



TALKING POINTS JUNE/JULY 2019

LEGISLATIVE

SB 1475 DNA Bill - Defeated: This bill would have required a DNA sample to be provided by **anyone** that was required to submit a fingerprint clearance card as part of their application for. Applicants cannot be mandated or charged a \$250 fee for collection of DNA when applying for a new or renewing a real estate or brokers' license.

HB 2371 Nickname Legislation - Passed: REALTORS® in Arizona can now legally use the name they are commonly known by for business and marketing purposes. The legislation requires applicants for licensure as a real estate broker or salesperson to include any derivative of the following that the applicant regularly uses:

- a. The applicant's first name;
- b. The applicants middle name; or
- c. The applicants nickname that is regularly used.

This change will also be applicable when obtaining a license renewal.

Passed - HB 2318 Cell Phone legislation: The new law prohibits a person from driving if the person is physically holding or supporting a cell phone with any part of the person's body **while the vehicle is in motion** except when used with an earpiece, headphone, or wrist-worn device to conduct voice-based communication. Also, drivers are prohibited from writing, sending or reading any text-based communication, **while the vehicle is in motion**. The use of a cell phone in a hands-free manner, use of a global positioning system, or obtaining motor vehicle information is permitted.

Penalties for Violation

Though the legislation became effective upon signature of the governor, the penalties for a violation have a delayed effective date. A peace officer who stops a motor vehicle for an alleged violation is prohibited from issuing a citation for a violation before January 1, 2021 and may only issue a warning from the effective date of the legislation through December 31, 2020.

Once the penalties become effective on January 1, 2021, violations are imposed as follows:

- At least \$75, but not more than \$149, for an initial violation;
- At least \$150, but not more than \$250, for a second or subsequent violation.

ASSOCIATION HEALTH PLANS

The state association has been evaluating different options for offering an Association Health Plan to the membership. Previously, Arizona law prohibited sole proprietors from participating in an Association Health Plan as a “small business.” In May **SB 1085**, which is an **Association Health Plan** bill, was **signed by the Governor**.

In June 2018, the U.S. Department of Labor (DOL) released final regulations modifying the AHP rules to expand their availability for small businesses and their employees. Under the new regulations, small businesses, including self-employed workers, would be able to come together by geography or industry to obtain healthcare coverage as if they were a large employer.

Unfortunately, the regulation was challenged and, in March 2019, the U.S. District Court for the District of Columbia (the Court) set aside portions of the DOL’s regulation on AHPs. Specifically, the Court found that “the Final Rule’s provisions defining ‘employer’ to include associations of disparate employers and expanding membership in these associations to include working owners without employees are unlawful and must be set aside.” In other words, **the Court believed the expansion of “employer” to include sole proprietors/self-employed workers unlawfully expanded the definition of “employer” as it is defined in the Employee Retirement Income Security Act (ERISA)**. Moreover, the Court disagreed with the creation of an association for the sole purpose of establishing an AHP.

Following the Court’s decision, the Department of Justice filed an appeal on May 31, 2019. Federal law trumps state law. And although Arizona recently passed SB 1085, because the DOL’s Final Rule is being challenged in court, Arizona cannot move forward with allowing sole proprietors/self-employed workers to participate in an AHP at this time.

NAR is drafting an amicus curiae brief to file with the appellate court. An amicus brief is when someone who is not a party to a case, but has an interest in the outcome of the case, files a brief with the court which presents additional insight on the issues. An amicus brief is intended to influence a court’s decision.

NAR recently reached out to state and local associations asking if the associations are interested in joining NAR on the filing of the amicus brief. Arizona REALTORS® believe the amicus brief raises points which are necessary for the Court’s ruling to be overturned and have joined NAR in its filing of the brief.

There is an article in the June 18, 2019 issue of The Voice that outlines the efforts made by the Arizona REALTORS® to gather information, and proposals from Health Insurance Providers to come up with the best and most affordable plan for the membership throughout the state. Once the DOL’s appeal is decided and determines whether the definition of “employer” will include sole proprietors/self-employed/independent contractors, the Arizona REALTORS® will be ready to take action on establishing an AHP for the association’s membership.

