

C.A.R. Broker Involvement Quarterly Communication

Thank you for your continued commitment to C.A.R.'s Broker Involvement Program, empowering you to make a difference in legislation that directly affects your business. Please remember, when your help is needed, C.A.R. will contact you. All you need to do is send an email or voicemail to your agents directing them to look for a Red Alert email from C.A.R. or a Call for Action from NAR, with specific instructions as to how to respond. With your help, C.A.R. can continue to send a clear united message to legislators on critical issues that directly affect your business.

C.A.R. Legislation of Interest:

SB 2 (Atkins), a recording tax bill supported by C.A.R., was approved by the Legislature and sent to the Governor for signature. This bill seeks to fund affordable housing by imposing a flat \$75 per document recording fee on every real estate instrument not part of a sales transaction. The fee will be capped at \$225 per transaction and coordinated with other revenue sources. C.A.R. supports SB 2, which ensures that the fee will not burden home purchase transactions and dedicates 20% of the funds generated to affordable workforce housing and 70% of revenues to local governments for housing.

SB 35 (Wiener), a "build-by-right" bill supported by C.A.R., was approved by the Legislature and sent to the Governor for signature. This bill creates a streamlined "by-right" approval process for infill projects with two or more residential units or Accessory Dwelling Units in localities that have failed to produce sufficient housing to meet their Regional Housing Needs Assessment goals, provided that the project: 1) is not located in a hazard zone (e.g., flood, fire, earthquake, etc.); 2) dedicates 10% of the units to households making at or below 80% of the area median income; and 3) pays prevailing wage to projects over 10 units.

SB 173 (Dodd), C.A.R.'s CalBRE "department" status restoration bill, was approved by the Legislature and sent to the Governor for signature. This bill returns CalBRE to its standing as the Department of Real Estate within the Business, Consumer Services, and Housing Agency (BCSH). In 2012, the Brown Administration made changes to the state's organizational structure in an effort to streamline government practices. These changes included moving the Department of Real Estate to the BCSH to function under the Department of Consumer Affairs as a Bureau.

SB 231 (Hertzberg), a Proposition 218 bill opposed by C.A.R., was approved by the Legislature and sent to the Governor for signature. Proposition 218 requires all new property-related taxes, assessments, and most fees to be approved by two-thirds of the voters. There is a limited exception for charges for garbage, water, and sewer services. C.A.R. opposes SB 231: it greatly expands the definition of “sewer” to include storm drainage, effectively eliminating the Proposition 218 voter approval requirement for storm-water management assessments.

Federal Update:

An outline of the new tax plan was released on September 27th. All aspects of this plan were not included, however here are a few details:

- The standard deduction would be doubled to \$24,000 married and \$12,000 single filers.
- State and local tax deduction (SALT) would be eliminated.
- The Mortgage Interest Deduction would stay intact
- Pass through entity taxes would be reduced to 25%.
- The number of tax brackets would be reduced from seven to three (12%, 25% and 35%)
- A California homebuyer could end up paying \$3,000 more per year in taxes.

C.A.R. and NAR oppose the new tax plan and the negative impact it will have on California real estate.

California’s Housing Crisis: A Legislative Perspective

Join the Public Policy Forum, Wednesday, October 11 at 2:00 p.m. for a moderated panel discussion on California’s housing crisis. Confirmed panelists include Senator and former Speaker of the Assembly Toni Atkins, Assembly Member Todd Gloria, and Assembly Member Marc Steinorth. These legislators will discuss the housing crisis in California and the need for increased supply and affordability of housing. For more information, contact Karim Drissi at (916) 492-5200 or karimd@car.org.

Broker Conference 2017: Wednesday, October 11, 2017 9am – 6pm

San Diego Marriott Marquis. This one-day event during C.A.R.’s Expo provides you with the tools you need for a brokerage that will last! Learn how to recruit, retain and mentor millennial agents. Discover the importance of social awareness. Learn how to understand digital marketing and why online leads matter. Cocktail reception included. <https://expo.car.org/broker.html>

Timely Information for Your Next Office Meeting: C.A.R., Government Affairs Field Representatives are available to attend your office meetings and provide a legislative update. For more information, please contact Lynn Movroydis at 949.429.9943 or via email at: lynnm@car.org

NAR's Broker Involvement Program: Your participation is also vital on the federal level! To confirm your participation with NAR's Broker Involvement Program, visit: <http://www.realtoractioncenter.com/realtors/brokers/enrollment.html>.

Do your agents need to renew their real estate license? FREE 45-hour CE credit packages available in [Learn & Thrive](#). The Tools You Need. Support You Want. The [new car.org](http://new.car.org).