

The background of the top half of the page is a photograph of the Rhode Island State Capitol building, featuring its large dome and classical columns. To the right, a bronze statue of a man in a military uniform stands on a pedestal. A large, semi-transparent red triangle is overlaid on the left side of the image, pointing towards the center.

Rhode Island REALTORS®

REVIEW OF THE 2023 RHODE ISLAND LEGISLATIVE SESSION

January – June 2023

**How the Rhode Island REALTOR®
Party Won in the Legislative Session**





How the Rhode Island REALTOR® Party Won in the Legislative Session

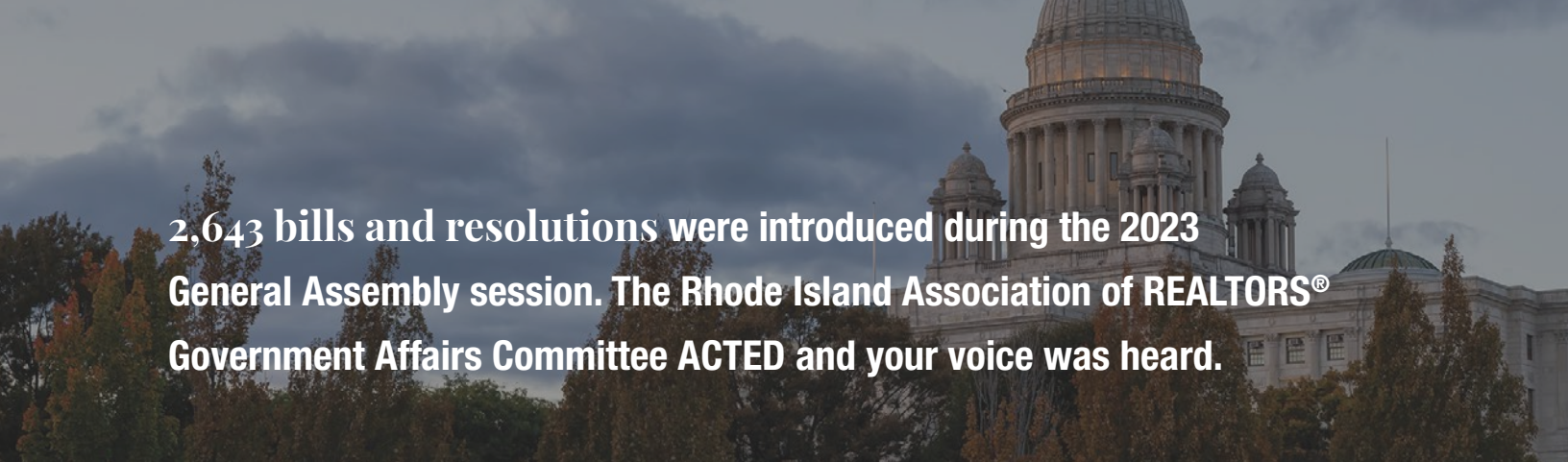
The Rhode Island General Assembly adjourned June 16th, closing out a session that was another success for REALTORS®, consumers, and private property rights.

Rhode Island Association of REALTORS® (RIAR) staff read and analyzed every bill that was filed in the 2023 General Assembly session to protect the integrity of home buyers and sellers. Additionally, staff took action and testified nightly on behalf of RIAR members while monitoring bills that affect the real estate industry.

Thanks to grassroots advocacy efforts during REALTOR® Day on the Hill at the Rhode Island State House, RIAR's volunteer leaders met with key members of the General Assembly to discuss bills that impact our industry. These meetings and timely calls for action resulted in many legislative victories this past session.

The following legislative wrap up provides insight to the strength of Rhode Island's REALTOR® Party.





2,643 bills and resolutions were introduced during the 2023 General Assembly session. The Rhode Island Association of REALTORS® Government Affairs Committee ACTED and your voice was heard.

1,522

Number of Bills and Resolutions Introduced in the House of Representatives

1,121

Number of Bills and Resolutions Introduced in the Senate

2,643

Total Number of Bills or Resolutions Introduced in the General Assembly

367

Number of Bills Tracked by the Government Affairs Committee

79

Number of Bills Acted On

188

Number of Bills Monitored

40

Bills Supported

32

Bills Supported and Approved

106

Bills Opposed

99

Number of Bills Defeated

3

Budget Articles Reviewed

In addition, RIAR's legislative agenda included the following three bills, which were all approved and enacted in law.



Improving the Residential Real Estate Transaction Process

A real estate purchase is most often the largest financial transaction people make in their lifetime. That's why RIAR has been a strong proponent of making the real estate process friendly to buyers and sellers of real property, while safeguarding their financial interests.

After a review of RIAR's residential sales disclosure form, we learned that one-third of the questions are not relevant to purchasing a home on Rhode Island. The General Assembly acknowledged the Association's interest in streamlining the transaction process and approved legislation that would create a separate disclosure for vacant land.

Introduced by Representative Joseph Solomon, Jr. (D-District 22 Warwick) and Senator Mark McKenney (D-District 30 Warwick), the approval of H 5117 / S 353 is another step toward protecting Rhode Island consumers.

Governor McKee signed the legislation into law two days after the General Assembly adjourned.

Effective June 14, 2023



Consumer Protection

After two years of advocating for more accountability measures in the state's real estate disclosure mandate, Rhode Island REALTORS® succeeded in giving home buyers stronger protections in Rhode Island's General Law.

