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As the U.S. continues to grapple with the COVID-19 crisis, REALTORS® are monitoring a number of issues that are impacting this nation's homeowners, the real estate industry, the health of our mortgage market, and American consumers everywhere. There are 9.5 million jobs in the real estate, rental and leasing industry, and every two home sales generate one job in this country. The issues that matter to our industry matter to our nation – and they will play a critical role in America's economic recovery. We urge you to consider these factors as you continue to act decisively on Capitol Hill in response to this crisis, and we sincerely thank you for all of the sacrifices you have made during this difficult time.

Continued Funding/Extension of Small Business Loan Programs and Pandemic Unemployment Assistance

Programs authorized under the CARES Act, like the Economic Injury Disaster Loan (EIDL), the Paycheck Protection Program (PPP) and Pandemic Unemployment Assistance (PUA), have been helpful to small businesses struggling to stay open and employees who have been temporarily furloughed as a result of the pandemic. NAR particularly appreciates the work Congress did to improve PPP through the "PPP Flexibility Act," which will make the program more helpful to small business and independent contractors who utilize it. However, funding continues to be an issue for these programs, as demand surpasses what was initially envisioned. NAR sent a [letter](#) to Congressional leadership urging additional funding for the PPP and EIDL programs in future COVID-19 response legislation in April, and urges continued funding for both to ensure that they can meet the needs of small businesses during this time. NAR has also joined other Associations urging that 501(c)(6) organizations be provided access to these programs. NAR has prepared FAQ documents for REALTORS® covering both [SBA Loans](#) and [Unemployment Assistance](#) provisions. **NAR supports ongoing funding for these programs in order to ensure small businesses can access funds needed to operate and survive in this economic environment.**

SECURE Remote Notarization H.R. 6364, S 3533, SECURE Act

NAR [supports](#) the "Securing and Enabling Commerce Using Remote and Electronic Notarization Act of 2020" (S. 3533, H.R. 6364, the SECURE Act) that would expand access to remote online notary (RON). The legislation would also permit immediate nationwide use of RON, with minimum standards, and provide certainty for its interstate recognition. This critical piece of legislation will help keep real estate markets functioning and will prevent transactions from being cancelled or interrupted. **NAR urges you to cosponsor S. 3533, H.R. 6364 and ask for its inclusion in any future COVID-19 response legislation.**

Increased Mortgage Liquidity

NAR has met with multiple financial regulators, calling on them to aid efforts to reduce liquidity issues in mortgage markets that have resulted in unnecessarily high requirements from lenders and raising costs for consumers. Furthermore, NAR joined a broad coalition of organizations representing the financial industry and affordable housing advocates [calling on](#) government regulators to take action to improve liquidity and consumer access to credit.



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NAR urges continued support for mortgage market liquidity without imposing unnecessary costs on consumers that may depress real estate sales transactions.

Forbearance and Eviction assistance

While we [support](#) initiatives to protect renters who have experienced economic distress, we must also support the owners of these properties who have payment obligations that will be difficult to meet without rental income. Any prohibitions against eviction should be matched with forbearance or economic relief for those property owners.

- Currently renters in federally-assisted properties are provided 120 days protection from eviction, but their landlords only receive 90 days forbearance.
- In addition, many localities have implemented prohibitions on evictions, and housing providers have no relief in paying their obligations.

As you continue to debate these issues, NAR urges you to keep in mind the impact of this crisis on both tenants and landlords.

Rental Assistance

NAR supports emergency rental assistance to provide relief for the missed rental payments that have cascading effects not only on the rental housing industry but on state and local governments and the broader economy. This assistance should be made available at properties for future rent payments, unpaid rent arrearages, and to a limited extent, utility payments and unforeseen operating costs associated with responding to the COVID-19 pandemic. **NAR urges broad financial support for renters and housing providers during the ongoing pandemic.**

Business Liability

NAR is closely monitoring Congress' efforts to ensure liability protection for businesses, including for independent contractors due to issues related to COVID-19. Litigation and the associated legal costs could devastate businesses that are just beginning to reopen their doors or have kept them open throughout the crisis. Providing business owners and operators with narrowly tailored liability protections to safeguard against unfair lawsuits is important to ensure that businesses are able to operate in a safe and effective manner. **NAR urges the inclusion of liability protections for businesses and independent contractors exercising prudent and responsible practices to protect workers and consumers from COVID-19 related issues.**

