

# Advocacy Issues A to Z

Fall 2019

NAR's Advocacy staff is working on a number of "active/hot issues" affecting real estate markets and REALTORS®. Each issue explanation is followed by the staff experts working on that issue. Use the staff contact list at the end of the document if you would like more information.

Issue	Staff Expert
<b>Affiliated Business 3% Cap</b> - NAR supports a fix to Dodd/Frank rules on Qualified Mortgages (QM) that disadvantage small lenders over big banks.	Christie DeSanctis Nia Duggins
<b>Affordable Rental Housing</b> - NAR supports legislative and regulatory proposals to remove disincentives that inhibit owner participation in the development of new rental housing or the preservation of existing safe and affordable rental housing.	Megan Booth
<b>Alternative Credit Scores</b> - NAR supports legislative and regulatory proposals that support alternative credit scoring models aimed at responsibly expanding mortgage credit for millions of hardworking families.	Ken Fears Bernard Fulton
<b>Alternative Valuation Methods</b> - NAR is in discussion with legislators, regulatory agencies, and stakeholders on the increased use of data-based valuation methods and hybrid appraisal products. NAR supports innovation in the valuation field, but only if safety and soundness concerns are also addressed.	Sehar Siddiqi
<b>ADA Reform</b> - While NAR strongly supports the requirements of the Americans with Disability Act (ADA), NAR also supports legislation to curb abusive "drive-by" lawsuits that demand high payments or threaten legal action related to minor, often easily correctable infractions of the ADA.	Erin Stackley Sehar Siddiqi
<b>ADA Website Compliance</b> - NAR supports clear website accessibility standards under the ADA, and has requested guidance from the Department of Justice on this issue to curb demand letters for alleged violations by businesses.	Christie DeSanctis Sarah Young Nia Duggins
<b>Appendix Q:</b> Appendix Q outlines underwriting guidelines for lenders, which may adversely impact the self-employed due to a lack of documentation when compared to salaried employees. NAR continues to advocate for updates to Appendix Q to promote greater lender flexibility when evaluating a self-employed consumer's earnings trend.	Christie DeSanctis Nia Duggins
<b>Appraiser Qualifications</b> - NAR supports state-level adoption of revised national minimum requirements for trainee appraisers including more flexible education and work hour requirements.	Sehar Siddiqi
<b>Appraiser Shortages</b> - NAR is engaged with legislators, regulatory agencies, and stakeholders on addressing barriers and market conditions that hinder timely and accurate appraisals.	Sehar Siddiqi
<b>Assistance Animals</b> - NAR urges HUD to provide further guidance regarding assistance and companion animals. Reasonability standards should be considered.	Megan Booth Sehar Siddiqi

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<b>Association Health Plans</b> - NAR supports expanding access to affordable health care options for the self-employed and small employers. In particular, NAR supports the Department of Labor final regulation, which enables NAR members and other working owners to participate in higher quality, lower cost association health plans.	Christie DeSanctis Austin Perez
<b>BASEL Capital Standards</b> - NAR supports legislation that would clarify the definition of High Volatility Acquisition, Development & Construction loans (HVCRE ADC), and provide exceptions to the Rule.	Erin Stackley Ken Fears
<b>Broadband Access</b> - NAR supports a national broadband plan to ensure all communities have affordable access to a world-class communications infrastructure.	Sarah Young
<b>Brownfields Clean up and Reinvestment</b> – NAR believes it is important for state and local governments to support and encourage the cleanup of Brownfields by providing tax and other economic incentives. These incentives are necessary to attract private investment to abandoned properties and to compensate for the risk of investing in contaminated land - typically surrounded by economically blighted neighborhoods. NAR also supports EPA’s Brownfield Revolving Loan Fund, which provide communities with resources to transform contaminated sites into community assets that attract jobs and achieve broader economic development outcomes.	Russell Riggs
<b>Capital Gains Exclusion</b> - NAR believes the capital gains exclusion (\$250K for singles/\$500K for joint) for the sale of a home should be indexed for inflation.	Evan Liddiard
<b>Commercial Real Estate Lending</b> - NAR supports legislative and regulatory proposals to create a covered bond market in the U.S., and also to increase the lending cap for credit unions.	Erin Stackley
<b>Competition</b> - NAR asserts that the real estate market is vibrant, healthy and vigorously competitive. Technology innovation in the real estate industry is robust and listing data is available from multiple sources.	Sarah Young
<b>Copyright</b> - NAR supports the ability of MLS organizations to protect their intellectual property through the use of compilation copyrights.	Sarah Young
<b>Condominium Lending</b> - NAR supports legislative and regulatory proposals to ease restrictions on the purchase and sale of condominiums.	Megan Booth Sehar Siddiqi Ken Fears Bernard Fulton
<b>Data Privacy/Security</b> - NAR recognizes the importance of protecting client data entrusted to them and supports common sense data privacy and security safeguards that are effective but do not unduly burden our members’ ability to efficiently run their businesses.	Sarah Young
<b>Deduction for Sole Proprietors and Owners of Pass-Through Businesses</b> – NAR successfully lobbied Treasury and IRS to clarify that the 20% deduction included in the Tax Cuts and Jobs Act of 2017 is effective in providing the maximum benefit permissible under the law for real estate professionals. Also following NAR discussions, IRS guidance provides a “safe harbor” of 250-hours of landlord-type activity per year to ensure that net real estate rental income qualifies for the deduction.	Evan Liddiard

