

Federal Issues Update

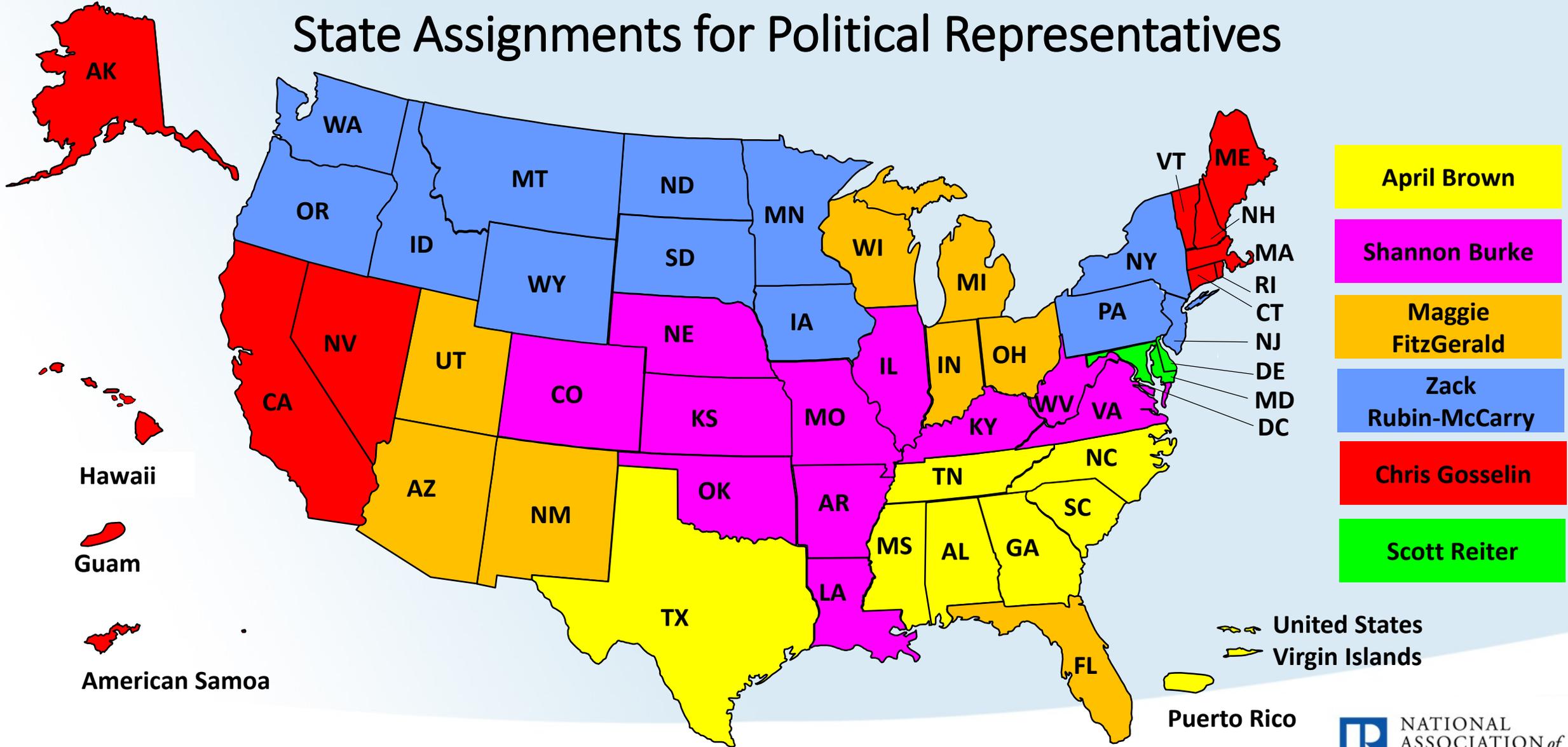
REALTORS® GAD Institute

West Palm Beach, Florida

July 13, 2017

NATIONAL ASSOCIATION OF REALTORS®

State Assignments for Political Representatives



Updated on 7/20/2017

Federal Advocacy

Two Goals:

