



2019-2020 NC REALTORS® LEGISLATIVE TARGET ISSUES

ECONOMIC DEVELOPMENT

- Support funding to support the state's economic development activities, including the Economic Development Partnership of North Carolina (EDPNC), as well as incentive programs like the Job Development and Infrastructure Grant (JDIG) and One North Carolina Fund.

ENVIRONMENT

- Support funding and programming to assist in floodplain mapping and mitigation, as well as coastal storm mitigation.

HOUSING

- Maintain housing affordability through housing availability.
- Develop and support guidelines for persons requiring the use of assistance animals.
- Facilitate revisions to the Vacation Rental Act (VRA) related to rights and responsibilities of property managers and tenants during a mandatory evacuation.
- Explore and address municipal actions related to property rental and management.
- Support community development initiatives focused on revitalization, protection, and reuse of residential and commercial properties.

INSURANCE

- Support legislation which would allow for the creation of Association Health Plans, as well as statutory updates to small employer plan allowances.
- Establish a legislative structure to allow for coverage of properties which lie within federally-designated Coastal Barrier Resources Act (CBRA) Flood Zones.
- Continue association's efforts related to Homeowners Insurance Reform.

REGULATORY ISSUES

- Examine the future impacts of technologies such as blockchain and electronic closings on the real estate industry and develop any framework necessary for such technology's utilization.
- Support the elimination of racial deed restrictions on property.

TAXES, FEES, AND BUDGET

- Extend or eliminate the statutory sunset of the state Historic Preservation Tax Credit (HPTC) and support additional funds to the program.
- Clarify current tax obligations on real estate services and prevent future taxes.
- Support funding for the Workforce Housing Loan Program (WFHLP) and Housing Trust Fund.

TRANSPORTATION

- Support legislation addressing Private Road Maintenance Agreements.



2019-2020 NC REALTORS® Legislative Opportunities

BACKGROUND

This listing provides legislative opportunities for the 2019-2020 session of the North Carolina General Assembly. Each topic area corresponds to a policy priority, as presented in the NC REALTORS® Policy Statement (2018 edition) [<https://www.ncrealtors.org/wp-content/uploads/2018LegislativePolicyStatement.pdf>]. These are not intended to be the only issues which NC REALTORS® will engage on during the legislative session. Additional items may be considered at the discretion of the Legislative Committee and/or the Rapid Response Team. All items listed represent proactive positions by the association. Defensive positions will be addressed on a case-by-case basis.

ECONOMIC DEVELOPMENT

NC REALTORS® know the direct correlation between economic development and a thriving real estate industry. As North Carolina continues to grow and attract investment from around the world, NC REALTORS® is a key part of the conversation. NC REALTORS® is increasing their focus on helping promote North Carolina both domestically and internationally to garner more investment and bring jobs to the state. REALTORS® know their communities better than anyone and know how to be the best advocates for their regions.

NC REALTORS® will continue to advocate for economic development funding and will continue to support the Economic Development Partnership of North Carolina.

Legislative Issues

- Support funding for and the operations of the Economic Development Partnership of North Carolina
- Encourage the protection and expansion of economic development incentive programs like the Job Development Investment Grant (JDIG) and One North Carolina Fund.
- Provide support to legislative and Executive leaders related to the recruitment and retention of businesses.
- Support the development of a state support and marketing program focused on federally-authorized Opportunity Zones.

ENVIRONMENT

NC REALTORS® is committed to preserving the environmental integrity of our natural resources while protecting and maintaining the private property rights of our citizens. NC REALTORS® is a strong advocate of safeguarding our environment and natural resources, as they are elements that will assure continued growth and prosperity throughout the State. We believe that these efforts must be reasonable, economically feasible and fair to property owners and the community at large.

Legislative Issues

- Support an annual state appropriation for the Coastal Storm Damage Mitigation Fund.
- Encourage the creation of a new Non-Commercial Underground Storage Tank Fund.
- Flood Risk Management and Mitigation

HOUSING

As the voice of real estate in North Carolina, NC REALTORS® furthers our commitment to protecting the rights of homeowners and encouraging responsible growth through advocacy on housing-related priorities. The target issues below are grouped into three categories: Housing Supply/Development, Property Management, and Other Housing Issues.

