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Government Affairs

Update and More April 2

- **NAR Update**

- **COVID-19**

In its first of several COVID-19 related relief bills, the U.S. Congress appropriated an **additional \$20 million for SBA disaster loans**, and clarified that the COVID-19 pandemic qualifies as such a disaster. Accordingly, the SBA is now offering the low-interest loans to small businesses (500 or fewer employees) impacted by COVID-19 in designated disaster areas for working capital. You can find a list of designated disaster areas [here](#). However, before a state qualifies for the program, the Governor must submit documented business losses for at least five businesses per county, and request approval from the SBA.

In what is being referred to as “Phase 2” of Coronavirus relief efforts, the Administration and House leadership worked together to craft **H.R. 6201, the Families First Coronavirus Response Act**, which passed the House by a wide margin this weekend. This legislation seeks to provide significant relief to small businesses that cannot afford the employee-costs associated with COVID-19 by expanding family medical leave and paid sick leave, requiring insurers to cover testing and related services, and more. Throughout this process, **NAR’s advocacy team urged Congressional leaders to include support for self-employed professionals and other small business owners, and we are pleased that robust measures targeting these groups were included.** We expect that this legislation will pass the Senate soon. Learn more about this bill [here](#).

NAR’s federal advocacy team is also considering additional measures to help the real estate industry such as mortgage payment deferments, moratoriums on evictions and foreclosures, and electronic notarizations in all states. While much of the legislation being considered thus far has been fairly specific, we expect legislation affecting the broader economy to be considered in the coming days and weeks.

[Please click here to visit our newly created, and regularly updated, resources page.](#)

- **Key Links:**

[NAR Coronavirus Central Resource Page](#)

[NAR Commercial Real Estate Response to Coronavirus](#)

[Coronavirus: A Guide for REALTOR® Associations](#)

[NAR’s Advocacy Work Towards COVID-19 Relief](#)

[Coronavirus Emergency Legislation: What REALTORS® Need to Know](#)

[NAR To Deliver Virtual Solutions for the 2020 REALTORS Legislative Meetings and Trade Expo](#)

[IREM Pandemic Guide for Property Managers](#)

- **NAR's Advocacy Work Towards COVID-19 Relief**

[Independent Contractor Status](#), [Multifamily Properties](#), [Section 1031 Like-Kind Exchange](#), [Coronavirus](#), [Qualified Opportunity Zones](#)

The National Association of REALTORS® has been responding to a flurry of legislative activity aimed at providing economic relief from COVID-19. NAR is committed to ensuring that lawmakers continue to take into consideration the real estate industry, including independent contractors and small business owners. NAR [has urged lawmakers \(link is external\)](#) "to recognize the millions of self-employed workers of America that lack the benefits and financial aid offered to traditional W-2 employees."

Below is a compilation of the letters NAR has sent, as well as a summary of the work NAR is doing with state associations to classify real estate services as essential services in emergency declarations. NAR continues to work with the Department of Labor to get clarification on

calculation of employer thresholds for paid leave passed in the Families First Coronavirus Response Act.

NAR will continue fighting for relief for small businesses, employers and the self-employed workforce, which are the backbone of our economy.

➤ **Relief for Small Business and Independent Contractors**

NAR sent a [letter \(link is external\)](#) to Congressional leaders urging them to include support for self-employed professionals and other small business owners as well as a [follow-up letter \(link is external\)](#) on this issue as Congress considers additional relief packages. NAR also signed a [coalition letter \(link is external\)](#) that would encourage Congress to provide readily accessible, unsecured credit to employers and self-employed individuals of all sizes to ensure they have the cash to pay their workers, rent, and other costs during this crisis:

- Suspend the filing of business returns and the payment of all business taxes to the federal government for the duration of the pandemic; and amend the Tax Code to, among other items, restore the ability of businesses to carryback any net operating losses against previous year tax payments;
- Suspend the application of the Section 163(j) limitation on interest expense deductions for tax year 2020 to avoid penalizing businesses for borrowing during this crisis; and
- Suspend the Section 461(l) loss limitation on pass-through businesses to allow businesses to full deduct any losses they incur this year.

➤ **Essential Real Estate Services**

NAR is working with state associations, many of whom are reaching out to their Governors to request that certain real estate services be deemed “essential services” during emergency declarations. NAR is also working closely with ALTA and MBA whose members are also greatly impacted by county closures of recordation services.

Multi-family

NAR joined a [coalition letter \(link is external\)](#) representing for-profit and non-profit owners, developers and others involved in the provision of affordable rental housing. It asks for direct rental assistance for families who have income loss due to COVID-19, it cautions against blanket eviction moratoriums—feels they should be targeted to situations related to COVID-19 and provide relief for property owners in the form of mortgage or other financial obligation forbearance

1031 Like-Kind Exchange

NAR sent a [letter \(link is external\)](#) to the Treasury Department to include deadline relief for 1031 like-kind exchanges 180-day completion deadlines. There will be delays in settlements due to title companies and others closed during the outbreak. Also, they should extend the 45-day period for identifying possible properties as exchange candidates. Relief for this program has been provided in the past during other presidentially declared disasters.