1. Advance NAR issue agenda
2. Support REALTOR[®] Champions

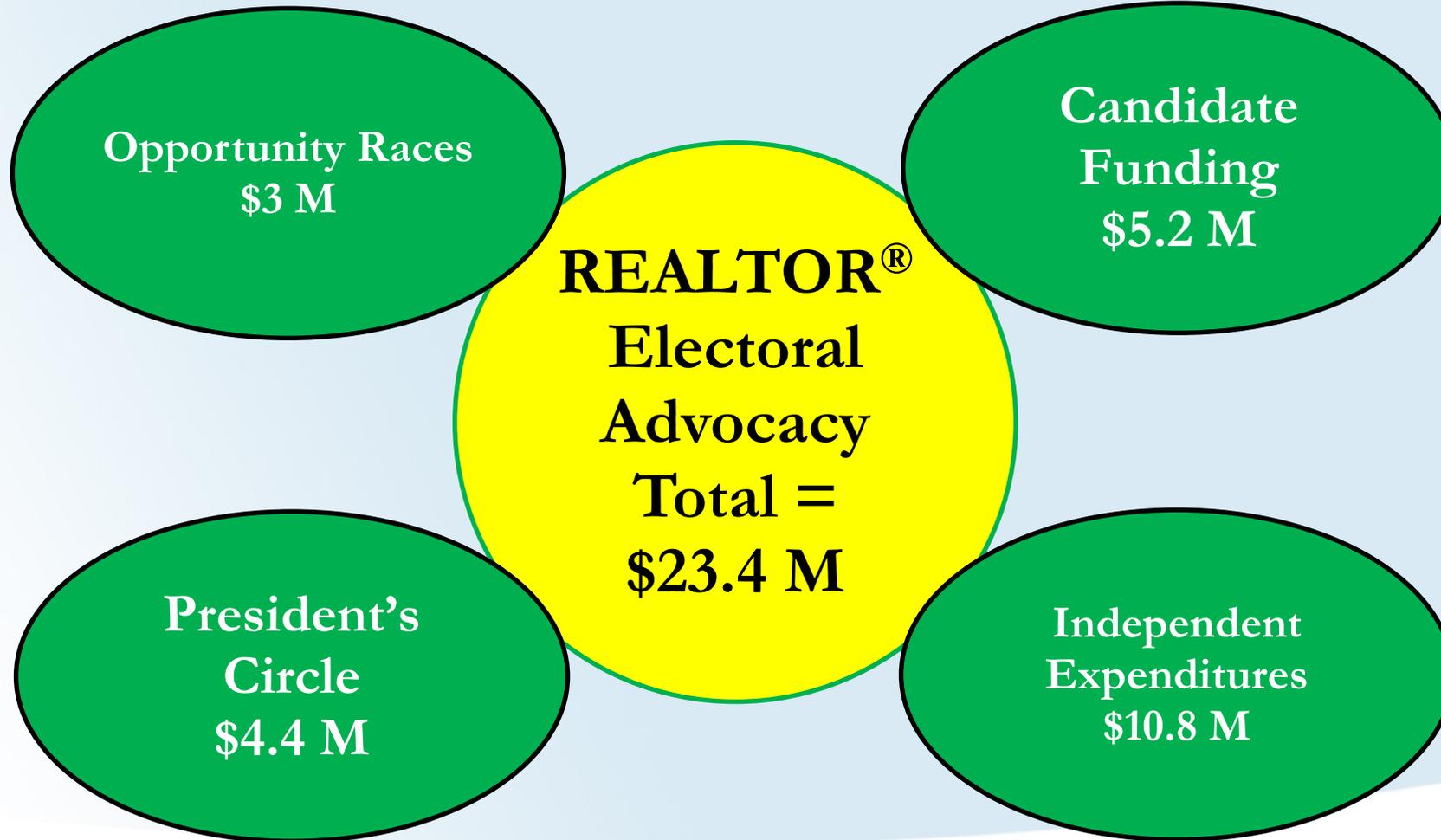
Two Programs:

1. Federal Issue Advocacy
2. Federal Independent Expenditures

Two Funding Sources:

1. REALTOR[®] Party Dues
2. RPAC

2016 NAR Electoral Advocacy



NAR Federal Electoral Advocacy Budget in Millions of Dollars



Levels of Candidate Support

- REALTOR® Friends: Varying Levels of RPAC Support
- REALTOR® Friends Facing Electoral Threat: Varying levels of Opportunity Race support
- REALTOR® Champions where we can make the difference: Varying levels of I.E.s

115th Congress House Special Recognition

- H.R. 620 ADA Education & Reform Act – drive by lawsuits (Poe)
- H.R. 916 Risk Management & Homeowner Stability Act
(Sanford-Sherman)
- H.R. 948 Common Sense Housing Investment Act
(Ellison NEGATIVE)**
- H.R. 1422 Flood Insurance Market Parity & Modernization Act
(Ross-Castor)
- H.R. 1447 Fair & Equal Housing Act (Taylor)
- H.R. 1958 Protecting Americans from Credit Entanglements PACE Act
(Sherman)
- H.R. 2193 Remote Transactions Parity – sales tax (Noem)
- H.R. 2543 Mortgage Forgiveness Tax Relief Act (Reed-Brownley)
- H.R. 2802 First Time Homeowner Bills (Maloney/Coffman)

IECG Selection Process

469

- Total Races in 2016 Cycle 435 House 34 Senate

66

- Competitive Races 57 House 9 Senate

20

- Members with Key Committee Assignments Opportunity Race Eligible

17

- Grassroots Support, Strength of Challenger

12

- Can NAR Make a Difference? Polling Conducted

10

- Partisan Balance, Ethical Considerations

7

- General Election Independent Expenditures, NAR Conducted 3 IEs in Primary Elections

