

AGENDA



CALIFORNIA NAR DIRECTORS BRIEFING

Tuesday, May 14, 2019

9:30 AM – 10:30 AM

Marriott Wardman Park Hotel

Thurgood Marshall Ballroom West, Mezzanine Level

Washington, DC

PRESIDING:

Jared Martin, C.A.R. President

Jeanne Radsick, C.A.R. President Elect

STAFF:

Matt Roberts, Federal Government Affairs Manager

I. OPENING REMARKS

II. ISSUES FOR NAR MID-YEAR MEETINGS

A. Key Issues to be considered by NAR and/or the Board of Directors

1. NAR's 2020 Budget Proposal

Members may find the 2020 budget proposal, the Letter from President Smaby to Treasurer Flor, and the 2020 S.M.A.R.T. Budget at the link below.

[2020 Budget Proposal](#)

2. NAR Governance PAG

The Governance Game Changer Presidential Advisory Group will continue to look at the structure, process, people, resources, and operating environment of NAR's governance. Members will be able to provide input to the PAG on Friday, May 17, 1:00 pm - 2:30 pm Virginia Suite, lower level, Marriott Wardman Park.

[Governance Game Changer PAG Survey](#)

[Involvement Survey](#)

B. NAR Policy Committee Action Items and Hot Issues

1. Source of Income (*Diversity Committee*)

Members of Congress and Regulators have been looking at adding Section 8 funding as a protected source of income under the Fair Housing Act. C.A.R. has fought this issue at the state level and has successfully defeated efforts in Sacramento to classify Section 8 funding as a protected class. It is unclear what NAR's policy is on this issue; however, members of California should strongly advocate that NAR adopt policy to oppose the inclusion of Section 8 funding as a protected source of income.

2. Manual Underwriting of FHA Loans with High DTI and Low Credit Scores (*Federal Financing & Housing Policy Committee*)

At the C.A.R. Spring Business Meetings the Board of Directors adopted policy that supports the new HUD guidelines that FHA loans should be manually underwritten when the borrower has both a debt-to-income ratio of above 43 percent and a credit score below 620.

3. Use of FHA Excess Reserves (*Federal Financing and Housing Policy Committee*)
HUD is looking at the possibility of using excess reserves for technology upgrades. Current NAR policy opposes this because the policy was taken when there was a proposal to use the excess reserves to fund a national housing trust fund. However, NAR has supported a technology fee in the past because of the need for FHA to upgrade its technology.

C.A.R. does not have policy specific for the use of excess reserves for a technology upgrade. However, at the Spring 2018 business meetings C.A.R. did take policy to support a \$25 technology fee.

4. State and Local Tax Deduction Cap (*Federal Taxation Committee, and State & Local Issues Policy Committee*)

The \$10,000 state and local tax deduction cap has significantly hindered many Californian taxpayers. However, not every state has been negatively impacted by this cap. These two committees will discuss this issue during these meetings. It is important that C.A.R. members highlight that many states, not just California, have been harmed and the issue should not be dropped.

5. Data Privacy & Security (*Federal Technology Policy Committee*)

Public concern about the confidentiality of personal medical, financial and consumer data has put pressure on policy makers to increase regulation on the uses of this information. The recent popularity of marketers to use online advertising targeted to individual consumers has also concerned members of Congress. With the recent data breaches of large retailers, a number of privacy and data security bills have been introduced in Congress. Many of these measures will likely: apply privacy regulations to both online and offline data collection, storage and flow; require privacy notices and impose other information safeguards.

6. Community Reinvestment Act (*Conventional Financing and Policy Committee*)

Regulators are looking to make large scale changes to the Community Reinvestment Act and how lenders would be scored. NAR has created a Working Group to review what principles the association should adopt.

6. Service Animals (*Land Use, Property Rights & Environment Committee, and Diversity Committee*)

It has been reported that HUD has begun circulating among other regulatory agencies proposed guidance that will begin looking at ways to curb abuse of assistance animals. Much of the concerns have been centered around the inability of landlords to properly vet "prescriptions" for the need for companion animals.

7. Rent Control (*State & Local Issues Policy Committee*)

As rents increase and housing affordability becomes a growing issue outside of California, more and more states are now dealing with rent control proposals. The State & Local Issues Policy committee continues to look at this issue and allow for members of different states to discuss what is being proposed in their communities and how to fight those proposals.

8. National Disaster Insurance (*Insurance Committee*)

As natural disasters increase insurers will respond with increased insurance premiums or the exiting of insurance markets. It is unclear what a long-term solution will be, but NAR continues to work with industry and legislators on trying to find a solution.

III. KEY EVENTS AT THE 2019 MIDYEAR LEGISLATIVE MEETINGS

A. Federal Legislative & Political Forum. Tuesday, May 14, 2019, from 8 a.m. to 9:30 a.m., Marriott Wardman Park, Marriott Ballroom Lobby Level. Hear how the Congressional agenda could impact REALTORS®.

B. Congressional Issues Briefing

Tuesday, May 14, 2019 from 10:30 a.m. to 11:30 a.m., Marriott Wardman Park, Thurgood Marshall Ballroom West, Mezzanine Level. A Congressional Issues Briefing session will be held to prepare you for our visits with your members of Congress. We will be highlighting the "hot issues" that you need to discuss with your Members of Congress.

Californians planning on attending the Hill Visits with members of Congress must attend. For more information, contact Matthew Roberts at (213) 739-8284 or at matthewr@car.org

C. NAR 360

A Member & Director Update highlights and key issues facing the association and the industry at large. Tuesday, May 14, 2019 from 4 p.m. to 5 p.m., Marriott Wardman Park, Marriott Ballroom, Lobby Level.

D. NAR Federal Priority Issues Briefing

The Federal Priority Issues Briefing will be held Wednesday May 15, 2019 from 7:30 a.m. to 8:30 a.m., Marriott Wardman Park, Marriott Ballroom, Lobby Level. REALTORS® will be briefed for issue discussions with their Members of Congress during their Capitol Hill office visits.

E. MLS/ProStandards Committees Briefing

Wednesday, May 15, 2019 from 3:00 p.m. to 5 p.m., Marriott Wardman Park, Coolidge Room, Mezzanine Level. All Californians serving on the MLS and ProStandards Committees should attend. For more information, please contact June Barlow at juneb@car.org or (213) 739-8277.

F. Congressional Hill Visits

Visits with the members of Congress will be held on Wednesday, May 15 and Thursday, May 16. Please visit the Capitol Hill Visits Schedule Web Page for more information and to contact the appropriate Federal Political Coordinator listed for each member of Congress if you would like to attend the appointment.

G. California Congressional Reception

A reception in honor of the California Congressional Delegation will be held on Wednesday, May 15, 2019 from 5:30 p.m. to 7:30 p.m., Montpelier Room, James Madison Building, Library of Congress. Invitations have been extended to each of the California representatives and their staff.

H. Region 13 Caucus

Friday, May 17 from 4 p.m. to 5:30 p.m., Marriott Wardman Park, Marriott Ballroom Salon 2, Lobby Level. All California NAR Directors must attend.

IV. OTHER BUSINESS

V. ADJOURNMENT