****RVPs, please ask the attendees if they have any Risk Management concerns for your region****

RISK MANAGEMENT

Message to RVPs from General Counsel Scott Drucker:

“As you know, the Risk Management Committee implements and oversees programs designed to mitigate risk for consumers, as well as all Arizona REALTORS®. To achieve its goal, the Committee tries to stay abreast of risk management issues that members are experiencing across the state. I therefore wanted to reach out to the five of you and welcome you to share with me and Committee Chair, Lisa Paffrath, any risk management issues members are experiencing in your respective region.

Additionally, if there is any action your region would like the Risk Management Committee to consider taking, please don’t hesitate to share that as well. If there are issues you would like the Committee to consider at an upcoming meeting, please be sure to provide those to us.

Thank you and please don’t hesitate to contact me with any questions. Have a great day!”

FORMS

The following forms were released on **June 1, 2019**:

New form:

1. Notice / Disclosure

Revised forms:

1. Residential Resale Real Estate Purchase Contract Buyer Attachment Page
2. Agreement Notice Pursuant to The Short Sale Addendum to The Purchase Contract
3. Residential Seller Disclosure Advisory Page

TRANSACTION DESK TRAINING

RVPs please encourage the attendees to sign up for Transaction Desk Training

The state association is currently scheduling trainings which consist of one of the following:

- **Live Webinars** – Every Wednesday at 10:00 there will be a live webinar for members to attend. Registration for these webinars can be found at:
<https://attendee.gotowebinar.com/rt/8918817608694097155>
- **Live In-Person classes** –
 - Every two weeks the state association will have in-house training sessions held in the Meeting Center, training room #1. Dates are still being worked on.
 - Local associations who ask for live training for their members are being scheduled **now**; the first training sessions started the week of March 18th. The state association will try to accommodate all travel requests when possible, alternatively offering live streaming when necessary.
- **Recorded Webinars** – each of the webinars will be recorded and will be made available on an “at-will” basis.

- **Bite-Size Recordings** – the trainings will be segmented into 3 - 5 minute pieces; allowing members to learn what they want/need without having to spend an hour at a time listening to the recordings.

The TransactionDesk® webpage has details and links to registration and support.

ZIPFORM – TRANSACTION DESK

The state association understands that members must have easy and reliable access to their forms in order to conduct business. Let’s clarify some misconceptions about zipForm® and the new forms provider, TransactionDesk® by Lone Wolf Technologies.

zipForm® Standard (the offline/desktop version) - The contract between Arizona REALTORS® and zipForm® Standard was not renewed at the end of 2018, however you will still be able to use it. zipLogix® may discontinue the product at any time since they are no longer contractually obligated to provide the product to Arizona REALTORS® members. We have been told they will likely discontinue zipForm® Standard at the renewal period in May.

zipForm® Plus - zipForm® Plus is a member benefit from NAR and will continue to service Arizona members through the end of 2019. zipLogix® has expressed a desire to license Arizona REALTORS® forms into 2020. Should they do so, Arizona members will continue to have the option to use zipForm® Plus as a forms provider option.

zipForm® Mobile and MLS Connect, are provided by **the Arizona REALTORS**.

RVPs please make sure to emphasize that: The state association will ensure that members have plenty of time to learn TransactionDesk® before zipForm® Mobile is discontinued as an Arizona REALTORS® member benefit.

If you are asked how the decision to change forms providers was made:

The 2018 BS&T Committee decided to officially change forms providers for Arizona members. The motivation behind this decision was the fact that relying on zipForm® posed certain risks and timing issues.