Approval Process

RPAC Leadership

- IE Coordinating Group
- Existing Level 1 Opportunity Race

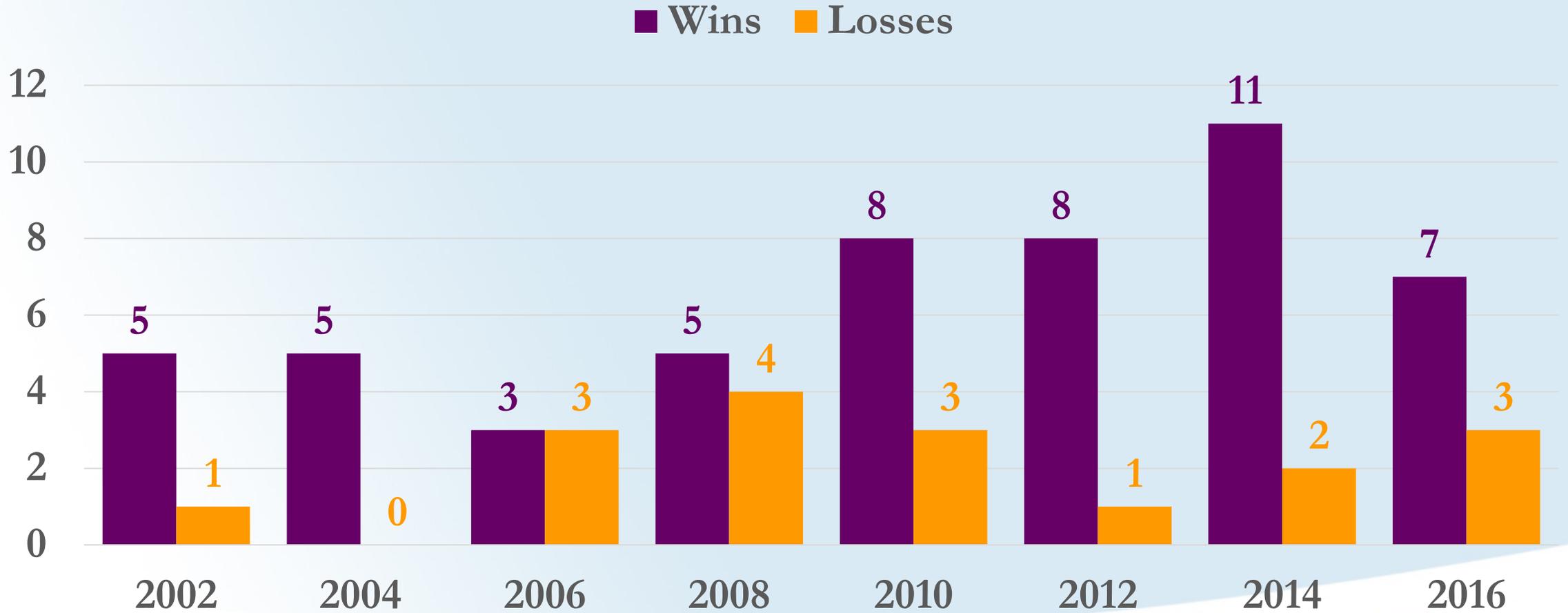
RPAC Trustees

- Debate
- Approve or Deny Recommendations

