

C.A.R. Broker Involvement Quarterly Communication

Happy New Year! Thank you for your continued commitment to C.A.R.'s Broker Involvement Program, which makes a difference in legislation directly affecting 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 email from NAR, with specific instructions as to how they should respond. With your help, C.A.R. can send clear united messages to legislators on critical issues directly affecting your business.

In the 2019-2020 legislative session, C.A.R. is sponsoring the following legislation:

Legislation to provide a tax credit to first-time homebuyers. As a result of the 2018 federal tax reform, C.A.R. convened a task force to minimize the adverse impact to existing homeowners, as well as to new homebuyers. This measure will provide relief to new homeowners and incentivize homeownership throughout the state by establishing a first-time homebuyer tax credit. This bill is pending introduction in the Legislature.

Legislation to further enhance disclosures for Property Assessed Clean Energy (PACE) program assessments. In recent years, the Legislature has sought to enhance consumer protections for PACE programs. However, there is still need for more clear and straightforward disclosures of the key terms of PACE and the consequences of such financing to consumers. This bill is pending introduction in the Legislature.

Legislation to continue to further update and clarify the real estate law. In 2015, C.A.R. began its multi-year effort to update and clarify the real estate law with the enactment of AB 685 (Irwin). Subsequently, in 2017-18 C.A.R. successfully sponsored two measures, AB 1289 (Arambula) and AB 2884 (Irwin), both of which enacted various, more extensive changes to both the Civil Code (AB 1289) and to the Business and Profession Code (AB 2884). This bill is pending introduction in the Legislature.

Legislation to allow using bonds to fund the construction of Accessory Dwelling Units (ADUs). ADUs provide for an alternative solution to increasing the supply of affordable housing especially in tight real estate markets within the state. Unfortunately, funding to build ADUs is not readily available in many jurisdictions. C.A.R. will seek legislation that will allow bonds to pay for the construction of ADUs which will help to address California's housing crisis. This bill is pending introduction in the Legislature

Governor Newsom Focuses Budget on Housing: Governor Gavin Newsom revealed his proposed budget last week. In total, the Budget includes \$7.7 billion across multiple departments and programs to address housing and homelessness throughout the state. While the Governor's budget makes it clear that housing is on the forefront of his legislative agenda, it was not clear how many new units the Governor's proposal would generate. Governor Newsom has proposed to build 3.5 million new units over the next 7 years. The Governor has proposed linking transportation funding to housing production goals. Last year, C.A.R. sponsored AB 1759 (McCarty) in 2018 which proposed to take away transportation funding—including revenue generated by the recently enacted gas tax—from cities that fail to meet their long-term housing goals. Of particular note, the Governor also proposed to grant one-time General Fund dollars of up to \$750 million to the Department of Housing and Community Development to help jump-start housing production. These funds will be used to provide technical assistance to cities seeking to meet their housing production goals, across all income levels. An additional \$500 to \$750 million will be made available as a reward to those jurisdictions that reach the state's specified production milestones. The Governor's proposed budget will be before the legislature for the next few months and is expected to be finalized before the next fiscal year.

Split Roll in 2020 – What does it mean for the industry? Join the Public Policy Forum on Wednesday, January 30 at 3:45 p.m. in Indian Wells.

Ballroom, Nopales/Ocotillo/Pinon Rooms – for a moderated panel discussion on the split roll initiative headed for the ballot in 2020. The panelists will discuss how the initiative differs from current law (Proposition 13) and discuss what impact, if any, split roll will have on residential property? For more information, contact Vanessa Lucero at (916) 492-5200 or vanessal@car.org.

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

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