining that the property that is the subject of a partition action is heirs property, to make a determination of value for the property. Specifies process for a cotenant buyout and specifies partition alternatives. Establishes process for open-market sale of property, sale of

property by sealed bids, and sale of property by auction. The bill passed both chambers on April 27, 2022.

Cancellation of Unsolicited Offers to Purchase Property

SB1945/HB1946 by Hensley/Haston, as amended, authorizes an offeree to cancel a contract to purchase real property without penalty for 30 days if the contract was unsolicited, was sent through the mail and a real estate broker was not used. The bill was sent to the Governor for signature on April 19, 2022 and will apply to all agreements entered into on or after July 1, 2022.

Landlord to Provide Address of Child Alleged to be Abused to DCS Case Manager

SB1910/HB2023 by Jackson/Littleton requires a landlord to provide a case manager from the Department of Children's Services ("DCS") or a child protective investigation team with information on the address and location of a child who has been alleged to be abused or neglected and resides or is located on the residential rental property. The landlord is not liable in any civil or criminal action that is based solely upon cooperation with the investigation by DCS or a child protective investigation team, except in cases of willful or

wanton conduct or intentional wrongdoing. The bill was sent to the Governor for signature on April 21, 2022 and will take effect July 1, 2022.

Forest Land Management

SB1688/HB1858 by Crowe/Darby clarifies the minimum size requirement of 15 acres for land to be eligible to be classified as forest land for purposes of assessment and reduced property taxes may be achieved with a single tract or with two noncontiguous tracts separated only by a road, body of water, or public or private easement. The bill was signed by the Governor on March 15, 2022 and took effect upon signature.

We continue to make progress on issues affecting REALTORS®!