

Better Landlording through Education

JOIN US FOR OUR JUNE 26, 2018
MEMBER LUNCHEON FEATURING:

Joshua Schamberger

Iowa City/Coralville Area Convention & Visitors Bureau

Joshua Schamberger from the Iowa City/Coralville Area Convention & Visitors Bureau will present on the Iowa River Landing District in Coralville. A 5,100-seat arena is the cornerstone of this transformative project totaling \$190 million in investment that includes a 53,000 square foot fieldhouse, a Staybridge Suites hotel, mixed-use office and retail space, as well as a new and permanent home for the Johnson County Historical Society Museum, Antique Car Museum of Iowa, and Hawkeye Model Railroad Club.

This project, developed in partnership with the State of Iowa and private investors, will be a significant milestone in achieving the Coralville's longstanding vision of a riverfront recreation and entertainment district along the Iowa River and as a gateway for the community.



2018 - 2019 Board

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Membership Meeting at Flannigan's in the IOWA RIVER POWER COMPANY

Our next General Membership meeting will be held Tuesday June 26, at 11:30 am at Flannigan's in the Iowa River Power Company, 501 – 1st Ave, Coralville.

Any interested member of the Association is welcome to attend starting at 12 noon. If you wish to have lunch, please arrive at 11:30. The buffet lunch will include BBQ Pork, fruit, chips, salad, dessert & drink.

Please RSVP by email (apartmentassoc@gmail.com) or phone to Michelle Lamkins at (319) 338-7058 with the number of individuals from your office or home who will be attending. Cost is \$12.00 per person. It is important to let us know if you will be attending and having lunch. If you do not RSVP and intend to have lunch, you will be asked to wait to serve yourself until we are sure that we can provide food for those who have RSVP'd. The speaker will have the floor from noon to 1pm.

LUNCH IS \$12.00 AT THE DOOR.

Save the Date!!

LANDLORDS OF IOWA 2018 STATE CONVENTION

The Landlords of Iowa 2018 State Convention is tentatively scheduled for October 18-20 this year. The event will be held in Des Moines.

Watch the newsletter for further details.

Calendar



June 26: GICAA Membership meeting – 11:30 am Flannigan's

July 4: 4th of July Celebrations

July & August: **NO GICAA Membership meetings**

October 18-20: Landlords of Iowa State Convention – Des Moines

11TH ANNUAL RUMMAGE IN THE RAMP

Rummage in the Ramp will be held from July 26 through August 4, 2018, at the Chauncey Swan Parking Ramp, 405 E. Washington Street.

Rummage in the Ramp is an annual City-sponsored event that occurs as leases changeover each year in Iowa City at the end of July.

People are encouraged to donate items they no longer want or need. Most items are priced \$20 or under. Profits are split between environmental and human services non-profit groups that volunteer to work the sale.

Over the last decade, this event has helped divert more than 265 tons of furniture, housewares, clothing, books and other items out of the landfill. Dozens of local non-profit groups have shared the \$168,300 collected.

Rummage and the Ramp cannot store items in advance of the event.

Residents who are moving early or are ready to purge now should instead donate or consign items to local organizations.

For questions about Rummage in the Ramp, contact Recycling Coordinator Jane Wilch at 319-887-6110 or jane-wilch@iowa-city.org. RSVP to the Rummage in the Ramp Facebook event for updates and reminders. To learn more, visit www.icgov.org/rummageintheramp.



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2018 LOI LEGISLATIVE REPORT 3 BILLS PASSED INTO LAW

REPORT FROM JOE KELLY, LANDLORDS OF IOWA LOBBYIST

The legislature adjourned on Saturday, May 5th, bringing an end to the 87th General Assembly. The Senate adjourned at 5:11 p.m., followed by the House at 5:25 p.m. This legislature passed 176 bills, an increase of 2 from last year. Almost 18% of bills introduced passed this year. In the last 10 years, only 15% of bills introduced over that cumulative time period passed. And the ratios go down when you consider all the study bills introduced which don't pass. We didn't include those numbers in the tally. Some of the study bills get out of committee and become regular bills. LOI registered on 23 bills. We initiated 3 legislative ideas for consideration: rental judgments, utility liens, and support/assistance animals. We were successful in getting one passed – rental judgments.

The Iowa Realtors had a bill passed, HF 2286, which is helpful to landlords. Finally, the legislature raised the jurisdictional limits for small claims actions from \$5,000 to \$6500.

[House File 2234](#): – Rental Judgments

The effort to change the rental judgment law began in 2013. HF 356 was an attempt to improve on the two years limitation to collect on a judgment for rent. That very strict standard was put into the code, effective January 1, 1934. It was a reflection of the Great Depression affecting the entire United States. Legislators never changed the law. The best we could do in 2013 was to get five years to collect instead of two. The legislative split in 2013 was a Republican House and a Democratic Senate. Opposing us in 2013 were the Attorney General and the Iowa Bar Association.

