

AGENDA



CALIFORNIA NAR DIRECTORS ISSUES BRIEFING

Delaware Suite
Marriott Wardman Park Hotel
Tuesday, May 14, 2013
11:00 AM – Noon

Presiding:

Don Faught, C.A.R. President

Staff:

Matt Roberts, Federal Governmental Affairs Manager

I. Welcome

II. Key Events and Issues at the 2013 Midyear Legislative Meetings

A. NAR 360°

The new forum combines the Real Estate Symposium with the former 59½ Minutes: A Member & Director Forum to offer a panoramic view of the real estate industry and the Association's critical role in shaping its future.

Consumer Financial Protection Bureau Director Richard Cordray will start with a discussion of measures being taken to better protect consumers when obtaining a mortgage loan. Next, with challenges growing at the state and local level, there will be a presentation on the successes of the REALTOR® Party in protecting real estate at every level of government.

NAR 360° on Tuesday, May 14 at 3:30 p.m.

B. RETHink Initiative Data Revealed

NAR is taking a fresh new approach to gathering information for its strategic planning process called the ReThink Initiative. Already, more than 5,000 members and Association Executives have shared their opinions and insights. The Strategic Planning Committee will hold a unique session where much of the data and insights from the ReThink workshops conducted during the past several months will be discussed. This is an interactive session, and the committee will be asking for your input as NAR positions itself for success in the future.

Join them on Tuesday, May 14 from 1:00 p.m. to 3:00 p.m. at the Marriott Wardman Park Hotel. Check on site for the exact location. Be prepared to share ideas, speak your mind, and interact with members of the Strategic Planning Committee. Your voice is important.

C. Key Issues

1. Approval of the 2014-2016 [Operating and Capital Budgets](#)

The Board of Directors will vote to approve the 2014-2016 Operating and Capital Budgets. The operating budgets for 2014, 2015, & 2016 reflect net expense of \$727,246, \$614,559, & \$1,761,611 respectively. Association

reserves are available to cover these planned deficits. No dues increase is requested.

2. Continuation of the Existing Membership Assessment for the Public Advocacy Campaign (previously called the Public Awareness Campaign)

At the Board Meeting on Saturday morning, May 18, in the Marriott Ballroom, Directors will vote on the continuation of the Public Advocacy Campaign special assessment to be maintained at the current rate of \$35 in 2014, 2015 and 2016.

NAR's national advertising campaign highlights the real estate issues that matter to REALTORS® and their clients. The Public Advocacy Campaign is one of the most popular programs among NAR members. In 2012, 95% of REALTORS® favored the advertising program, and 91% would like to see more NAR advertising that protects homeownership, promotes real estate investment, and advances the REALTOR® profession.

The campaign is part of an integrated consumer communications effort that promotes the value of homeownership, real estate investment, and REALTORS®. Tracking research shows that the campaign is having a strong effect and a positive impact on the public's perception of and attitudes toward homeownership and the value of owning real estate. 82% of consumers surveyed said that NAR's advertising made them feel more positive about homeownership; 88% of respondents believe that NAR and REALTORS® are working to ensure Americans have access to homeownership; and 76% believe NAR and REALTORS® are the voice in Washington for homeowners.

3. 2014 First Vice President Election Process

Also taking place at the Midyear Meetings is the election between Jim Helsel and Tom Salomone for the 2014 First Vice President office. This is how the process will work:

First, a candidate's forum will be held on Thursday, May 16 from 1:00 pm to 2:00 pm in the Marriott Ballroom, Salon 2, of the Marriott Wardman Park Hotel. Anyone is invited to attend, but Directors are encouraged to go to the forum.

Please note that check-in at the Board of Directors Meeting is from 7:30 a.m. to 8:30 a.m. Saturday, May 18. Every Director must provide a government-issued photo ID, which will be verified against the 2013 Directors roster before each Director receives a personalized ballot.

As required by the NAR Constitution, the election of officers will be the first order of business. Each candidate for First Vice President will be given an opportunity to address the Directors for up to five minutes before voting begins. Then, election for the offices of 2014 President-Elect, Treasurer and Regional Vice Presidents will be conducted. The election of the 2014 First Vice President will follow.

There will be transparent ballot boxes for each region in the room, and members of each region will deposit their ballots in them. After all Directors

within a region have voted, that RVP will carry the ballot box to a secure room outside the BOD meeting room. An outside accounting firm will tabulate the votes while the Board of Directors continues with the meeting agenda. The results of the vote will then be presented to President Gary Thomas who will announce the results at the conclusion of the meeting.

III. C.A.R. Issues (Please see [C.A.R. Letter to NAR](#))

A. Finance Variable Dues

B. Pro Standards

IV. Public Policy

A. FHA Risk Sharing (Federal Housing Committee)

The Federal Housing Committee will be looking at the issue of FHA risk sharing during these meetings. When C.A.R. met in Sacramento two weeks ago, this issue was looked at in the Transaction and Regulatory Committee as well as the Federal Committee. No policy recommendation was forwarded to the Board of Directors due to concerns with taking policy on such a broad issue absent specific language proposed.

B. Fair Housing and Discriminatory Effects

Does the Fair Housing Act prohibit policies and business practices which have a discriminatory effect but have no evidence that the policy or practice maker has a discriminatory intent?

The Fair Housing Act has long been interpreted by most Circuit Courts to also prohibit policies or practices which have a discriminatory effect even if they are facially neutral. The Circuit Courts, however, have not been consistent in how they determine which party in a case has the burden of proof as the case progresses. In 2010, the City of St. Paul, MN, appealed a case to the US Supreme Court who would have, for the first time, looked into the entire issue. In the meantime, HUD has proposed regulations which would set out the burden of proof in cases alleging discriminatory effects.

V. Other Business

VI. Adjourn