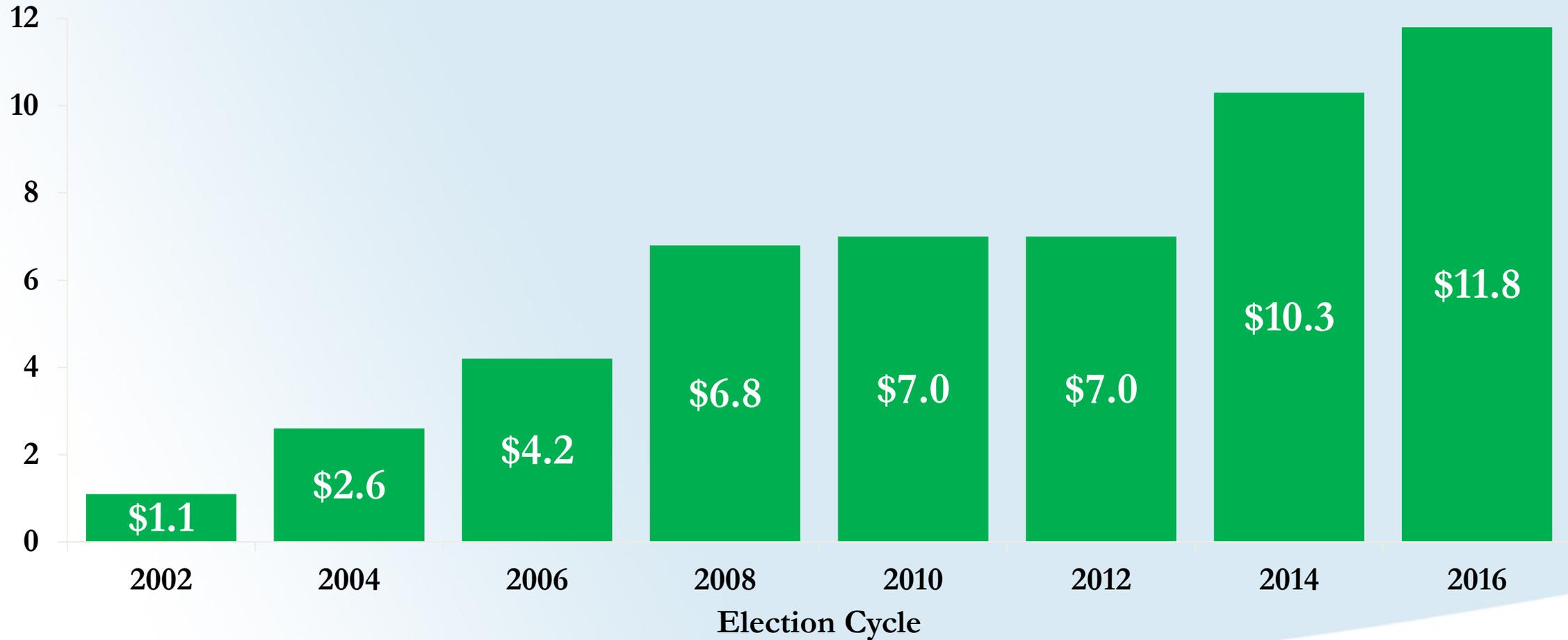
State Association Notification

- Notice of Independent Expenditure Campaign
- Independent Expenditure Launches

I E Results by Cycle

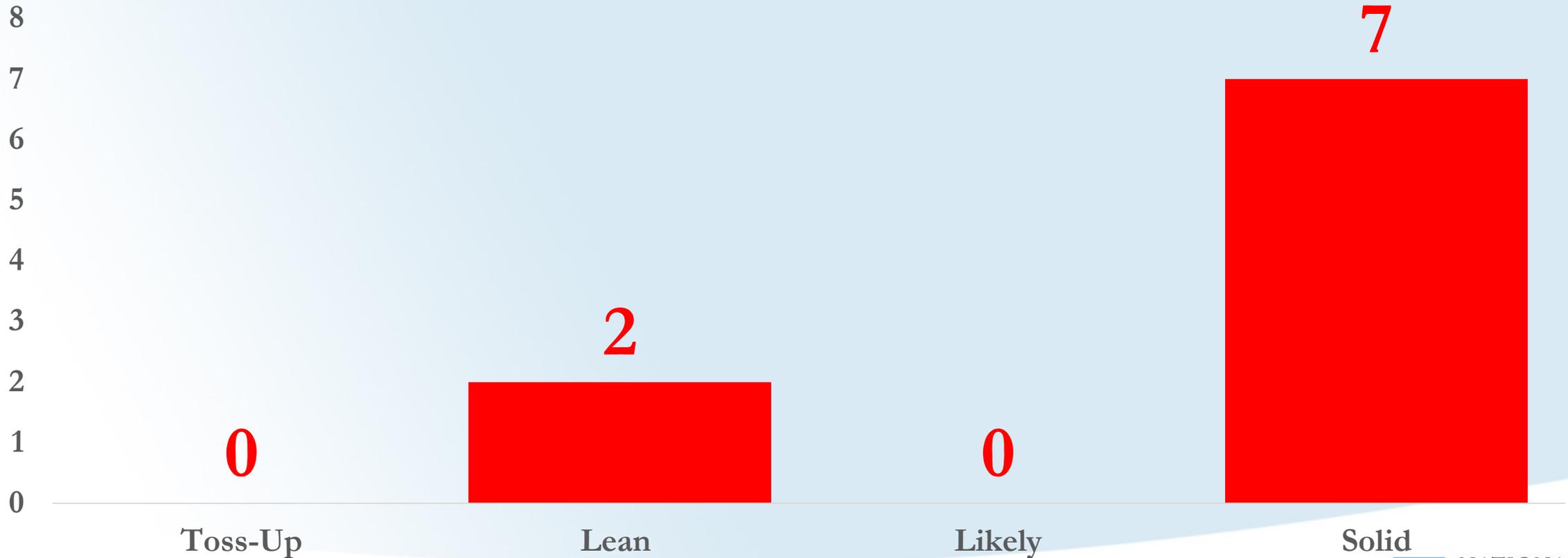


