

Talking Point #1: Support Strong Net Neutrality Protections

ASK:

- Support the 21st Century Internet Act when it is introduced by Representative Coffman of Colorado

WHY:

- Net neutrality is important to small, main street businesses—like REALTORS—that depend on open internet access every day to run their businesses and serve their customers.
- Removing net neutrality rules could make it impossible for small real estate firms to compete with larger entities on the internet.
- This allows companies like Zillow to dominate the marketplace with inaccurate information.

Talking Point #2: National Flood Insurance Program

Program reauthorized until July 31, 2018.

HOUSE MEETINGS: Thank them for passing HR 2874

SENATE MEETINGS

ASK #1: Long-Term reauthorization is critical

- The House Flood Reform Bill (H.R. 2874) would fully reauthorize the program for five years.

WHY:

- Each lapse delays or prevents 40,000 property sales per month
- Without reauthorization, NFIP cannot issue or renew policies in more than 22,000 communities where flood insurance is required for a mortgage.

ASK #2: Retain H.R. 2874's Private Market Reforms

- H.R. 2874 includes the text of the Flood Insurance Market Parity and Modernization Act (passed last Congress unanimously)

WHY:

- The private market is offering better coverage at lower costs than the NFIP.
- NFIP bases premiums on national averages that overcharge the below-average-risk properties.
- Clarifies consumers can reach federal coverage requirements with private insurance.

ASK #3: Build on the Risk Mitigation Provisions to Keep Rates Affordable

- H.R. 2874 better aligns NFIP rates to inland vs. coastal risk, capped at no more than \$10,000 per year and provides \$1 billion to strengthen properties against future flooding.

WHY:

- The best way to keep NFIP rates reasonable is to reduce risk.
- Elevating a property by two feet can reduce flood insurance premiums by two-thirds.
- The government spends more than \$1 billion annually on homeowner grants to repair flood damage.
- Taxpayers saves of \$6 for every \$1 spent on mitigating, elevating, or relocating homes in flood prone areas.

ASK #4: Amend H.R. 2874 to Ensure Accurate Flood Maps

- H.R. 2874 allows state and local governments to develop more detailed flood maps.

WHY:

- NFIP should be required to use modern mapping technology to produce building-specific risk assessments.
- NOTE: North Carolina already produces state floodplain maps using the LiDAR (Light Detection and Ranging) mapping method.

TALKING POINT #3: TAX POLICY

ASK #1: Support Legislation to Double the SALT Deduction Cap to \$20,000 for Joint Returns.

- The State and Local Tax (SALT) Deduction Limits and Marriage Penalty Harm Current and Prospective Homeowners.
- The new SALT cap treats single and joint filers the same.
- Urge your Member of Congress to support legislation to eliminate the marriage penalty by doubling the SALT deduction cap to \$20,000 for joint returns. The current cap imposes a marriage penalty by treating both types of filers the same under a \$10,000 cap.

WHY:

- Even though partisan differences exist on whether SALT payments should be deductible, few Members of Congress can or will defend the marriage penalty

ASK #2: Support Legislation to Index Tax Limits to Inflation

- Members of Congress should be encouraged to support legislation to adjust homeownership tax incentives (SALT cap, MID loan limit, capital gains exclusion) to account for future inflation.

WHY:

- Don't let inflation undermine the tax benefits you passed. Over time, the effect is significant and can dramatically reduce the future rate of homeownership.

ASK #3: Make Exclusion for Forgiven Mortgage Debt Permanent

- Co-Sponsor H.R. 110 Mortgage Debt Forgiveness Act introduced by Representatives Julia Brownley (CA) and Walter Jones (NC)
- **IF YOU ARE MEETING WITH CONGRESSMAN JONES, THANK HIM FOR SPONSORING THIS IMPORTANT LEGISLATION**

WHY:

- Since 2007, the tax law has included a temporary provision excluding the amount of mortgage debt forgiven is a short sale, mortgage debt restructuring, or when a deed is given in lieu of foreclosure. This temporary provision expired on December 31, 2017.
- 2.5 million homeowners are currently at risk of having tax due on phantom (unearned) income because of the loss of this provision.

ASK #4: The Deduction for Energy-Efficient Commercial Buildings Must Be Extended

- Known as a Section 179D deduction, it encourages the construction and rehabilitation of commercial buildings to state-of-the-art efficiency levels.
- The deduction has been a part of the tax law since 2005 but has expired and been reinstated five times since then, most recently expiring on December 31, 2017.

WHY:

- Incentivizing these features encourages economic growth at low revenue costs, and improves the environment, optimizes value.

TALKING POINT #4: EQUAL ACCESS TO HOUSING OPPORTUNITIES

ASK #1: Fair Housing

- HOUSE MEETINGS: Support H.R. 1447 “Fair and Equal Housing Act of 2017,” sponsored by Representatives Taylor (VA) and Schneider (IL).
- SENATE MEETINGS: Support S. 1328 “Fair and Equal Housing Act of 2017,” sponsored by Senator Tim Kaine (VA).

WHY:

- Legislation would protect Americans from housing discrimination based on sexual orientation and gender identity.
- For more than 100 years, REALTORS® have subscribed to a strict Code of Ethics which includes a commitment to providing equal professional services regardless of race, color, religion, sex, disability, familial status, national origin, sexual orientation, and gender identity.

ASK #2: Implement Condominium Rules

- In 2016, legislation was passed to ease the Federal Housing Administration’s (FHA) condominium rules.
- The Department of Housing and Urban Development (HUD) has yet to implement these changes.
- Congress must urge HUD to implement changes to FHA’s condominium restrictions as mandated by the Housing Opportunity Through Modernization Act of 2016 [Public Law 114-201].

WHY:

- Regulators are thwarting Congressional intent.
 - It has been more than two years since Congress passed Public Law 114-201 mandating these changes.
- Condominiums are often the most affordable option for first-time buyers and sellers.
 - The 2016 law ensures first-time homebuyers are able to consider all their housing choices.
 - FHA prohibits the purchase of most condominiums by first-time buyers.
 - Less than 10 percent of all condominiums nationwide have FHA approval. [Community Associations Institute data]
- Occupancy ratios remain unchanged.
 - HUD has left the existing 50 percent occupancy ratio in place.
 - Public Law 114-201 requires HUD to reduce the ratio to 35 percent.
- FHA is required to streamline the recertification process under Public Law 114-201 but the process remains unchanged.
- HUD denies FHA mortgage insurance to popular mixed-use developments, even though the law requires more flexibility for these types of property.