

What's Hot on the Hill?
May 25, 2007

Here are some of the major legislative issues at the Rhode Island State House that affect REALTORS this year. The Rhode Island Association of REALTORS Government Affairs Committee, which is chaired by Stephen Antoni, recommends positions on legislation.

On May 9, RIAR held a REALTOR Day at the State House with the assistance of state and local government affairs committee, leadership, and membership. Your participation at REALTOR Day, and your calls and emails to legislators do make a difference. Senate Majority Leader Teresa Paiva-Weed (D-Newport) complimented our REALTOR grassroots efforts during her presentation at REALTOR Day.

■ **Sales tax on services** – H 5749 would impose a 4 ½% sales tax on services, including real estate brokerage, property management, inspections, appraisals, financial services, child care, lawn care, etc. while reducing the sales tax on goods and hotel rooms to 4 ½%.

RIAR Position: Oppose

Status: Held for further study by House Finance Committee on May 22, 2007

■ **Mortgage tax** – H 6341 would allow towns and cities to impose a local tax of \$2.50 per \$1,000 on all mortgages and refinancing except for buyers who have not owned a home during the previous five years. (A proposed amendment to this legislation would impose a tax of \$500 on residential mortgages and \$1,000 on commercial mortgages instead). The proceeds would be used to fund government subsidized housing.

RIAR Position: Oppose

Status: Held for further study by House Finance Committee on May 17, 2007

■ **Agency legislation** – H 5432 Sub A would clarify agency law by adding an option for a neutral transaction broker who assists but does not represent either party. It would also allow designated agency as MA and CT do, which allows a real estate licensee to represent a seller or buyer throughout a transaction which creating dual agency in an in-house sale.

RIAR Position: Support

Status: On May 26, the House voted 40 – 14 to support this legislation; it now heads to the Senate.

■ **Property tax reform** – Rhode Island currently has the 5th highest property tax burden in the country. In 2006, the General Assembly enacted S 3050, which would cap property tax increases based on the levy. Municipal unions and some towns and cities are trying to weaken this law before it even goes into effect. We need to support this law by giving it time to work.

RIAR Position: Support

Status: Under attack.

■ **Coerced Section 8 participation** – S 484 would make Section 8 and other government assistance recipients a protected class under Rhode Island fair housing laws and impose a maximum \$10,000 fine against landlords who refuse to accept a prospective tenant with a Section 8 voucher.

RIAR Position: Oppose

Status: The Senate recommitted the bill to Senate Judiciary on May 9.

For more information on these and other issues, please contact the RIAR Legal Department at 401-785-3650 x 5.