

August Recess Talking Points 2019

Executive Summary

NATIONAL FLOOD INSURANCE PROGRAM REAUTHORIZATION

NAR's Position: Congress must reauthorize the National Flood Insurance Program (NFIP) before September 30, 2019. NAR supports H.R. 3167, which extends the NFIP for 5 years and improves flood mapping, enhances mitigation investments, and removes federal barriers to private flood insurance.

Key Facts:

- We are in the middle of hurricane season, which is not the time for more flood insurance uncertainty.
- Flood insurance is required for a mortgage in 22,000 communities nationwide.
- Each lapse costs 1,300 home sales per day.
- Each home sale means 2 jobs and \$80,000 to the U.S. economy.
- Short-term extensions and lapses of NFIP introduce uncertainty into real estate transactions that typically last 30-45 days.
- When flood insurance is not available at the closing table, consumers lose financing or pay fees to hold interest rates.

Congress Should: Find a way forward on a long-term reauthorization measure before September 30 and consider H.R. 3167, the National Flood Insurance Program Reauthorization Act.

 More detail on [NAR's Position on NFIP Reauthorization](#)

GSE REFORM

NAR's Position: Fannie Mae and Freddie Mac (the GSEs) are critical to financing home purchases. They guarantee mortgage availability for responsible, creditworthy Americans no matter where they live or what their regions' economic conditions are. Since 2008, the GSEs have been operating under conservatorship as Congress considers structural reforms.

Key Facts:

- Middle class Americans in both rural and urban communities benefit from the stability that GSEs provide to mortgage financing. Without entities like the GSEs, consumer access to mortgages would be significantly limited.
- Without the GSEs, mortgage rates would rise as much as 5% during a financial downturn, putting the American Dream out of reach for countless aspiring homebuyers.
- And, perhaps most importantly, without the GSE's government guarantee, the 30-year fixed rate mortgage would disappear
 - » Only Congress can update the GSEs' charter to convert the system to a utility model, create a government guarantee, or alter its public mission.

Congress Should: Maintain a strong housing finance system that prioritizes access to financing for hundreds of millions of Americans to help fund their dreams as they debate the future of the GSEs. Congress should not allow changes to the GSEs that would harm the housing finance system or curtail access for responsible and creditworthy homebuyers.

Congress should consider NAR's Vision for Housing Finance Reform, released earlier this year, which proposes a new, shareholder-owned utility model that highlights competition and remedies the failures of the pre-crisis system. Under NAR's plan, Fannie Mae and Freddie Mac would operate with well-monitored participation by private investors, which protects taxpayers, consumers and the U.S. economy as a whole.



More Detail on [NAR's Position on GSE Reform](#)

INFRASTRUCTURE AND TRANSPORTATION MODERNIZATION

NAR's Position: REALTORS® understand the infrastructure needs of our nation's communities and the value to thriving communities. Enhanced transportation and infrastructure systems are crucial for America's housing market and overall economy. A robust, long-term federal infrastructure modernization program, combined with greater investment by state, local and private stakeholders, can create the partnership needed to ensure our infrastructure network is designed for the 21st century.

Congress Should: NAR is requesting that Congress focus on two areas that can have an immediate impact to improve our nation's infrastructure:

1. Restore and modernize federal infrastructure funding. NAR supports efforts to ensure sufficient revenue to maintain the solvency of the Federal Highway Trust Fund, including evaluating an increase in the federal gas tax, while fostering energy and transportation-related innovations in the private sector.
2. Streamline Permitting to increase efficiency and maximize infrastructure funds. NAR supports efforts to streamline permitting for infrastructure projects to decrease costs and bring infrastructure-related projects to the market more quickly. Transparency and accountability should be increased, while jurisdictional overlap and duplicative processes should be eliminated to provide better outcomes for communities and neighborhoods.



More Detail on [NAR's Position on Infrastructure and Transportation Modernization](#)