

MINUTES
2022 REALTORS® LEGISLATIVE MEETINGS
BOARD OF DIRECTORS MEETING
Friday, May 6, 2022
8:30am – 11:38am

1. CALL TO ORDER:

Presiding: Leslie Rouda Smith, 2022 NAR President, Plano, Texas.

President Rouda Smith acknowledged that a quorum was present and called the hybrid meeting of the Board of Directors to order at 8:30am Eastern Time.

The Pledge of Allegiance was led by Elena Delgado, Carolina, Puerto Rico.

The inspirational message was given by JoAnne Poole, National Director, Baltimore, Maryland.

2. UKRAINIAN REALTORS®:

Alexa Kebalo Hughes, Tolland, Connecticut, offered remarks and performed the Ukrainian National Anthem.

Igor Balaka, Vice President of Ukrainian REALTORS®, Kharkiv, Ukraine, Olena Haidamakha, Ukrainian REALTORS® Director, Kyiv, Ukraine, Dmitriy Selektor, NAR Global Ambassador to Ukraine, Troy, Michigan, and Alina Aeby, NAR Global Coordinator for Eastern Europe/Middle East/Africa, San Francisco, California, provided an update on the ongoing war in the Ukraine, and its impact on the Ukrainian people.

Following their remarks, President Rouda Smith offered Directors an opportunity to contribute to a fund to support the International REALTOR® community in the Ukraine.

3. INTRODUCTION OF 2022 NAR LEADERSHIP TEAM AND PARLIMENTARIAN:

President Rouda Smith introduced the 2022 NAR Leadership Team, Parliamentarian, and NAR Senior staff seated at the head table:

- Leslie Rouda Smith, President
- Kenny Parcell, President-Elect
- Nancy Lane, Treasurer
- Shannon King, Vice President of Association Affairs
- Kaki Lybbert, Vice President of Advocacy
- Charlie Oppler, Immediate Past President
- Bob Goldberg, Chief Executive Officer
- Katie Johnson, General Counsel & Chief Member Experience Officer
- Bart Tichenor, Parliamentarian

impact of cryptocurrency, NFTs, and Blockchain. Directors were invited to offer input on several of these issues.

14. REPORT OF THE COMMITTEES:

A. FAIR HOUSING POLICY COMMITTEE

Chair Jennifer Stevenson, Ogdensburg, New York, presented the following recommendation of the Fair Housing Policy Committee:

Recommendation: A motion carried with 823 in favor and 20 opposed that NAR support the strong and fair enforcement of the fair lending provisions of the Fair Housing Act and the Equal Credit Opportunity Act, which prohibit discrimination in consumers' access to credit on prohibited bases.

The rationale provided for such recommendation was as follows: A clear statement in support of fair lending will position the National Association of REALTORS® (NAR) to engage with Congress and federal agencies as they seek to implement new policies and enforce existing laws intended to eliminate discrimination in mortgage lending. This policy statement serves as a guide for NAR to advocate for federal fair lending policy that furthers the REALTOR® Code of Ethics' consumer protections against unlawful discrimination. These protections support housing opportunities, economic growth, community development, and a healthy and vibrant real estate market.

B. INSURANCE COMMITTEE

Mabél Guzmán, Chicago, Illinois, presented the following recommendation of the Insurance Committee:

Recommendation: A motion carried with 804 in favor and 28 opposed that NAR support enhancing the Paycheck Protection Program (PPP) as an alternative to a pandemic risk insurance approach, and that the enhancements achieve the following criteria:

- a. Provide federal revenue replacement assistance to address gaps in business interruption coverage during future global viral pandemics;
- b. Better target assistance to small businesses and investors in the most highly impacted industries that are forced to close due to pandemic-related government orders;
- c. Use a simple, streamlined application and aid-distribution formula to expedite assistance to those most in need;
- d. Do not impose any new assessments, surcharges or recoupment on commercial insurance policies in order to pay for federal assistance;
- e. Condition assistance on adopting the latest, science-based mitigation measures;
- f. Improve education about and provides more equitable access to federal assistance;
- g. Provide for sufficient program oversight and accountability; and
- h. Offer a voluntary role for insurers to participate in fee collection and aid distribution under an enhanced program.

The rationale provided for such recommendation was as follows: Commercial insurance policies generally do not cover business interruption losses due to pandemic-related government closure orders. However, while insurance experts continue to debate whether pandemic risk is insurable, the Paycheck Protection Program (PPP) has successfully provided \$800 billion in revenue replacement assistance to 12 million small businesses during COVID-19. This policy would support enhancing PPP to offer more targeted assistance as part of a forward-looking and well-thought-out federal approach toward future global pandemics that significantly impact the United States.

C. CONSUMER COMMUNICATIONS COMMITTEE

Chair Justin Knoll, Greenwood Village, Colorado, presented the following recommendation of the Consumer Communications Committee:

Recommendation: A motion carried with 775 in favor and 87 opposed that NAR continue the national Consumer Advertising Campaign for years 2023-2027, funded in each year by the forty-five dollar (\$45) per member special assessment.

The rationale provided for such recommendation was as follows: The Special Assessment has been \$35 since 2009. With escalating media costs paired with emerging media channels, and an increasingly crowded real estate category, the committee feels that increasing the per member assessment \$10 is the best way to generate the funds needed. Specific to media inflation, \$1 in 2010 is worth \$.40 today. Additional funds will increase the reach and frequency and expand into new channels. The \$45 assessment will be maintained through 2027, without worry of an increase in three years.

D. LEGAL ACTION COMMITTEE

Chair Carolyn D'Agosta, San Diego, California, presented the following recommendations of the Legal Action Committee:

Recommendation 1: A motion carried with 815 in favor, 26 opposed, and one abstention from Director Christopher Tenggren, that NAR provide funding of up to \$97,500.00 for legal fees incurred by Defendant Weichert Co. in connection with its appeal pending before the New Jersey Supreme Court in the case *James Kennedy, II v. Weichert Co. d/b/a Weichert, REALTORS®*.

The rationale provided for such recommendation was as follows: Plaintiff filed a putative class action lawsuit against Defendant Weichert Co. alleging that Defendant misclassified its salespersons as independent contractors. Plaintiff seeks to recover unpaid wages, unlawful wage deductions, and attorneys' fees and costs. The issue of independent contractor status in the real estate industry is of national concern, and the committee believes this is an important case to support in order to preserve the ability of real estate professionals to be classified as independent contractors.