Legislative Issues

- **Housing Supply/Development**
 - Encourage the elimination of municipal extra territorial jurisdictions (ETJ)
 - Ban Inclusionary Zoning
 - Direct the conversation related to City and County Permitting Retention Reform so all parties are understanding of the availability of records such as construction permits and certificates of occupancy which affect property transactions.
 - Explore opportunities to assist in the support and encouragement of affordable housing in communities across the state.
- **Property Management**
 - Develop and support guidelines for persons requiring the use of assistance animals. This includes but is not limited to guidelines for ADA recognized service animals and definitions of emotional support animals.
 - Facilitate revisions to the Vacation Rental Act (VRA) related to rights and responsibilities of property managers and tenants during a mandatory evacuation.
 - Allow Private Process Servers as an option for the service of summary ejectment notices.

- Explore and address municipal regulations related to rental by unrelated persons. Examine the removal of a municipalities' ability to limit rentals based on number of persons occupying a given property.
- Address the regulation of Short-Term Home Rentals and municipal actions which ban these actions.
- **Other Housing Issues**
 - Address issues posed by municipal Citizen Advisory Councils or like-organized groups and their function as non-government entities with broad-based authority.
 - Prevent additional Change of Use Statute of Limitations to ensure properties remain protected from municipal adjustment of use preventing redevelopment.
 - Support Partitioning Sales Act changes to allow for future redevelopment opportunities of currently vacant properties without clear title due to controversy in ownership.
 - Prevent Point of Sale Requirements
 - Explore additional disclosures for vacant land mineral rights oil/gas rights.
 - Explore legislative opportunities to address blight in communities, both of commercial and residential properties.

INSURANCE

Insurance issues remain a top priority for NC REALTORS® and property owners across the state. Each of our policy position relates to specific insurance programs/platforms (i.e., flood insurance, homeowner's insurance, etc.). Therefore, no broad-based policy statement has been articulated.

Legislative Issue Targets

- Support legislation which would allow for the creation of Association Health Plans, as well as statutory updates to small employer plan allowances.
- Establish a legislative structure to allow for coverage of properties which lie within federally-designated Coastal Barrier Resources Act (CBRA) Flood Zones.
- Continue association's efforts related to Homeowners Insurance Reform.

REAL ESTATE INDUSTRY REGULATORY ISSUES

While most regulatory challenges facing the real estate industry are addressed in our lobbying efforts before specific licensing boards and commissions, some require legislative language to fully allow the change.

Legislative Issues

- Support the rejection of rules proposed by the NC Appraisal Board related to diminishing the in-person education requirements for appraiser licensure.
- Support a legislative definition of Customary and Reasonable Fees for appraisers as required in federal statute.
- Explore changes to the state's laws regarding Political Action Committees (PACs) to allow for personnel of constituent organizations to participate in PAC activities without incurring corporate contribution prohibitions.
- Support the elimination of racial deed restrictions on property.
- Update Fair Housing Act to include additional protected classes.
- Establish legislative structures to support the utilization of electronic notarization and closing processes to support new technologies in the real estate industry.
- Examine the future impacts of blockchain technology on the real estate industry and develop any legislative framework for such technology's utilization.
- Address the needs of communities related to the development of broadband infrastructure.

TAXES, FEES AND BUDGET

NC REALTORS® strongly support efforts by local and state government officials to reduce the tax burden of the citizens of North Carolina. We believe in sound fiscal management in the form of expenditure controls coupled with selective tax reform.

NC REALTORS® recognize that one segment of industry, business, or property owners, should be saddled with additional tax burdens. We continue to work with state and local officials on alternatives to property tax increases or real estate related taxes.

Legislative Issues

- Support the restoration of the state's Film Tax Credit program.
- Explore the creation of a First-Time Homebuyers Savings Account, including options for employer-assisted programs (Employer Assisted Housing Tax Credit).
- Extend or eliminate the statutory sunset of the state Historic Preservation Tax Credit (HPTC) and support additional funds to the program.
- Continue work to prohibit the imposition of municipal impact fees on property owners.
- Support the removal of the income cap on the mortgage interest and property tax deductions. Additionally, explore the allowance for both deductions to be indexed based on inflation.
- Prevent Tax on Real Estate Services
- Support further clarification to tax law to ensure that all parties subject to repair, maintenance and installation taxes are fairly charged and address all contract requirements (i.e. property management contracts).

- Support funding for the Workforce Housing Loan Program (WFHLP) and Housing Trust Fund. Examine additional revenue sources for both programs to provide additional access.

TRANSPORTATION

While transportation can be an extremely broad topic, NC REALTORS® has historically constrained our discussions in the area to projects and programs which affect access.

Legislative Issue Targets

- Support legislation addressing Private Road Maintenance Agreements, including but not limited to the creation of a statewide database of roads, and additional allowances for streets to be accepted into the state maintenance system.
- Examine future infrastructure needs and support additional funding structures focused on asset protection and improvement.