

# Summary of NAR State & Local Issues Policies

Below are a sample of NAR's state and local issues policies.

## Community Development Programs

REALTORS® have a stake in the long term health of neighborhoods. Community revitalization is important to the development of a competitive local economy. The growth of local economies can be stagnated if new jobs and migration are not matched in terms of homeownership opportunities in attractive, viable neighborhoods. Community development programs should meet community needs as defined locally; should have the objective of creating viable neighborhoods by providing economic opportunities; should include preservation and development of housing and improved community facilities; should encourage public-private partnerships; and should encourage the implementation of innovative development techniques, such as those modeled by NAR programs.

## Community Revitalization

We support efforts by state and local governments to implement enterprise zone programs to foster community revitalization and economic growth. We urge state associations, local boards and individual members to actively participate in and promote community revitalization efforts which are designed to maintain and improve the quality of life in the neighborhoods of our cities and towns. We applaud the action of communities which have implemented community revitalization programs without federal assistance and continue to encourage the involvement of the private sector in revitalization.

## Community Service

We support REALTOR® Community Service programs to involve local boards of REALTOR® and state associations.

## Confiscation of Real Property

We support the nation's "war on drugs" and encourage the development and implementation of community programs designed to alleviate drug activity. However, any legislation addressing the forfeiture of real property because of illegal drug activity needs to contain language which protects the rights of innocent owners.

## First-Time Home Buyer Savings Accounts

NAR supports Home Buyer Savings Accounts established at the state level and urges states to adopt such plans.

## Growth Issues

We support planned growth that stimulates the economy, increases the tax base, and provides places to live and work. We should educate and work with local, state, and Federal government officials in developing responsible growth planning that is equitable and

which considers the divergent needs of transportation, housing, agriculture, commercial, industrial, and environmental concerns. Government growth planning activities must take into account property rights in the manner described in the NAR Statement of Policy on Property Rights

## Housing Policy

We reaffirm the national goal of “a decent home and a suitable living environment for every family.” This commitment encompasses the entire housing ladder from the homeless to the first-time homebuyer. We recognize the housing needs that are present among low-income households and renters. Moreover, while some federal assistance must be part of any national housing policy, we strongly endorse the reliance on local and state initiatives and public private partnerships.

## Impact Fees

NAR opposes impact fees. Where impact fees exist, NAR urges their repeal. When impact fees are used, they should follow strict guidelines, for example: proceeds from impact fees should be segregated from other government revenues; Impact fees should be used solely for capital improvements related to a specific new development.

## Land Use

We believe in the fundamental right of all private property owners to determine the highest and best use of their land, working through appropriate governmental entities. We embrace the principles of smart growth as defined in NAR’s 1999 Smart Growth PAG Report. We believe that local authorities, in close cooperation with their citizens, are ultimately responsible for managing growth and building better communities. We support federal and state incentives that provide tools to local governments to encourage collaborative regional planning as long as it supplements, rather than displaces, local control and decision-making. Land-use planning should provide for a variety of housing types, mixes, densities and pricing to meet the needs of all segments of our population.

## Member Involvement

REALTOR® Political Affairs programs seek to encourage within state associations and local board jurisdictions the organization, communication and educational tools necessary to implement grassroots political action on behalf of the real estate industry. It is only by linking REALTOR® political efforts on the local, state and national levels with REALTOR® legislative goals that we can insure that the rights of private property ownership will be protected and expanded in the future.

## Possession and Eviction

NAR opposes the erosion of these property owner rights: 1) the right to owner occupy property; 2) the right to inspect property with proper notice; 3) the right to terminate tenancy within the terms of the lease; 4) the right to freely go out of the rental business and convert property to other uses; and 5) there shall be no requirement to pay tenant relocation fees.

## Private Transfer Fees

NAR opposes private real estate transfer fees. NAR encourages the enactment of laws which would prohibit the use of deed restrictions for the purpose of imposing private transfer fees. Where private transfer fees currently exist, NAR urges their repeal.

## Property Rights, including Eminent Domain

Governments shall not arbitrarily infringe on the basic right of the individual to acquire, possess and freely transfer real property, and shall protect private property rights as referred to in the 5th and 14th Amendments of the United States Constitution.