SECURE Notarization Act

NAR is working with other trade associations and industry partners to support the “Securing and Enabling Commerce Using Remote and Electronic Notarization Act of 2020” (SECURE Notarization Act). NAR sent [this letter \(link is external\)](#) to lawmakers in support of the bill. This legislation would continue and expand access to remote online notary (RON). It would permit immediate nationwide use of RON, with minimum standards and provide certainty for the interstate recognition of RON. The SECURE Notarization Act builds on ongoing efforts of lawmakers to promote remote transaction options for consumers.

Opportunity Zones

NAR sent a [letter \(link is external\)](#) to the Treasury Department and the Internal Revenue Service to include deadline relief for the working capital safe harbor for Qualified Opportunity Funds with any forthcoming package of taxpayer relief measures.

➤ **NAR News – Email**

NAR Tools Now Free, Discounted

Video: NAR CEO Bob Goldberg shared good news last week to help REALTORS® navigate the COVID-19 crisis. NAR is reactivating a program introduced at a critical time in 2009: [Right Tools, Right Now](#). Your members can access new and existing resources, such as webinars, training courses, and other business tools, for free or at a reduced cost.

New: COVID-19 Response Hotline

Share with members: Have questions about the resources available to help you navigate the challenges of COVID-19? Call the new [member hotline](#) for tools and ideas to operate your business safely and smartly.

Drive-Thru Closings Pop Up

Real estate pros find creative ways to [keep closings on track](#) as transactions are disrupted amid the coronavirus outbreak.

Scammers Try to Dupe Homeowners

Encourage your members to warn their clients not to fall prey to [fraudsters using spoofing tactics](#) to trick them.

Appraisal Alternatives OK'd

To reduce the need for appraisers to conduct interior property inspections, the Federal Housing Finance Authority has instructed Fannie Mae and Freddie Mac to [permit appraisal alternatives](#) for eligible mortgages through May 17.

Watch for Next Week's Survey

NAR will need your feedback. Due to the cancellation of AEI, NAR is considering holding an “AEI Lite” event specifically for AEs immediately prior to the Leadership Summit. Next week, please look for a quick, two-minute survey to gauge your interest in the idea. Questions? Please contact surveys@nar.realtor.

Virtual AEI: Crisis Management

Block time for the next [2020 Joint AE Institute Virtual Session](#) on crisis management and communications April 3 at 11 a.m. Central. Crisis situations come in many forms, and in today's case, it's a pandemic health crisis. Earning members' trust by communicating meaningful information is key. Hear from communications experts and your AE peers on how to take your existing association communication and crisis management plans to build a strong community during this crisis.

Magel Award Submissions Due

Nominations are being accepted through April 22 for the 2020 William R. Magel Award of Excellence. Click [here](#) for the nomination form and submission guidelines. Nominations must be emailed in a pdf format directly to Cynthia Bair, cbair@nar.realtor.

Crisis Management Docs for RARE

Do you have documents related to crisis management, including emergency preparedness and communications plans, you can submit to the [REALTOR® Association Resource Exchange](#) database? RARE is a platform for you to share and request documents and resources. Check it out to find recommended speakers and instructors, sample job descriptions, strategic plans, mission statements, and much more. Questions? Please contact Andrew Scoulas, ascoulas@nar.realtor.

Share MVP Offer With Members

Earn a free download of Social Media for Associations when you share Fair Housing Month resources with your members by April 30 through the [MVP program](#).

Grants

Safety Grant Deadline Extended

Your association now has until April 17 to apply for a 2020 REALTOR® Safety Reimbursement Grant. Grants are available up to \$2,500. Total funding is limited. Click [here](#) for full program details and criteria and to apply.

Get Online Grant Coaching

Find out if you can get a REALTOR® Party [community outreach grant](#) for your event. [Secure your spot](#) for a 30-minute, one-on-one coaching session on Webex to brainstorm ways to address affordable housing challenges, community planning and development issues, revitalization opportunities, and fair housing education virtually using a community outreach grant. You'll hear about critical steps in developing grant ideas and how to write a compelling application. Questions? Contact Christine Windle, 202/383-1135, cwindle@nar.realtor.

Support Women of Real Estate

Apply by May 1 for a [Supporting Women of Real Estate](#) grant, offered by NAR and the Women's Council of REALTORS®. Grants highlight new or existing exceptional programs — and now include virtual offerings — that promote professional development for women in real estate. Seven grants are available: Three associations will each receive a \$5,000 grant, and four will each receive a \$2,500 grant.