Provide Tax Incentives for Homeownership for Those Who Lack Them

The housing sector will be instrumental in leading the economy out of the current downturn. With every two home sales generating one new job in this country, it is more imperative than ever to support real estate activity, which accounts for nearly 20 percent of U.S. GDP. Therefore, consideration should be given to legislation to incentivize the purchase of homes, especially by those whose rate of homeownership has not recovered from the



housing crash of the last decade. Three groups have been particularly lagging in this regard – minorities, millennials, and middle-income households. Unfortunately, these same groups are the ones least likely to be able to access assistance from the current tax system. **Congress should consider a tax credit for those who purchase a home but do not itemize their deductions.**

Expand Opportunity Zones

Because the economic devastation from the pandemic has been particularly difficult for many underserved areas of the nation, consideration should be given to expanding the Opportunity Zone (OZ) program as follows:

- **Allow non-capital gain rollovers to also receive tax-favored status.** Currently, only gains from long-term capital assets that are rolled over into an Opportunity Fund within 180 days of sale are eligible for tax-favored incentives under the OZ program.
- **Allow real estate inside an Opportunity Zone investment to be considered to have been substantially improved if 50% of the cost of the property is spent on improving it (down from 100% under the current law).** This would make it less costly for an investor to meet the requirements for improving real property.
- **Provide that the capital gain tax rate that applies to the deferred gain on the prior rollover is the same as today's tax rate.** If the capital gains rate increases between now and the end of 2026, current rules provide the tax that must be paid on the deferred gain would increase. This has caused some would-be investors to hesitate.
- **Resetting the holding periods for excluding a partial gain from the rollover of current capital gains.** The original OZ program provided strong incentives by allowing the exclusion of 5% of the previous gain if the new investment is held for five years and 10% if it is held for seven years. However, we are already past the point where the maximum amount of incentive can be realized. We propose restarting these incentives by extending the recognition dates by two years.

Eliminate the SALT Marriage Penalty (H.R. 2624 SALT Relief and Marriage Penalty Elimination Act of 2019)

The cap on state and local taxes (SALT) penalizes married couples who file jointly and has caused economic hardship to some middle-income families. The provision limits all households to \$10,000 in state and local tax deductions, whether the household is composed of a single individual or two married taxpayers filing jointly. **NAR believes that increasing the limit to \$20,000 for joint returns can help bridge differences and concentrate relief on those who need it most. We support H.R. 2624 and S. 2762.**

Invest in Infrastructure

There has been interest in including infrastructure in a relief package to stimulate economic development. Funding for the "Fixing America's Surface Transportation (FAST) Act" expires on September 30, 2020. This bill governs our nation's federal surface transportation spending,



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and a reauthorization will provide certainty for ongoing construction work (much of which has been deemed essential) and make much-needed improvements to our nation's infrastructure. In addition, NAR has been encouraged to hear Speaker Pelosi specifically address broadband during preliminary discussions on phase 4 legislation. **NAR supports passage of the FAST Act and the stable employment opportunities it will provide, along with necessary Broadband investments.**

Support Financial Assistance to State and Local Governments

The State and Municipal Assistance for Recovery and Transition (SMART) Act (S.3752/H.R. 6954), would provide \$500 billion in emergency funding to states and municipalities. Similarly, the "State and Local Emergency Stabilization Fund Act" (S. 3671) would provide \$600 billion in funds to assist governments facing budget shortfalls due to the COVID-19 pandemic. This pandemic has exhausted budgets and drained the "rainy day" funds and resources of governments at all levels. As stewards of the effort to get our nation's economy back in business, NAR supports financial assistance, like that provided in the legislation referenced, as a means to combat the economic and budgetary impact of COVID-19 and as a proactive measure to ensure property owners are not faced with additional hardship through additional taxation to make up these deficits. **NAR urges the financial support of state and local governments so they can continue to protect citizens from unanticipated hardships resulting from the pandemic.**