When government actions or regulations are not founded within legitimate police powers, the government should be required to pay compensation for the inordinate burden levied on the property owner. Each state should establish its own rules and laws governing eminent domain without interference from the federal government. When a government entity exercises its eminent domain power to condemn private property for public use, the government should provide—as required by the 5th Amendment—“just” compensation to affected property owners that covers not only the value of the property condemned but also all other reasonable and necessary costs generated by the condemnation action. Furthermore, when a government entity exercises its eminent domain authority, it should do so only when necessary to materially advance a real public use.

## Property Taxes: Property Tax Limitation

We urge each state association and local board to work for tax restructuring to reduce unreasonable reliance upon property taxes. NAR recognizes, however, that each state and municipality may have differing fiscal priorities/needs which may necessitate flexibility in NAR policy.

## Property Taxes: Property Tax Assessment

We urge state associations to promote legislation providing for tax assessment of all real property and all forms of shelter on an equitable basis based on fair market value.

## Property Taxes: Tax Exempt Properties

All tax exempt institutions should be required to pay for local public services received, but should maintain their real property exemption due to their positive contributions to the communities in which they reside. In those instances where tax exempt institutions occupy only a portion of larger land holdings, those sections of the properties not directly used by the institutions should be fully taxed.

## Public Education

NAR supports programs and policies that promote quality education by efficiently financing capital construction, maintenance, and operations of our public school systems. NAR believes that public education is a state and local issue. NAR encourages all members of the REALTOR® family to actively involve themselves with local schools, both individually and within their REALTOR® organizations. We further encourage state and local government, school systems and private enterprise to explore ways to develop creative solutions for financing schools rather than looking predominantly to the overburdened taxpayer.

## Real Estate Transfer Taxes

NAR opposes the imposition of real estate transfer taxes. In communities where transfer taxes currently exist, NAR urges their repeal and opposition to any increases. Where such fees are in place, NAR urges the redirection of this revenue source to be used for one-time capital acquisitions which are related to housing or commercial property improvements (e.g. infrastructure) and exemptions to transfer taxes for first-time homebuyers and for homebuyers from low- and moderate-income households.

## Rent Control

NAR opposes current and future rent control and rent stabilization laws on both residential and commercial properties. NAR encourages local and state REALTOR® associations to oppose any legislative measure allowing for rent control or rent stabilization efforts. Further, NAR opposes moratoria on zoning approvals for apartments and mobile home parks.

## Rental Housing

We recognize the need in this nation to produce new affordable rental housing and preserve the current rental housing stock. We are opposed to local rent control ordinances and local moratoria on converting rental property to condominiums or cooperatives. We encourage and support legislation as well as legal measures to prevent landlord-tenant ordinances injurious to the basic rights of private property ownership.

## Sign Ordinances

REALTORS® have the right to advertise properties and use For Sale signs.

## Spending Limitation

All levels of government should maintain balanced budgets.

## Transportation

Federal spending for transportation infrastructure should be sufficient to maintain the current physical condition and level of performance of highways and transit systems and to make improvements to reduce congestion and to foster economic development. To finance increased transportation spending, NAR supports both a modest increase in the federal transportation user charge tax rate and indexing the tax rate to account for inflation. NAR supports multi-modal transportation systems, Complete Streets, and programs that mitigate air pollution. Federal programs should not be biased in favor of one mode or another.

## Water Resources

NAR supports clean water and voluntary solutions to address excessive pollution. NAR supports adequate federal funding for water resources infrastructure to ensure water quality and quantity. Traditional water rights should be respected.

# NAR Federal Issues Policies that may Provide Guidance on State and Local Issues

## Energy Efficiency

NAR supports incentive-based approaches to assist homeowners in making energy efficiency improvements to their homes. NAR is opposed to labeling homes for energy efficiency and is opposed to point-of-sale requirements for energy audits or energy retrofiting.

## Transportation Funding

NAR policy calls for adequate funding levels to both maintain existing systems as well as make new improvements to reduce congestion and foster economic development. Federal programs should provide a predictable, reliable stream of funds. NAR supports an integrated multi-modal transportation system; federal programs should fund transit projects with the same percentage of support as highway projects. Federal programs should not be biased in favor of a particular mode of travel. Transportation improvement planning should consider the needs of all transportation users along a transportation corridor and provisions should be made to accommodate a variety of users in transportation projects, where possible.