NAR Independent Expenditures

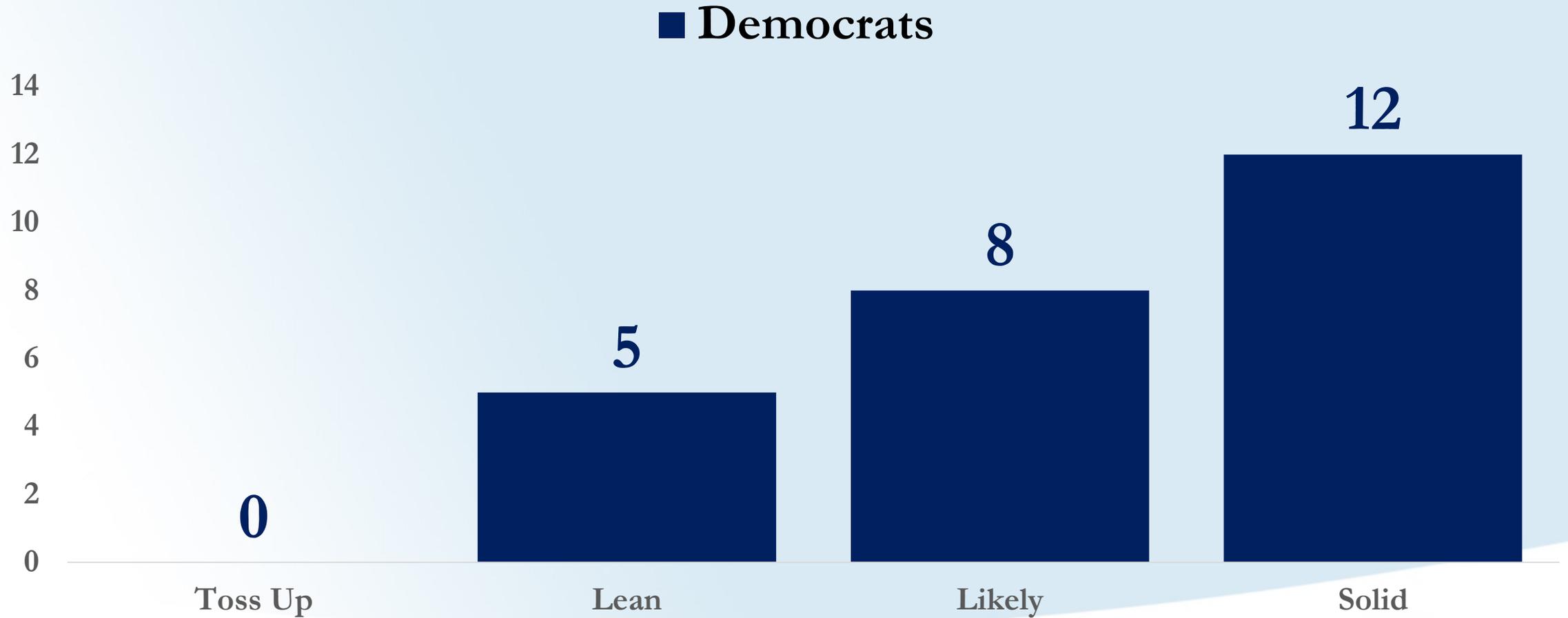


Cook Report Senate Races

■ Republicans

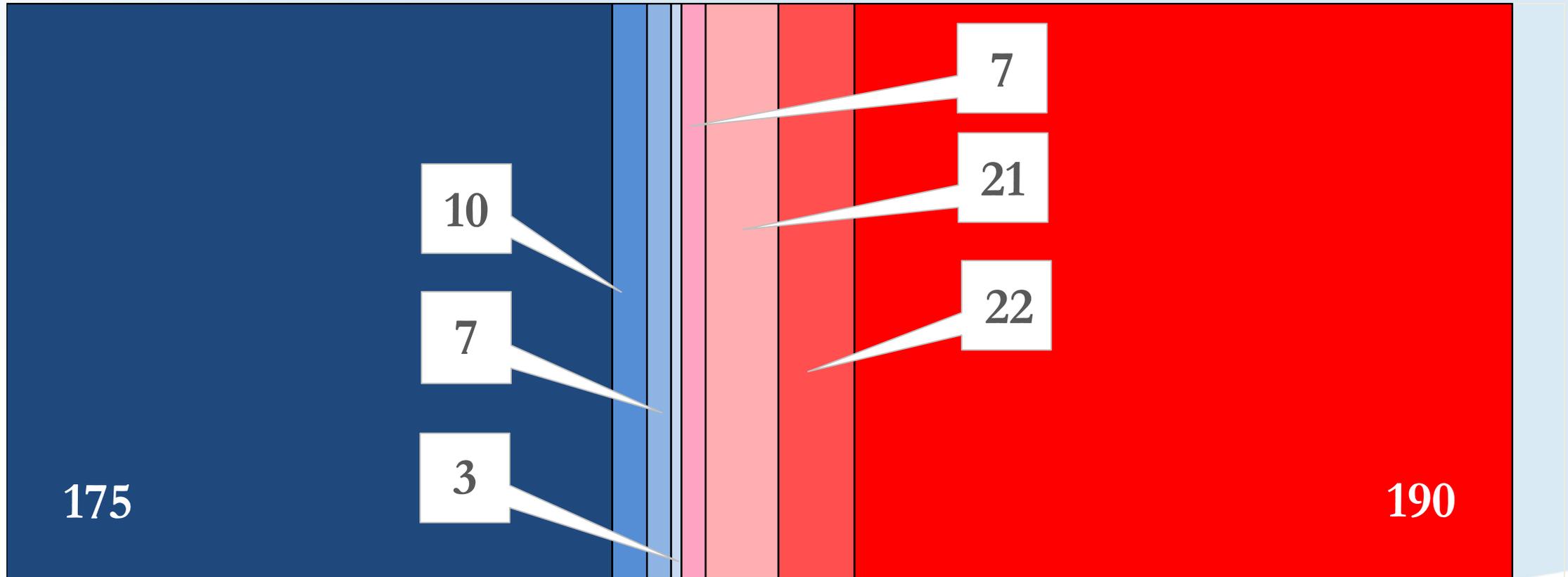


Cook Report Senate Races



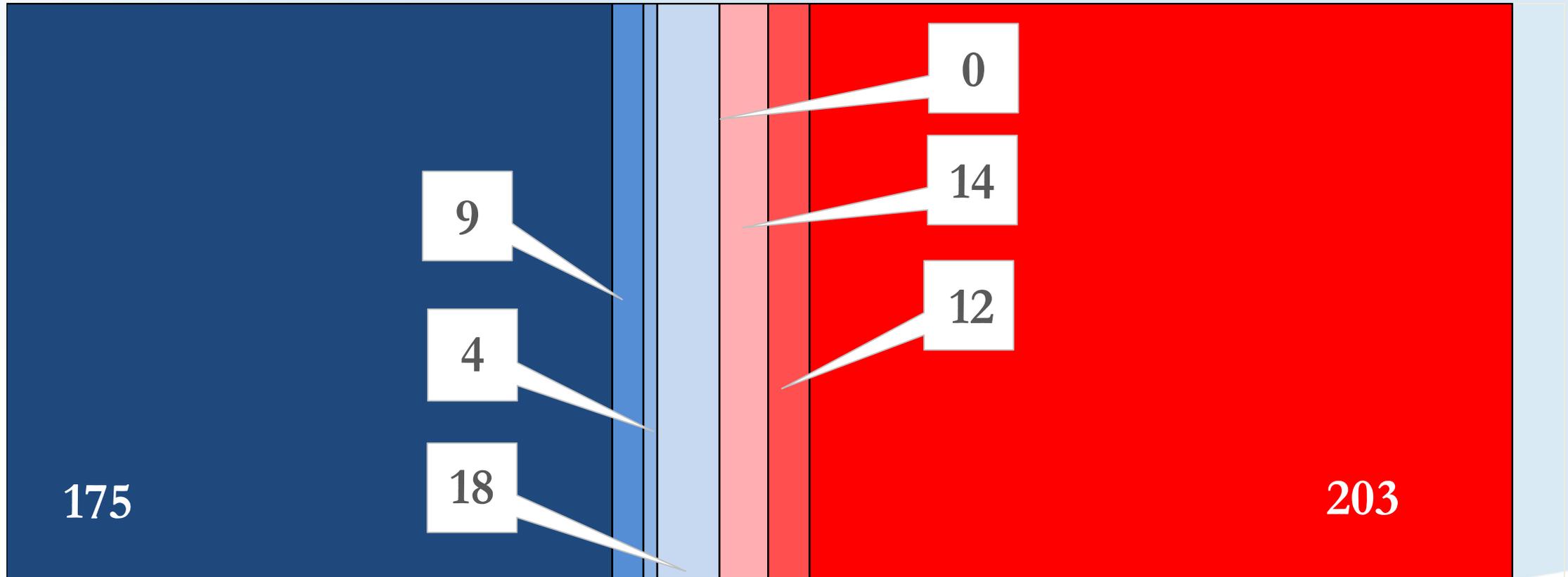
2018 House Races

■ Solid D ■ Likely D ■ Lean D □ Toss-Up D ■ Toss-Up R ■ Lean R ■ Likely R ■ Solid R



2016 House Races

■ Solid D ■ Likely D ■ Lean D □ Toss-Up D ■ Toss-Up R ■ Lean R ■ Likely R ■ Solid R



