



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 2412

PRINTERS NO. 3720

PRIME SPONSOR: Polinchock

### COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
Commonwealth Funds	See "Fiscal Impact"	See "Fiscal Impact"
Political Subdivision Funds	See "Fiscal Impact"	See "Fiscal Impact"

**SUMMARY:** Requiring the Secretary of the Department of Community and Economic Development (DCED) to immediately issue a waiver to the Governor's COVID-19 Business Closure Order to providers of legal services, and residential and commercial real estate services, including settlement services. This legislation would take effect immediately.

**ANALYSIS:** This legislation amends the Administrative Code of 1929, to require the Secretary of the Department of Community and Economic Development (DCED) to immediately issue a waiver to the Governor's COVID-19 Business Closure Order to providers of legal services, and residential and commercial real estate services, including settlement services.

Waivers could only be issued to business activities that can adhere to applicable mitigation measures defined by the Centers for Disease Control, Occupational Health and Safety Administration and the Department of Health to protect workers from and mitigate the spread of COVID-19. A business receiving a waiver would be required to implement the applicable mitigation measures.

Until the COVID-19 proclamation of disaster emergency issued by the Governor on March 6, 2020 and any renewal of the state of disaster emergency, is terminated or expires:

- A municipality or municipal authority that requires a use and occupancy certificate, or any other certificate or certification as a condition of a property transfer, is presumed to have issued a full and unconditional permit without requiring an inspection of the property
  - If a certificate is presumed to be issued, the municipality or municipal authority is enjoined from conducting a property transfer inspection after the proclamation has terminated or expired.
- Taxing authorities and public utilities would be required to provide alternative means for residential home buyers or title insurers to ascertain the current status of tax payments or overdue utility obligations.

Providers of Residential and Commercial Real Estate Services include:

1. Real estate brokers and all affiliated licensees and unlicensed employees.
2. Home inspectors, professional engineers and architects.
3. Any other professional contractor, inspector or other service provider that provides an inspection that is included as a contingent provision of a real estate agreement or transfer or lease.
4. Real estate appraisers.
5. Photographers or videographers engaged in collecting digital media for real estate marketing purposes.
6. Title agents, attorneys and notaries providing settlement services.

A business must comply with:

- Social distancing practices and other mitigation measures defined by the Centers for Disease Control and Prevention (CDC) to protect workers and to mitigate the spread of COVID-19; AND
- The order of the Secretary of Health directing public health safety measures for businesses permitted to maintain in-person operations.

A waiver granted under this article remains valid notwithstanding any order pursuant to the COVID-19 disaster emergency issued by the Governor on March 6, 2020, or any renewal thereof, unless the order removes any of the restrictions or otherwise grants greater permissions for operations than are provided under this article.

**FISCAL IMPACT:** The legislation would permit additional real estate transactions to occur under the proclamation of disaster emergency. To the extent additional transactions occur, the Commonwealth and its political subdivisions may realize additional revenues.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** May 14, 2020

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*