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<b>Depreciation</b> - NAR supports shortening the 27.5- and 39-year cost recovery periods for real property.	Evan Liddiard
<b>Drones</b> - NAR supports efforts to create new federal regulations to allow for the future commercial use of unmanned aerial vehicle technology by the real estate industry.	Erin Stackley
<b>Energy Efficiency 179D Tax Deduction</b> - NAR supports the renewal of this tax incentive, which allows commercial building owners who improve the building's energy-efficiency to receive an immediate deduction instead of having to depreciate.	Erin Stackley Evan Liddiard
<b>Eminent Domain</b> - Supports eminent domain authority only for a public use, as well as a broad interpretation of "just" compensation. NAR also supports states' rights governing eminent domain.	Russell Riggs
<b>Eminent Domain for Taking Mortgages</b> - NAR opposes the use of eminent domain to take underwater mortgages.	Russell Riggs
<b>Endangered Species Act (ESA) Reform</b> - NAR supports reforms to the ESA that recognize economic impacts when designating endangered species and their habitats. Proposals must provide market-based incentives to encourage species protection, and compensate private property owners if their property's economic value declines.	Russell Riggs
<b>Fair Housing (Sexual Orientation &amp; Gender Identity)</b> - NAR supports legislation to add sexual orientation and gender identity as protected classes under the Fair Housing Act. NAR has also included these categories in the Code of Ethics.	Sehar Siddiqi
<b>FHA Condo Rule</b> - NAR is urging the U.S. Department of Housing and Urban Development (HUD) to publish the final Federal Housing Administration (FHA) condominium rule, which will ease current FHA restrictions on condo lending.	Sehar Siddiqi Megan Booth
<b>FHA Lifetime Mortgage Insurance Premium</b> - NAR urges FHA to remove the requirement that premiums be paid for the life of the loan, and instead return to the practice where these could be cancelled after the borrower has sufficient equity.	Sehar Siddiqi Megan Booth
<b>Financial Readiness</b> – NAR supports the goals outlined in <a href="#"><i>Promoting Financial Success in the United States: National Strategy for Financial Literacy</i></a> , which are designed to increase financial literacy to empower school-aged children and young adults to build financial knowledge, skills, and habits that will help them make sound financial decisions and prepare them for homeownership in the future.	Wendy Penn
<b>First Time Home Buyer Savings Accounts</b> - NAR supports Home Buyer Savings Accounts established at the state level and urges states to adopt such plans. NAR believes individuals or families saving for homeownership should be able to put a percentage of income or maximum amount of funds into an account that is tax free to be used within a specified amount of time for the purchase of a home. Home Buyer Savings Accounts are typically used for first time homeowners or returning home buyers.	Wendy Penn
<b>Flood Insurance</b> - NAR urges Congress and the Administration to reauthorize and reform the National Flood Insurance Program, and remove barriers to a more robust private market to offer higher quality, lower cost flood insurance.	Austin Perez

