What has RPAC Done for Me Lately?

2018 CAR Government Affairs Update

- **Opposing Initiative 66- Limited Growth Ballot Initiative**

  Proposed Limited Growth Ballot Initiative Would:
  - Limit new permits for the total number of all housing units in each of the 10 most populous counties (Front Range) to 1% in both 2019 and 2020.
  - Allow every Colorado City, Town, or County statewide to vote for housing growth moratoriums.
  - Prohibit permits between the election in November 2018 and January 1, 2019.
  - Voters would not be able to reconsider or alter the initiative in any manner if voters approved until at least 2021.

  This potential statewide ballot initiative proposes placing arbitrary limits on growth that could cripple future economic prosperity and create new growth burdens on the already low inventory of housing available to Colorado consumers. This initiative would have a very significant detrimental effect on affordability of housing in Colorado. We cannot increase affordability of housing by decreasing the supply of housing.

  The supply of affordable housing is a vital component to a regional economy. The availability of affordable housing is critical to retaining a skilled workforce, keeping local business competitive, and reducing urban sprawl. It also gives young people the chance to purchase rather than rent, allowing them to begin building valuable home equity.

  Businesses also need to be able to continue to attract and retain talented workers that can afford to live and thrive in the communities where they work. A lack of affordable housing near employment centers pushes workers farther from their jobs, forces them to commute longer distances, puts undue strain on local roadways and public transportation, and dis-incentivizes workers and their employers to locate in Colorado.

  CAR will be working diligently to defeat this proposed ballot initiative. Watch for more information coming soon.

- **Rural Broadband Deployment- SB18-002 and HB18-1099**

  On April 2, 2018 Governor Hickenlooper signed SB18-002 and HB18-1099 which will help rural Coloradans reach full broadband connectivity. Senate Bill 02 changes a state telecom fee, the High Cost Support Mechanism, to reallocate funding to provide additional resources for broadband infrastructure. Roughly $115 million will be spent over the next five years to bring our current 77% coverage to 100%.

  CAR supports this legislation and related bills, such as HB18-1099, which requires the Broadband Deployment Board to consider new criteria related to speed and cost when telecommunication companies invoke a first right of refusal for a competitor's broadband grant application.

  CAR is thrilled to see this critically important legislation be signed into law. As much as $150 million over the next five years can be spent to improve broadband infrastructure in rural communities. Our rural members will now have access to internet broadband speeds allowing them to operate their businesses with the same capacity for economic development, business recruitment, and job creation as the Front Range and urban areas.

- **Real Estate Commission Flexibility in License Period – HB18-1227**

  This legislation gives the Division of Real Estate the statutory authority to promulgate rules for calendar license renewals instead of anniversary renewals. HB18-1227 also clears up confusion about continuing education requirements during the transition from calendar to anniversary renewals. Before this legislation, several of our rural members and local boards did not have the same access to a quality transition course. Some did not have courses because only one type of education service provider could offer the course, and this meant members would have to travel long distances to meet their requirements. The total number of continuing education requirements remains the same, but in the transition period two annual update courses will be required and the remainder of the education requirements can be met with elective courses. HB18-1227 passed the House and Senate and went to the Governor for his consideration.

2018 NAR Federal Affairs Update

- **New Money to Fight Wildfires**
  President Trump signed a new spending bill that includes a bipartisan plan to create a wildfire disaster fund. This new fund sets aside more than $20 billion over 10 years to allow federal agencies to pay for wildfire fighting costs. This plan ends the practice of "fire borrowing" or the taking of non-fire-related funds to pay for wildfire costs. That money can now be used for wildfire prevention, especially in areas closest to communities. These prevention efforts will save lives and reduce the risk of property damage.

- **Passage of FY 2018 Spending Bill Critical Step for Affordable Housing Funding and Flood Reauthorization**
  U.S. House and Senate voted on Thursday, March 22nd to fund the federal government through September 30, 2018. The 2,232-page bill contains important provisions related to housing that REALTORS® have been fighting for, including alleviating the weakening of the Low-Income Housing Tax Credit (LIHTC) from the new tax law, extending the EB5 program, extending the National Flood Insurance Program (NFIP) until July 31st, doubling flood map funding to $263 million, up from $177 million in the previous year, and maintains funding for the flood mitigation, proofing and elevation of properties ($175 million), as well as the Office of the Flood Insurance Consumer Advocate ($5 million) to assist homeowners with concerns over flood mapping and/or insurance ratings.

- **NAR Testifies on Association Health Plans**
  On Tuesday, March 20th, NAR testified before the U.S. House Education and the Workforce Subcommittee on Health, Employment, Labor and Pensions in support of current regulatory efforts to expand association health plans (AHPs). At the hearing, which focused on U.S. Department of Labor's recently proposed AHP rule, Mike McGrew, a REALTOR® for more than 30 years in Lawrence, Kansas, and former NAR treasurer, expressed NAR's strong support for the rule's provisions to allow self-employed individuals with no employees to participate in association health plans. You can watch the hearing here.

- **2018 Flood Insurance Rates**
  On April 1, 2018, National Flood Insurance Program (NFIP) premium rates are set to rise an average of 8%. This increase is slightly more than last year but consistent with the annual 5-10% increases prior to the 2012 Biggert-Waters Act, which made significant reforms to the NFIP. Under 2014 Flood Insurance Affordability amendments, individual property owners could see a rate increase up to 18% for newer properties and 25% for older ones. With these April 1 changes, FEMA is also continuing to implement the next round of increases and other technical changes for the newly mapped and preferred risk properties.

- **Proposed USDA Ineligible Area Maps**
  The U.S. Department of Agriculture (USDA) made available the proposed newly ineligible area maps for Rural Development Single Family Housing and Multi-Family Housing programs, including Section 502 rural housing loans. The "Proposed Ineligible Areas" maps show all ineligible non-rural areas, and not only the new non-rural areas. In some cases, previously ineligible areas will now become eligible rural areas. The new ineligible areas will become effective on June 4, 2018.