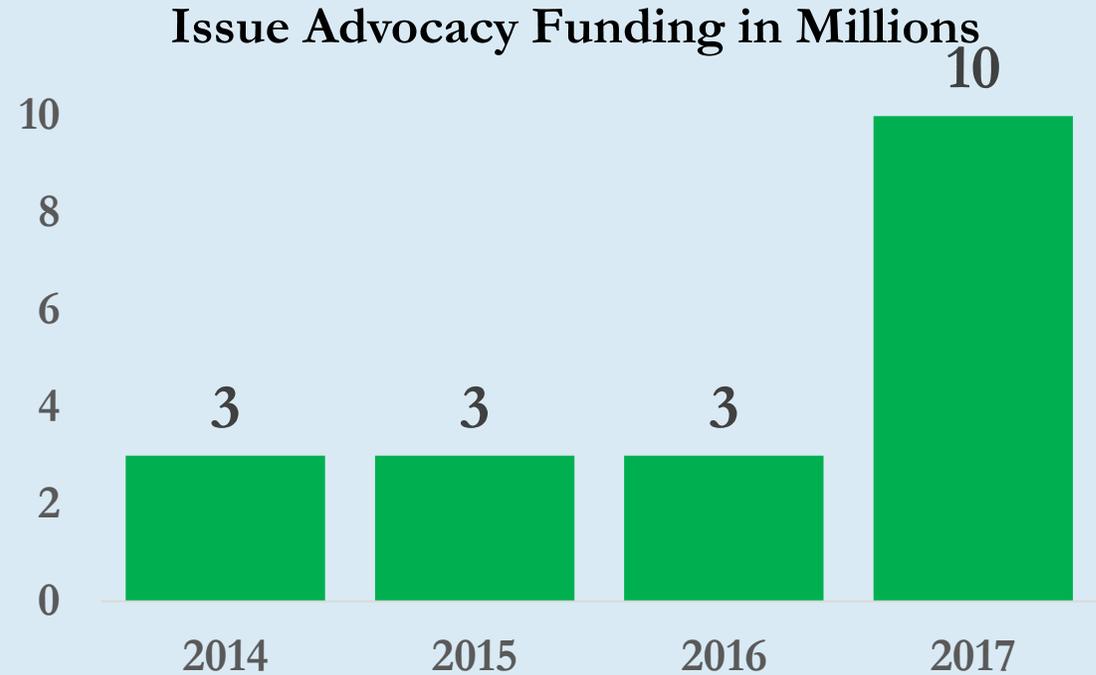
Issue Advocacy

Goal: Affect outcome of an issue in Congress

Method:

Communications

Funding: NAR Dues



Advocacy Elements

- Research “priority” issues
- Targeting Districts/States
- Grassroots efforts
- Advertising
 - Direct Mail
 - Online Ads
 - Television
 - Print Ads
- Coalitions

Examples of Issue Advocacy vs. I.E.s

- IE spot: Rep. Mike Coffman (R-CO)
- Issue spot: Sen. Heidi Heitkamp (D-ND)