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<b>Global Climate Change</b> - NAR supports action that protects property rights while emphasizing environmental stewardship and voluntary local action, based on private sector, market-based investments to encourage energy efficiency, adaptation and mitigation.	Russell Riggs Austin Perez
<b>Guarantee Fees</b> - NAR is concerned with the high G-fees charged by Fannie Mae and Freddie Mac, which have translated into huge profits for the entities, but high prices for consumers. NAR supports reasonableness when setting G-fees to avoid over charging tax-paying homeowners and a specific reduction in light of recent tax legislation.	Ken Fears Christie DeSanctis Bernard Fulton
<b>Homelessness</b> - NAR supports Veterans Affairs Supportive Housing (VASH) vouchers to ensure veterans have access to housing, and continuum of care programs that focus on housing first programs.	Megan Booth Sehar Siddiqi
<b>Housing Counseling</b> - NAR supports housing counseling programs that incentivize housing education.	Wendy Penn Sehar Siddiqi
<b>Housing Finance Reform</b> - NAR supports reforms to replace Fannie Mae and Freddie Mac with a government-chartered authority(s), in a way that ensures the mission of the GSEs continues to meet the needs of consumers and taxpayers are protected. Such reforms must also encourage private capital's participation in the secondary mortgage market, and ensure there is mortgage capital in all markets at all times and under all economic conditions, with the continued availability of the 30-year fixed rate mortgage.	Ken Fears Bernard Fulton Christie DeSanctis
<b>Immigration</b> - NAR supports reauthorization of the EB-5 visa program that encourages significant investment into US businesses and real estate in return for a path to citizenship.	Russell Riggs Nia Duggins
<b>Impact Fees</b> - NAR opposes impact fees. Where impact fees exist, NAR urges their repeal. Impact fees should be used solely for capital improvements related to a specific new development.	Wendy Penn
<b>Independent Contractor Status</b> - NAR strongly supports the continued right of brokers to choose whether to treat and classify agents as employees or independent contractors for federal tax purposes; and supports actions at the state level to strengthen the rights of brokers to make these determinations and opposes efforts at the federal level to weaken those rights.	Christie DeSanctis Evan Liddiard Nia Duggins
<b>Infrastructure and Transportation</b> - NAR supports action to develop a long-term, dedicated source of revenue to maintain and fund surface transportation projects; rebuild and modernize other core infrastructure needs such as transit, ports and water management systems; and streamline the permit process.	Russell Riggs
<b>Internet Sales Tax Fairness</b> - NAR supports legislation to level the sales tax playing field for all retailers - online and brick and mortar.	Erin Stackley Evan Liddiard
<b>Lead Paint</b> - NAR supports federal policies that reduce lead exposure risks in homes without costly and burdensome rules on property owners.	Russell Riggs

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<p><b>Marijuana Legalization</b> – NAR does not have policy on the legalization of marijuana, but provides guidance to property owners/agents about issues to be aware of if state allows marijuana. Conflicts between federal and state law can create difficulties for all types of properties. NAR also supports access to financial institutions for state-legalized businesses.</p>	<p>Megan Booth Erin Stackley</p>
<p><b>Marketing Service Agreements</b> - NAR encourages the Consumer Financial Protection Bureau (CFPB) to publish guidance that specifically rejects the contention that the marketing of settlement services is a mere referral, and ensures that real estate professionals can be paid for such marketing.</p>	<p>Christie DeSanctis Nia Duggins</p>
<p><b>Money Laundering and Terrorism Financing</b> - NAR supports continued efforts to combat money laundering and the financing of terrorism through a risk-based analysis approach, focusing regulation on high-risk entities such as financial institutions rather than non-financial professions. . NAR supports the current rules requiring reporting of cash over \$10,000 and ensuring real estate professionals understand their responsibilities to prevent criminal activity from infiltrating the real estate market and without the imposition of burdensome or duplicative requirements.</p>	<p>Christie DeSanctis Nia Duggins</p>
<p><b>Mortgage Debt Cancellation Relief</b> - NAR supports legislation to provide a permanent provision for the exclusion from taxation of the phantom income generated when all or a portion of a mortgage on a primary residence is forgiven.</p>	<p>Evan Liddiard</p>
<p><b>Mortgage Disclosure Rule</b> - NAR urges the CFPB to continue clarifying the rules allowing for lenders’ flexibility in being able to reissue a Closing Disclosure (CD) to determine if a closing cost was disclosed in good faith, regardless of when the CD is provided relative to consummation.</p>	<p>Christie DeSanctis Nia Duggins</p>
<p><b>Mortgage Interest Deduction</b> - NAR supports indexing for inflation the \$750,000 maximum loan amount eligible for deducting mortgage interest.</p>	<p>Evan Liddiard</p>
<p><b>National Disaster Policy</b> - NAR supports the development of a national disaster policy, which includes emergency post-disaster assistance but emphasizes pre-disaster planning, preparedness, mitigation and the proactive reduction of risk for natural and other disasters.</p>	<p>Austin Perez</p>
<p><b>Net Neutrality</b> - NAR supports legislative and regulatory efforts to ensure that broadband providers adhere to net neutral practices including, no blocking, no throttling of data and no paid prioritization.</p>	<p>Sarah Young</p>
<p><b>Opportunity Zones</b> – NAR supports Qualified Opportunity Zones, which offer powerful capital gains tax incentives to investors to redeploy assets into economically troubled areas throughout the country and to keep them invested for long periods. Newly-constructed and revitalized commercial real estate is expected to be a primary focus for a great deal of the new investment expected through this incentive program.</p>	<p>Evan Liddiard Erin Stackley</p>
<p><b>PACE Loans</b> - NAR supports legislative and regulatory proposals that require Property Assessed Clean Energy (PACE) loan terms to be fully disclosed to borrowers.</p>	<p>Russell Riggs</p>
<p><b>Patent Reform</b> - NAR supports common sense patent litigation reform in an effort to protect our members from abusive patent trolls.</p>	<p>Sarah Young</p>