After evaluating several different platforms, Instanet Solutions’ TransactionDesk® was selected. TransactionDesk® is a combination of forms, storage, and eSigning which are wholly integrated. The committee also decided not to renew the contract for zipForm Standard, the offline desktop version. The reason behind this decision was primarily risk-based. The Standard product has not been substantially updated in at least ten years, and Standard allowed users to access out-dated versions of forms. In fact, over 13,000 instances of incorrect RPC forms were used in the last few years and zipLogix® was unwilling to make the necessary changes to Standard to protect users from this unwitting use of out-dated forms.

Since zipForm Standard was purchased over 13 years ago when internet availability was much less reliable throughout the state, and that availability is substantially greater today, the reason to retain Standard did not outweigh the risk and cost.

2019 Arizona REALTORS® President Patrick Lewis filmed a video in which he explains the forms provider decision-making process. The video, titled “Arizona REALTORS 2019 President Introduces Transaction Desk” can be found on the association’s YouTube channel “AAR Editor.” If you have any additional questions, please do not hesitate to contact the association.

TECH HELPLINE

Tech Helpline is a member benefit included in your association dues that provides general tech support for computers, tablets, printers, scanners, smartphones, and more. To use Tech Helpline, simply call and provide the support analyst with your NRDS number and they will assist you. The Top 10 Reasons members called Tech Helpline in 2018 were:

Hardware/Email related issues	General questions	Browser issues
Operating system issues	Software: Other Applications	Viruses & Antivirus Software
Network issues	Slow computer	Websites (login/display problems)

SINGLE SIGN-ON

Single sign-on gives members one central location in which they can access the websites and applications they use the most in their business every day, and you only need to use one password! Basically, the need to keep track of different passwords for each website or application has been eliminated! If you haven't signed up, please do so today!

****If there are members who have not enrolled yet, ask them to do it today. Even if they are not in front of a computer, they can do it on their phones!***

The easy enrollment steps:

1. Ask them to open a web browser and go to **dashboard.azrealtorsso.com**.
2. Their user name is their **NRDS ID** and their password is their **last name (first letter is capitalized)**.
3. Three things will happen; they will be asked to:
 - a. agree to the user agreement
 - b. provide the answers to 3 security questions, and
 - c. create a new password.

That's it – they are enrolled!

Brokers can also have a presence on the Arizona REALTORS® SSO dashboard; there are three ways to participate, one of which is FREE!

For questions about Single Sign-on contact Nick at nickcatanesi@aaronline.com, or Michelle Kechely at michellekechely@aaronline.com.

TOTES FOR HOPE

Arizona REALTORS® Totes for Hope program started in 2017 at Arizona REALTORS® Spring Convention at the behest of then President Paula Monthofer. Attendees at the convention were asked to bring their unused hotel toiletries to registration desk. Over 4 boxes of unused toiletries were collected and donated to the Phoenix homeless campus. Totes for Hope has become very successful and continues to be at all Arizona REALTOR® conventions and conferences.

Arizona members attending National conventions are also asked to donate unused hotel toiletries at the end of the convention and donations are distributed locally along with uneaten snacks left by the Board of Directors. NAR staff and other state Presidents have also taken notice of the Totes for Hope program and have taken the initiative on in their own states. NAR staff also provides volunteer assistance and space to sort and bag donations that are distributed in the community by REALTOR® volunteers after the board of directors meeting.

An Amazon wish list has been set up to collect donations in between conferences. All donations are currently taken to Andre House in Phoenix which provides shower facilities and meals to Arizona's homeless population.

REMINDERS

2020 Primary Committee Application **deadline is September 1, 2019**. Find information and the application at: <https://www.aaronline.com/about-us/aar-committee-volunteer-info/>

UPCOMING STATE ASSOCIATION EVENTS

REALTOR® Caucus –

September 5th – Marriott Tempe at the Buttes

Industry Partners Conference – (NEW DATE/LOCATION as of June 7, 2019)

September 17th – Black Canyon Conference Center, Phoenix

Arizona REALTORS® Leadership Conference –

October 17th & October 18th – Embassy Suites Phoenix/Paradise Valley

SAVE THE DATE! 2020 Arizona REALTORS® Convention –

March 23-March 26, 2020 – Glendale Renaissance Hotel