

The 2017 Legislative Session has come to an end in Kentucky. This session 793 bills were filed with a little over 130 bills passed. The HBAK, in concert with local HBA's, reviewed and acted on many pieces of legislation that impacted the housing & building industry, small business and property rights in Kentucky.

A partial list of bills that passed and failed this year by the General Assembly and impacting the housing & building industry include measures on the following topics:

BILLS PASSED:

TO READ EACH BILL AND REVIEW THE VOTE HISTORY—CLICK THE BILL NUMBER IN EACH DESCRIPTION

HB 3, REPEAL OF PREVAILING WAGE

<u>HB 3</u> repeals the state's prevailing wage law that dictates the hourly base wage for construction workers hired for certain public works projects. Additional questions regarding prevailing wage and HB 3 may be directed to the Kentucky Labor Cabinet's Division of Wages, Hours, & Mediation by calling (502) 564-3534 or <u>click here for the HB 3 FAQ</u>.

HB 72, APPEALS BOND

Currently, state law permits opponents of developments to file seemingly endless frivolous appeals designed to delay and eventually kill projects. These abuses of the courts have threatened major projects in Kentucky. HB 72, the appeals bond bill, would require the posting of an appeals bond by the appellant if the appellee files a motion within 30 days of notice of appeal of a Circuit Court decision of a land use case. Within 30 days of a party requesting postage of the bond, the Circuit Court Judge would conduct a hearing to determine the amount. By the time the appeal is filed, the development project has already been approved by planning & zoning, local government and the circuit court.

This bill will help to curb losing parties from filing frivolous appeals designed to delay the process. The HBAK supports measures like HB 72 to discourage these lawsuits, allow legitimate cases to proceed, and make the process fair.

HB 72 contains an emergency clause and has been signed by Governor Matt Bevin and therefore is law. The passage of this legislation is proactive, improves economic growth and moves Kentucky forward.

Rep. Jerry Miller of Louisville pictured left was the lead sponsor of the HB 72, the Appeals Bond Bill.

Please thank your legislators for the support and passage of HB 72.



HB 112, DOG BITE

<u>HB 112</u> will protect property owners and limit and landlord's liability if their tenant's dog bites someone. The HBAK supported this legislation that clearly removes the liability from the owner of the property if they are not an occupant.

HB 394, DEPARTMENT OF HOUSING, BUILDING & CONSTRUCTION REORGANIZATION

HB 394 reorganized the KY Board of HVAC, the board of Boiler and Pressure Vessel Rules, the Manufactured Home Certification and Licensure Board, the KY Single Family Dwellings Advisory Committee, the Electrical Advisory Committee, the Elevator Advisory Committee and the KY Plumbing Code Committee into one united advisory committee representing various sectors of the industry. This legislation confirms the Governor's Executive Order announced on November 29, 2016.

HB 309, LANDLORD TENANT LAW CHANGES



<u>HB 309</u> enables "protected tenants" who are victims of domestic violence to terminate a lease with 30 days' notice to their landlords and prevents abuse victims from being denied a lease because of their history as domestic violence victims. The law defines a "protected tenant" as one who is protected by a domestic violence order, interpersonal protective order, emergency protective order or pretrial release no contact order.

HB 318, LANDBANK AUTHORITY

<u>HB 318</u> is a clean-up bill on local code enforcement. This bill was heard in the Senate and a committee substitute was added by Sen. Morgan McGarvey that would expand the abilities of land bank authorities.

HB 443, KENTUCKY REAL ESTATE COMMISSION REORGANIZATION

<u>HB 443</u> reorganizes real estate related boards and commissions and establishes the Kentucky Real Estate Authority. This new Authority will house the KY Real Estate Commission, KY Home Inspectors Board, KY Real

Estate Appraisers Board and the KY Board of Auctioneers. This legislation confirms the <u>Governor's Executive Order</u> announced on December 2, 2016.