The Rhode Island General Assembly and Governor McKee agree that consumer protection during residential real estate transactions is critical, and therefore passed REALTOR®-supported House bill H 5366 and Senate bill 33. Introduced by Representative Baginski (D-District 17 Cranston) and Senator Lombardi (D-District 26 Cranston), the legislation increases the civil penalty from \$100 to \$1,000 if a written disclosure is not submitted to a prospective home buyer during the real estate transaction.

Governor McKee signed the legislation into law two days after the General Assembly adjourned.

Effective June 14, 2023



Rights of Landlords and Tenants

Rhode Island lawmakers considered numerous bills concerning a variety of issues such as rent control, background checks, and right of first refusal. RIAR opposed these bills as they were introduced with little research to justify approval. However, the Association was instrumental in promoting H 5204 and S 305. Introduced by Representative Grace Diaz (D-District 11 Providence) and Senator Ana Quezada (D-District 2 Providence), and approved by the General Assembly, H 5204 / S 305 requires the Housing Secretary to update on a biennial basis, Rhode Island's Landlord and Tenant Handbook.

The Handbook has not been updated by the State of Rhode Island since 2007. It is critically important for homeowners and tenants to understand Rhode Island's residential rental laws and how they impact housing. With the knowledge that updates to the Handbook are long overdue, RIAR was a strong supporter of passing this legislation. The guide will be posted on the Department of Housing and Community Development website and published in both English and Spanish.

Effective January 1, 2024



Other REALTOR® Wins in 2023

Historic Tax Credit Sunset Review

REALTOR®-supported House bill H 6016 extends the historic tax credit through June 30, 2024, providing more housing opportunities for Rhode Islanders.

This important legislation reactivates dormant building locations while creating homeownership and rental opportunities.

RIAR staff continue to work on your behalf with leaders in the General Assembly to ensure housing opportunity growth while preserving neighborhood character.

Effective June 15, 2023

Reducing the Cost of Business-Municipal Tangible Tax Exemption

This year's Rhode Island Association of REALTORS® membership survey showed that many members are concerned about the cost of doing business in Rhode Island. In fact, respondents indicated that this was the second largest real estate-related risk concerning their business.

Rhode Island REALTORS® joined members of the business community and Senate President Dominick Ruggerio in support of a measure that would create a tax exemption up to \$50,000 for tangible personal property other than real estate, such as computer equipment, furnishings, and fixtures. The legislation eliminates the tangible tax for 75 percent of Rhode Island businesses.

Exemption to all tangible tax accounts begins in the 2024 tax year.

Adaptive Reuse

During the legislative session, House Speaker Joe Shekarchi continued carrying out his legislative priority related to housing and development. One of the bills that will encourage the creation of new housing units provides for adaptive reuse through the conversion of commercial property into residential or mixed-use developments. RIAR supported this bill and will continue working with municipalities to emphasize the importance of creating new residential housing units while addressing Rhode Island's struggling national ranking concerning new housing starts.

Effective January 1, 2024

Focus on Production

Decades of underinvestment and regulatory obstacles have created a shortage of housing options in Rhode Island. Fortunately, House Speaker Shekarchi proposed bold steps that commit to building more housing of all types. Thanks to leaders in the House of Representatives and Senate, more than a dozen bills were aimed at eliminating red tape and increasing the production of housing.



RIAR Public Affairs VP David Salvatore testifies before members of the General Assembly.



RIAR Government Affairs Committee members meet with Speaker K. Joseph Shekarchi and House Majority Leader Chris Blazewski about housing issues.

More REALTOR® Wins in 2023

Independent Contractor Status

**BILL
DEFEATED!**

The General Assembly once again considered legislation that jeopardizes the status of independent contractors in Rhode Island. H 5927 and S 430 aimed to change Rhode Island's definition of the term "employee". Although members of the General Assembly did not target real estate agents, the unintended consequences of these bills would have been detrimental to members of our Association, as well as the housing market. RIAR staff continued to educate members of the General Assembly and advocate no change in our industry's unique status.

REALTOR® Tax

**BILL
DEFEATED!**

Late in the legislative session, a strong effort by special interests to impose an annual \$50 tax on independent contractors was met with strong opposition from REALTORS® across Rhode Island. Thanks to the hundreds of REALTORS® who contacted their members of the General Assembly, the onerous tax was defeated. We thank the REALTORS® who acted and participated in the state-led call for action!

Home Inspectors and Electrical Panels

**BILL
DEFEATED!**

Recently, RIAR heard from REALTORS® regarding home inspections and threats by municipalities to impose fines on members and home buyers who did not hire a licensed electrician during the real estate transaction. Additionally, legislation (H 5414 / S 919) was filed that would prohibit home inspectors from opening electrical panels and testing the electrical current by plugging a tester into a wall socket. Approval of this legislation would have required a home buyer or REALTOR® to hire a licensed electrician during the home buying process. This would have added delays and hundreds of dollars to the transaction.

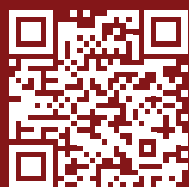
Thanks to advocacy efforts of RIAR staff and the Government Affairs Committee, the legislation was not approved.

Short-Term Rentals

**BILLS
DEFEATED!**

During the 2023 legislative session, members of the Rhode Island General Assembly introduced more than a dozen bills aimed at eliminating and/or overregulating short-term rentals, which would have a detrimental impact on tourism and homeownership, while negatively impacting private property rights.

RIAR believes that reasonable regulations should be considered to maintain every neighborhood's quality of life. We look forward to participating in a House legislative commission in the near future to research and discuss realistic measures that protect residents and homeowners alike.



STAY UP TO DATE ON
PENDING LEGISLATION.

RI REALTORS®

Political Action Committee

rirpac.org