We came back this year with a renewed effort to improve on the rental judgment law. We were successful, but it wasn't easy. We still had the Attorney General opposing us. The Iowa Bar Association was undecided. We started out with different versions of the bill between the House and Senate. The Senate subcommittee meeting with confusion about what had been agreed to.

The House bill passed first with the version of the bill we liked. Rental judgments would finally be treated the same as other judgments: 10 years to collect in courts not of record, and 20 years to collect in courts of record.

It took a great deal of effort to get the Senate Republican subcommittee members to accept the House version. It wasn't because they disliked the bill. They thought they had made an ironclad agreement with the Attorney General to support the Senate version which extended the right to collect from 5 to 10 years, no matter whether the judgment was won in small claims (usually court not of record), or district court (court of record).

When the persuasion was completed to have the House accept the Senate version of the bill, a very unusual move happened on the Senate floor. HF 2284 should have been substituted for SF 2237. The Senate was to have approved HF 2284, and our bill would have gone to the Governor for final consideration. The rare event happened on March 13th. The Senate floor manager decided to accept a non-germane controversial amendment from the Senate Minority Leader, Janet Peterson. A non-germane amendment is not non-germane unless some member of the Senate asks for a ruling from the Senate President. The day before, on March 12th, Senate Majority Leader, Bill Dix had resigned from the Senate. The Senate Republicans were in a state of disarray. The amendment was accepted, and HF 2284 was immediately dead the next day in the House. House leaders determined that they were not going to vote on the bill with the Senate amendment. Majority Leader Chris Hagenow told us to find another House bill to amend our language onto.

Nothing was a perfect fit, but HF 2234, a bill dealing with foreclosure timelines was the closest match. Even this scheme wasn't foolproof. House Democrats took Senator Peterson's language and filed an amendment to HF 2234 as well. On April 4th, the House Republicans defeated the House Democratic amendment and accepted the landlord's rental judgment language and sent the bill back to the Senate.

And then we had to wait almost a month until the Senate took the bill back up. On May 2nd, the Senate accepted the House changes, the exact version which was before the Senate on March 13th. Governor Reynolds signed HF 2234 on May 16th.

I gave you lots of information that you don't really need to know other than to realize that passing bills can sometimes be a very dicey situation. As for rental judgments, a legislative fix has brought back to normal the collection of judgments, after an altered system of 84 years!

[HF 2286](#) - Prohibiting cities and counties from imposing time-of-sale requirements on transactions involving real property.

This bill was introduced by the Iowa Realtors Association. It is favorable to landlords as well. HF 2286, which becomes law on July 1 of this year, will prevent both cities and counties from interfering with the refinancing of, selling of, or otherwise transferring title to a new owner based upon compliance with an ordinance related to the condition of the property. Specifically, this inference can't happen once the property is in the process of being refinanced, sold, or transferred, not can any fee be imposed. Of course, once the property has changed hands, the city or county would have the right, under their ordinances, to impose the conditions of those ordinances. As we know, sales can be time sensitive. The last thing needed is delay of the sale, refinancing, or title transfer brought about by the city or county interceding in the process.

Governor Reynolds signed HF 2286 on March 15th.

[HF 2492](#) – Increase for Small Claims Jurisdictional Limit

2002 was last time the jurisdictional limit for small claims court was increased. LOI was involved with that bill in 2002 and supported it. In recent years, with courts losing magistrates who aren't being replaced, we've been a bit more cautious. Small claims courts are where evictions are done. If the small claims courts are doing more judgments, then it could have a negative impact on the timely consideration of evictions. That was more of an issue when the small claims increase effort was focused on raising it from \$5000 to \$10,000. That was the intent of SF 42, a bill from last year. When SF 42 was considered again this year, the resistance from the Iowa Bar Association and the Iowa Judicial Branch was such that the bill which emerged from the Judiciary Committee, SF 2357, lowered the amount to \$7500. When SF 2357 moved on the House, it didn't make it out of a House subcommittee.

In the last days of the session, Senator Brad Zaun, Chair of the Senate Judiciary Committee, worked out a deal to lower the amount to \$6,500, which roughly matches the inflationary increases from 2002. This result will work better for landlords as well. There is some increase in the amount for judgments in small claims, but not so much that our eviction cases will be impacted too much. HF 2492 is a budget bill for the Justice System. The small claims language is at the end of the bill, Division 7, section 23.

Governor Reynolds signed most of HF 2492 on June 1, vetoing a couple of sections of the bill, but not the section dealing with small claims. The \$6500 limit will be effective on July 1.

It will be the 27th consecutive session that Landlords of Iowa have had an organized lobbying effort for the benefit of the profession.