HB 284, PVA INSPECTIONS

<u>HB 284</u> sets digital imaging technology requirements for PVA's conducting assessments. HB 284 also allows an extension of time for tax-payers to meet with their PVA office before preceding to the KY Claims Commission.



House Speaker Jeff Hover and the House Republican Leadership

HB 390, PUBLIC PRIVATE PARTNERSHIP CLEAN-UP

SB 187 is a technical clean-up bill of the P3 legislation passed during the 2016 legislative session. SB 187 was the original clean-up bill but with little time left in this session the Senate took the language from SB 187 and included it as part of HB 390.

SB 6, RIGHT TO WORK

<u>SB 6</u> requires public or private employees to request membership in a labor union in writing before they can be enrolled in that organization. It also specifies that dues or fees paid to labor organizations cannot be withheld from earnings without employee approval. <u>HB 1</u> is also right to work legislation that passed.

SB 128, ROOFING CONTRACTORS

<u>SB 128</u> prohibits a roofing contractor from causing damage to a roof to increase the scope of repair or replacement to secure a contract for repair or replacement from an insurance policy. This legislation will allow penalties if a roofing contractor violates this new law.



SB 182, PROCUREMENT

<u>SB 182</u> a bill that is specific to NKY and was led by the Home Builders Association of Northern KY will codify in the model procurement code the ability for SD1 to cost share in the upsizing of sewer and storm infrastructure while private developers are constructing extensions.

BILLS FAILED:

TO READ EACH BILL AND REVIEW THE VOTE HISTORY—CLICK THE BILL NUMBER IN EACH DESCRIPTION

HB 159, TITLE INSURANCE

HB 159 would have required title insurance agents to be licensed by the Department of Insurance.

HB 196, MISCLASSIFICATION OF EMPLOYEES (CONSTRUCTION INDUSTRY)

The HBAK opposed <u>HB 196</u> as this bill specifically targeted the construction industry and would have a builder's subcontractors operate as the builder's employees.

HB 296, WORKER'S COMPENSATION

<u>HB 296</u> is Worker's Compensation reform. The HBAK supported increasing efficiency of the worker's compensation system. This reform included subrogation and an increase in attorney fees. An efficient, affordable workers' comp system would have lessened the burden on injured workers and current employers while making Kentucky more competitive when attracting new businesses. Unfortunately, this measure did not pass this legislative session.

HB 97, HOME INSPECTIONS

HB 97 would have required all homes, including new homes to receive a home inspection prior to closing. Although the HBAK encourages consumers to obtain a home inspection, we do not feel a home inspection should be mandated therefore the HBAK did not support this legislation.

HB 429, CONSTRUCTION PERFORMANCE BONDING

HB 429 implemented a program for performance bonding of contractors and subcontractors of any trade subject to the Department of Housing, Buildings & Construction. Not only would this performance bond have applied to projects subject to review by the DHBC but would also apply to any project that was \$5,000 or more. This bill was opposed by the HBAK.



Senate President Robert Stivers

The success of industry priorities, especially HB 72 was due to the advocacy of HBAK members. In addition to the more than 75 members who participated in HBAK's Housing & Building Industry Day at the Capitol, HBAK members sent emails and made many phone calls to legislators asking for their support of bills important to members, consumers and property owners. Your grassroots advocacy was critical to the legislative process this year.



Various bills have already been signed by Governor Matt Bevin. Most new laws – those that come from legislation that don't contain emergency clauses or different specified effective dates, will go into effect in late June. That means mid-July is when a new batch of laws will start having an impact across the Commonwealth.

The HBAK represents over 5300 members and is committed to the continuous development of a proactive relationship with local and state leaders to be an advocate for the housing & building industry. The HBAK will continue to promote policies that make housing a local and state priority.

HBAK's legislative Committee will meet on July 20th in Louisville, KY to continue discussing and planning advocacy for the Association. If you have any issues you'd like to be considered, please contact HBAK.



2017 HOUSING & BUILDING INDUSTRY DAY AT THE CAPITOL