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<p><b>Possession and Evictions</b> - NAR believes that the fundamental right of rental property owners to regain possession of their property shall not be abridged. NAR opposes the erosion of these property owner rights: 1. The right to owner occupy property. 2. The right to inspect property with proper notice. 3. The right to terminate tenancy within the terms of the lease. 4. The right to freely go out of the rental business and convert property to other uses.</p>	Wendy Penn
<p><b>Real Estate Transfer Taxes</b> - NAR opposes real estate transfer taxes. Where transfer taxes currently exist, NAR urges their repeal and opposition to any increases. NAR urges the redirection of fees to be used for one-time capital acquisitions that are related to housing or commercial property improvements (e.g. infrastructure) and exemptions to transfer taxes for first-time homebuyers and for homebuyers from low- and moderate-income households.</p>	Wendy Penn
<p><b>Rent Control</b> - Rent control and rent stabilization are infringements upon private property rights. NAR opposes current and future rent control and rent stabilization laws on both residential and commercial properties. NAR encourages local and state REALTOR® associations to oppose any legislative measure allowing for rent control or rent stabilization efforts.</p>	Wendy Penn
<p><b>Rural Housing Loans</b> - NAR urges the Rural Housing Service to move forward with efforts to allow lenders to directly endorse RHS loans, in order to increase the availability of guaranteed loans; and eliminate issues if government shutdowns occur.</p>	Sehar Siddiqi Megan Booth
<p><b>Sales Tax on Services</b> - NAR opposes the application of state or local sales tax to rent, and to real estate services and other professional services, including real estate broker commissions, title searches, appraisals, home inspections, property management services, and any other services related to the real estate transaction.</p>	Wendy Penn
<p><b>Short-term Worker Visas</b> - NAR supports federal visa programs, such as the H2-B program, that allows foreign workers to work in the U.S. temporarily. NAR also supports reforms to these programs that addresses national security, employer and visa overstay concerns.</p>	Russell Riggs Nia Duggins
<p><b>Sign Ordinances</b> - REALTORS® have the right to advertise properties and use For Sale signs, and NAR opposes efforts to restrict such activity.</p>	Wendy Penn
<p><b>State Licensing Boards</b> - NAR is participating in a coalition that is closely monitoring an evolving discussion at the federal level on state license laws. There are two themes: (1) state license laws regulate too many occupations without a compelling reason for licensing, and (2) concerns that state license boards, especially those that include members of the profession regulated, can engage in anti-competitive and protectionist rulemaking.</p>	Christie DeSanctis Nia Duggins
<p><b>State and Local Tax Deduction</b> - NAR supports legislative efforts to reinstate the full deductibility of state and local taxes. At a minimum, NAR urges legislators to index the current \$10,000 cap for state and local tax deductions to inflation and to remove the marriage penalty by increasing the deduction cap for joint returns to \$20,000, twice the amount of that for singles.</p>	Evan Liddiard

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<b>Student Loan Debt</b> - NAR supports federal policies to allow student borrowers to refinance into lower rates and to streamline income-based repayment programs.	Ken Fears Bernard Fulton
<b>Terrorism Insurance</b> – NAR supports and urges Congress to continue to authorize the federal terrorism risk insurance program.	Erin Stackley Austin Perez
<b>Tort Reform</b> - NAR supports legislative proposals to establish caps limiting noneconomic and punitive damage awards and standards for the assignment of certain class action lawsuits to federal court.	Christie DeSanctis Nia Duggins
<b>VA Home Loan Guaranty</b> - NAR continues to work with the Department of Veterans Affairs to allow veterans to be on a level playing field with other buyers.	Megan Booth Sehar Siddiqi
<b>Waters of the US (WOTUS)</b> - NAR supports legislation and regulation to clearly define what “waters” are under the jurisdiction of the federal government.	Russell Riggs
<b>Wildfires</b> - NAR encourages active forest management practices that return the ecological benefits of fire to forested areas, bring balance to our nation's firefighting policies, and protect homes and communities in the wildland/urban interface.	Russell Riggs Austin Perez
<b>X and Z - RESPA (Regulation X) TILA (Regulation Z) Harmonization (Know Before You Owe or TRID)</b> - NAR supports a RESPA/TILA harmonization that adds transparency, simplifies disclosures, and reduces burdens to settlement service providers, including real estate professionals. NAR continues to work with the CFBP to ensure outstanding concerns with the rule are addressed.	Christie DeSanctis

## Staff Contact Information

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