MESSAGE FROM JOE KELLY

The following was sent by Joe Kelly on June 7:

After 26 years of being the lobbyist for LOI, it is time for me to step aside. I have previously informed LOI President Marc Gillette, LOI Legislative Chair, Daryl Kruse, and LOI Executive Director, Pete McRoberts of my decision. I have great confidence in the LOI Board of Directors and in Pete Roberts. It makes my decision easier knowing that Pete is the Executive Director. He knows the lobbying function very well and will handle it in superb fashion. He also will bring to the table other benefits such as consistent management of the organization and a legal perspective, with his law degree.

It has been my pleasure to have worked with so many wonderful members over these 26 years.

As some of you know, I have been cutting back my client list over the past several years.

I'm not entirely certain how many groups I will represent in 2019. If I do any, I will have the Iowa Manufactured Housing Association, which will automatically draw me to many of the bills that LOI will want the legislature to consider.

RAGBRAI bicycle route street closures

On Saturday, **July 28th**, from approximately 5:45 to 10 a.m, vehicles will not be allowed on the RAGBRAI route in the direction the bicyclists are traveling (see route map at www.icgov.org/ragbrai). This will result in turning restrictions at several intersections. The Iowa City Police Department anticipates that streets on the route will reopen to vehicular traffic at 10 a.m., but will make a final determination near that time.

More information can be found at
<https://www.icgov.org/news/iowa-city-welcomes-ragbrai-ride-and-shine-event-july-25>



Other Bills of Interest

Update from Joe Kelly, Landlords of Iowa Lobbyist:

The bills listed below will not be eligible in the 2019 session unless they are reintroduced.

SF 2365 - A bill for an act relating to assistance animals and service animals in housing and misrepresentation of an animal as a service animal or a service-animal-in-training and providing penalties and including applicability provisions. (Formerly SSB 3148.) SF 2365 was also the victim of the legislative process. It's a bill that emerged from the Senate Veterans Committee. LOI had bills introduced in the Judiciary and Commerce Committees.

SF 2365 attracted an amendment from Rep. Ross Paustian (R-Walcott) dealing with animal abuse. The Iowa Farm Bureau didn't like Paustian. Neither did the dog breeding association. We thought we had convinced Rep. Paustian to drop his amendment in the last few days of the session. But Rep. Paustian decided not to drop it. When a legislature is beginning its run to adjournment, bills which aren't absolutely crucial are not considered if they have attracted controversial amendments. SF 2365 has a misdemeanor provision for those guilty of misrepresenting a service animal. As for assistance animals, also known as emotional support animals, SF 2365 had a provision requiring mental health providers to use a state generated form for presentation to landlords. The form would have been written by the Iowa Civil Rights Commission in consultation with the Consumer Protection Division of the Attorney General's Office. Even the online scam artists would have had to use the state form. It's a good idea for a 2019 bill.

HSB 588 – Lien Protection

HSB 588 was an effort to get us back to 2007, when we had the perfect lien protection bill, which included the one time registration of a rental property in order to protect against city enterprise services charges of the tenant. The bill in 2007 was vetoed by the Governor. Since that time, we have recovered all of the bill except the one time registration of the property, instead of notifying the municipal utility every time there is a tenancy change. There were 15 lobbyists registered against and 4 in favor of HSB 588. The other factor is that eleven years have passed. Most of the legislators who voted in favor of our bill back in 2007 are not in the legislature anymore. There is a need for another big effort to inform legislators.

Finally, many landlords have adapted to the current law to protect themselves from liens. The grassroots factor for the bill wasn't strong this time around. HSB 588 never made it out of subcommittee.

HF 2384 - Unenforceable Provisions in Rental Agreements

This bill was brought to the legislature by the Greater Iowa Apartment Alliance. The bill was an effort to change the Iowa Supreme Court decision (Staley v Barkalow, 5/30/13) which defined the term "uses" to mean that a landlord could be sued for having an illegal provision in a lease, even if the provision was never enforced. The decision also made class action suits against landlords easier. HF 2384 was opposed by the Attorney General, the Iowa Bar Association, and the Iowa Landlords Association. By the time an agreement could be struck with the Iowa Bar Association, time had run out for consideration of HF 2384. The impact of HF 2384 would have been to drop the word "uses" from the code section and replace it with "enforces," so that the landlords could be sued if the willfully enforced, or tried to enforce, an illegal provision of their leases.

HF 2062/ SF 2071 - Electrical and Plumbing Licensure Requirements

This bill idea came from the Iowa Landlords Association. Current law provides that an owner of real property can work on his own residence without having to have an electrical or plumbing license. This proposal would have expanded that right to landlords working on their own single family houses which are rented out to others. The bill received a hearing in both the House and Senate, but the bills did not emerge from subcommittee consideration. There were 27 lobbyists registered opposed to the bills.

2019 Legislative Session

The 88th General Assembly will convene on Monday, January 14th, 2019. There will be many new members of the next General Assembly. 16 House members are not running for reelection. 6 Senators are also retiring. And there always seem to be a few members who are involuntarily retired by the voters.

