

# NAR's 2018 Political Advocacy Efforts

Over the past year, the **National Association of REALTORS® (NAR)** has engaged with federal lawmakers on a wide range of legislative and regulatory issues to promote and protect a sound and robust real estate market. These efforts protect and strengthen the interests of both consumers and NAR members. Following are highlights on six key topics.



## Section 199A Qualified Business Income Deduction

REALTORS® will be able to deduct 20 percent of their qualified business income from their income tax as a result of NAR's advocacy. This provision is a major victory included in the Tax Cut and Jobs Act.

## Association Health Plans (AHP)

With significant input from NAR, the U.S. Department of Labor (DOL) issued a new rule opening the door for small employers and self-employed individuals, including real estate professionals, to participate in Association Health Plans. NAR is in the process of determining whether and how AHPs can offer health insurance solutions to members and their families. These efforts will continue; however, the insurance companies have yet to show an appetite for offering a national AHP to NAR or any other trade association. While there has been significant progress, NAR must still take a number of concrete steps to find workable solutions.

## Flood Insurance

With strong member support, NAR successfully advocated to avoid lapses in the National Flood Insurance Program (NFIP). NAR successfully lobbied for an amendment to the 21st Century Flood Reform Act (HR 2874), which would reauthorize and reform the NFIP for five years. The House of Representatives passed the bill, and it is now awaiting action in the Senate.

## Real Estate Competition

Following a public workshop conducted by the Federal Trade Commission (FTC) and U.S. Department of Justice (DOJ), NAR reiterated its confidence that the real estate industry is highly competitive. Additionally, NAR filed a comment letter to the FTC and DOJ highlighting the multiple real estate brokerage and business models offering consumers the services and prices that best fit their needs; that real estate has never been more competitive; and there is no need for antitrust regulators to continue their decade-old consent decree.



## **Fannie Mae/Freddie Mac Reform**

NAR released a report summarizing insights gleaned from NAR's roundtable on reform of the secondary mortgage market. Reform of the secondary market and the two dominant players in it, Fannie Mae and Freddie Mac, is the last major reform from the crisis that remains unfinished. Insights from NAR's roundtable will help to inform the general discussion in regard to what reforms remain, whether the discussion is on track, and where there is a consensus. The roundtable event is part of ongoing efforts by NAR to address housing finance reform and to protect the critical source of financing that REALTORS® and their clients rely upon. NAR has been working with industry stakeholders to develop a comprehensive reform package that preserves the availability of secondary market mortgage financing under all economic and market conditions.

## **Economic Growth, Regulatory Relief and Consumer Protection Act**

NAR supported provisions that reduced regulatory burdens on smaller community banks and credit unions to increase access to affordable mortgage credit. NAR also advocated for alternative credit scoring innovations by Fannie Mae and Freddie Mac to increase homeownership for consumers with limited credit profiles and access to traditional forms of credit.

The new law provides regulatory oversight of Property Assessed Clean Energy (PACE) loans by the Bureau of Consumer Financial Protection (BCFP) to ensure that borrowers have a better understanding of these contracts and the potential detrimental impact on resale of property. Additionally, the new law provides important clarity for lenders regarding certain commercial loans to resolve ongoing industry confusion. NAR further supported the provision addressing the exclusion of manufactured housing retailers and sellers from the definition of a loan originator, so long as certain requirements are met related to acceptance of the residential mortgage loan application.

*For more information, please visit [www.nar.realtor](http://www.nar.realtor).*