NATIONAL ASSOCIATION OF REALTORS®

State Assignments for Lobbyists



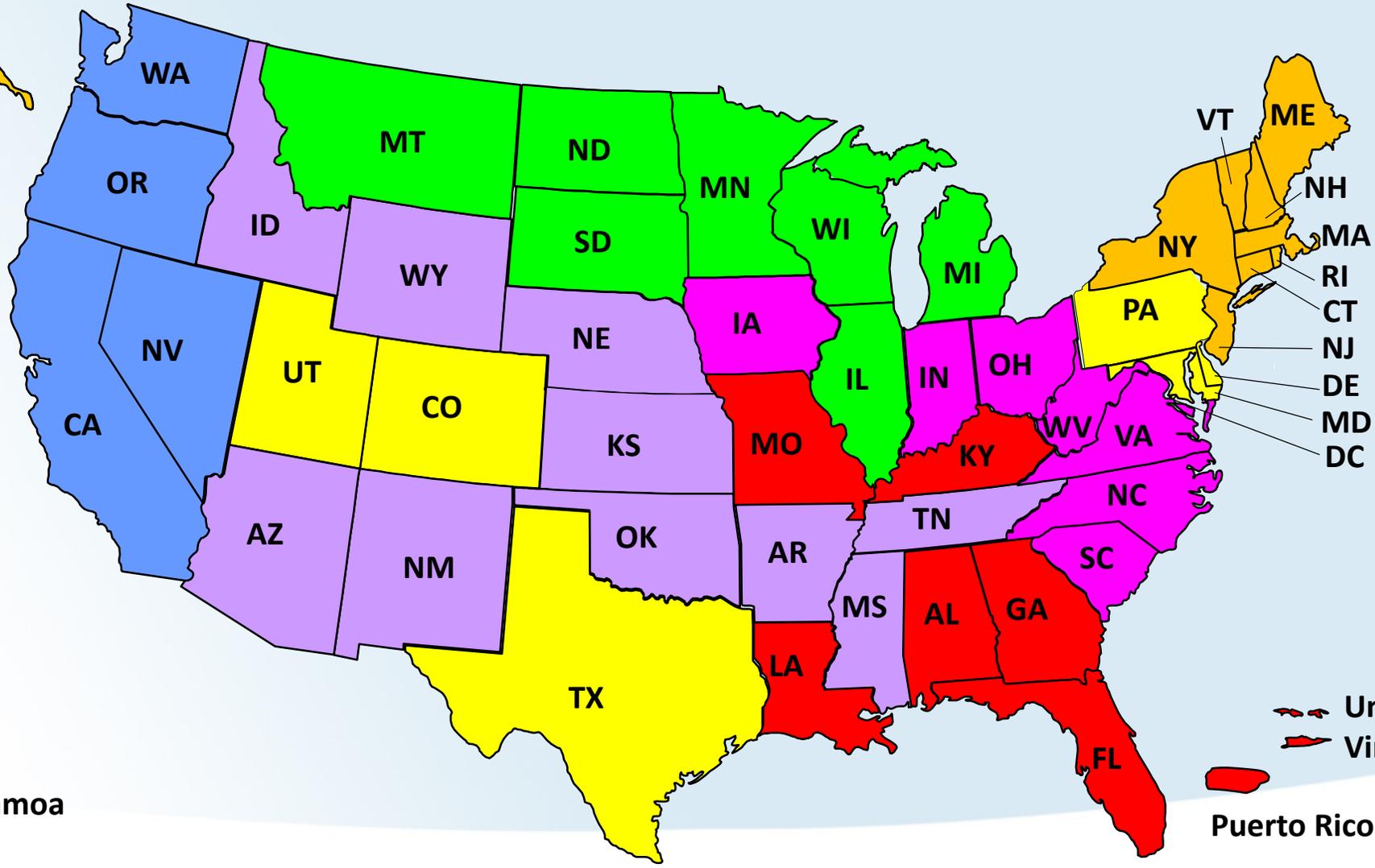
Hawaii



Guam



American Samoa



Colin Allen

Dan Blair

Helen Devlin

Jerry Giovaniello

Jamie Gregory

Joe Harris

Ken Wingert

United States
Virgin Islands

Puerto Rico



Government Affairs Resources

Web Page

www.NAR.realtor/political-advocacy

- NAR Issues
- Letters to Congress
- Letters to Federal Agencies
- Washington Report
- Monday Minute

Social Media Resources

Official Twitter stream

- [@NARGovtAffairs](https://twitter.com/NARGovtAffairs)

Official Facebook Page

- www.facebook.com/nar-governmentaffairs/

115th Congress First Session

The Big Three

- National Flood Insurance
- Tax Reform
- GSE Reform

Flood Insurance Program Principles

- Long Term Reauthorization
- Affordable Rates
- Accurately Priced Premiums
- Increased oversight and training of insurance companies
- Strong NFIP Homeowner's Advocate
- Improved Flood Mapping

NFIP In House

- NAR Supported 6 of 7 Flood Bills
- Opposed H.R. 2874 Rep. Sean Duffy (R-WI)
- House expected to fold all seven bills into one complete package
- *Consideration later this month???*

NAR Concerns with House Package

- Fix the grandfathering provisions
- Improve flood maps
- Reigning in fees and surcharges

NFIP In Senate

S.563 Flood Insurance Market Parity and Modernization Act

- Dean Heller [R-NV], Jon Tester [D-MT]

S.1313 Flood Insurance Affordability & Sustainability Act of 2017

- Bill Cassidy [R-LA], Kirsten Gillibrand [D-NY], Shelley Moore Capito [R-WV], John Kennedy [R-LA]

S. 1368 Sustainable, Affordable, Fair, and Efficient (SAFE)

National Flood Insurance Program Reauthorization Act of 2017

- Bob Menendez [D-NJ], John Kennedy [R-LA], Elizabeth Warren [D-MA], Marco Rubio [R-FL], Chris Van Hollen [D-MD], Thad Cochran [R-MS], Cory A. Booker [D-NJ], Bill Nelson [D-FL]

Crapo/Brown Bill Banking Committee Bill

- In draft stage

Tax Reform

- No formal legislative proposal
- Health care bill still unresolved
- Continuing legislative advocacy
 - State and Local Deduction
 - 1031 Exchanges
 - MID

Two Points on Tax Reform

- Tax Reform is *NOT* a foregone conclusion.
- “Reconciliation” gets around 60 vote threshold but it is generally slow and difficult

GSE Reform Principles

- **NAR supports restructuring the secondary mortgage market to ensure a reliable and affordable source of mortgage capital for consumers**
- **Restructuring of Fannie Mae and Freddie Mac to end government conservatorship**

NAR Proposal

Mortgage Market Liquidity Fund (MMLF)

- A portion of Fannie/Freddie profits go into the MMLF
- MMLF controlled by the FHFA Director
- Not a replacement for comprehensive reform, but a way to ensure GSE profits stay in housing sphere and not diverted to non-housing