

In this week's edition of Hill Notes:

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STORM WATER MANAGEMENT PLANS

HF 338 would require any new development to submit a storm water management plan to the DNR and the city for their approval. The IAR opposes this legislation.

PRIVATE CAUSE OF ACTION UPDATE

UPDATE: There is a subcommittee meeting today in the House on Private Cause of Action – the IAR will continue to ask for a real estate licensee exemption. We do have several legislators sponsoring such an amendment in both the House and the Senate. **Thank you, to those of you who responded to the call to action in the last few weeks! Your voices are being heard and the legislators appreciate your input!**

Senate File 178/HSB 80 is legislation that would allow individuals to hire their own attorneys and sue many types of businesses for consumer fraud. In this legislation consumer fraud is very broad and poorly defined. An unclear law invites abusive lawsuits and no one is safe – not even an honest, ethical business. The bill does not include the traditional requirements of proving wrongful conduct and leaves many businesses including REALTORS® at risk of being sued. There are several groups of licensees that are currently exempt from this legislation as written; some of the groups who are protected are doctors, hospitals, lawyers, insurance companies, engineers and many others. **Real estate licensees are not currently exempt, but the IAR is working on an amendment to include real estate.**

FLOOD INSURANCE

UPDATE: This legislation is still working through the subcommittee and committee process at this time. The IAR has some concerns as to how homeowner's will be notified they must obtain flood insurance, the cost of the flood insurance to homeowner's, and also on the availability and accuracy of the flood maps.

Senate Study Bill 1194/House Study Bill 182 - This legislation requires all cities in this state to meet the requirements for participation in the national flood insurance program on or before July 30, 2011. It allows the application for a waiver from this requirement if the city demonstrates to the department of natural resources that the city is not susceptible to flood damage. The bill also requires a person owning property in a 500 year flood plain to purchase insurance providing coverage against flood damage unless the owner submits a certificate of self-insurance to the insurance commissioner for approval. It requires the insurance to be purchased by January 1, 2010. **The Iowa Association of REALTORS® has many concerns about how this legislation will be implemented and what it will mean for redevelopment or new development of communities within the 500 year floodplain. Another area of concern is how homeowner's will be notified of their responsibility to obtain flood insurance and the cost of the insurance to homeowner's. The IAR will continue to work on this legislation.**

CRIMINAL BACKGROUND CHECK RECIPROCITY

Update: There was a subcommittee on this legislation in the Senate this week, and representatives from the Department of Public Safety indicated that it is a violation of Federal Law for one governmental body to share criminal background information with another governmental body. Therefore, this legislation would be a violation of Federal Law and will not be considered further by the State Legislature.

The IAR will support legislation that will allow the Real Estate Commission to accept a criminal background check from another state as long as it has gone through the FBI. This legislation intends to eliminate some of the duplicity that some new licensees experience when trying to become licensed in multiple states. This legislation does not have a bill number yet but will be considered in subcommittee this week.

COUNTY RECORDER FEES

Senate Study Bill 1212 – This bill would provide an increase in the electronic transaction fee that County Recorder's can charge for filing documents with their office. The charge would be used primarily for the cost of removing social security numbers from the public website and getting the system back online. The charge is currently \$1 per document and the legislation would increase the fee to \$3 per document from July 1, 2009 until June 30, 2011. The fee would then be reduced to \$2 per document after July 1, 2011. The bill specifies the purposes for which electronic transaction fees may be used and provides that fees collected in excess of the amount needed shall be used by the county land record information system to reduce or eliminate service fees for electronic submission services. The bill authorizes the county recorder or the governing board of the county land record information system to enter into an agreement to provide access to electronic documents or records on a batch basis, as defined in the bill, and to collect fees for such access. **The IAR opposes the new fees introduces in this legislation.**

SEPTIC TANK INSPECTIONS AT TIME OF TRANSFER

Update: The IAR will work with the County Sanitarians this week to try to find a workable solution to some of the problems the new rules may cause on septic inspections.

The Iowa Department of Natural Resources has released its proposed rules on septic tank inspection regulations. All REALTOR® members are encouraged to review these proposed rules and recommend any changes to the IAR legislative committee. Please e-mail jen@iowarealtors.com with suggestions, concerns or changes. The rules can be viewed by linking to the following website: <http://www.iowadnr.gov/water/npdes/files/final69.pdf>

Please go to the Legislative website at www.legis.state.ia.us to view any of the bills mentioned.