

# Suburban West REALTORS Association

## SPECIAL EDITION—WEEKLY NEWS SERVICE

### May 16, 2005

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**Remember to visit** <http://www.suburbanwestrealtors.com> for: information on member services, news and useful links, community resources, the Association of REALTORS School and to search for REALTOR and Affiliate Members.

#### NEW INFORMATION

- ◆ **Report on the National Association of REALTORS Mid-Year Meetings**—Last week, more than 9,000 REALTORS, Association Executives and staff attended the NAR Mid-Year Meetings and Expo in Washington DC. NAR convenes two large meetings a year to provide members a unique opportunity to: network with members from across the United States; learn the latest information to enhance your professional development; and to take an active role in legislative issues affecting the real estate industry. Last week's event provided a tremendous opportunity for members and staff to learn about the pressing national issues and to make the REALTORS voice heard on Capitol Hill. The following is a brief recap of the meetings.

#### Important Speakers & Hill Visits

- **President Bush Addresses REALTORS**—On Friday, May 13, President Bush graciously agreed to address the attendees to the Conference on myriad issues. While the bulk of his speech regarded his plan to reform Social Security, he also referenced the critical role of the housing industry to the improving economy and, subsequently, the importance of REALTORS to its success. President Bush also indicated his support of REALTOR issues like continuing the mortgage interest deduction in the tax code, his administration's single-family tax credit legislation, and his desire for small business owners and independent contractors to have access to affordable health care. His remarks were enthusiastically received by the audience of more than 4,000 members. For more detailed information on his speech, please click [here](#).
- **Senator Jim Talent (R-Mo.), Representative Michael Honda (D-Ca.) and Assistant Secretary Craig Manson Speak At Meetings**—In addition to President Bush's general speech on Friday, a number of other government officials presented to attendees through the week on specific topics. Senator Talent spoke to the membership on Tuesday, May 10 about the Small Business Health Fairness Act legislation which he is lead sponsor on. This important bill would allow Associations, like NAR, to broker on behalf of its agents for affordable health care coverage (more info [here](#)). Representative Honda provided the keynote address during the HOPE Awards Minority Housing Symposium sharing his own family's struggle to achieve homeownership (more info [here](#)). Lastly, Assistant Secretary Craig Manson from the Fish, Wildlife and Parks U.S. Department of Interior encouraged REALTORS on Tuesday to continue pressing Congress for amendments to the Endangered Species Act (more info [here](#)).

- **Suburban West REALTORS Association Members Visit Pennsylvania Representatives and Senators**—On Wednesday and Thursday, a contingent of Association members attending the meetings met with local Representatives and Senators on the major national issues affecting REALTORS and the industry (listed below). The visits included meetings with Congressmen Joseph Pitts, Curt Weldon, and James Gerlach, and the staff for Senators Arlen Specter and Rick Santorum. These meetings allowed the REALTORS to speak openly about the issues and to reiterate their importance to the 4,300 REALTOR members in Chester, Delaware counties and the Main Line. The visits were coordinated by the REALTORS Legislative Alliance and featured the following members: Dave Brant, Heidi Bulitta, Betsy Cardone, Dominic Cardone, Brian Kane, Guy Matteo, Carolyn Sabatelli and Bud Tyson. Also in attendance were staff members Anne Marie Matteo, Mike McGee and Steve Farace. For pictures of the visits, please click [here](#).

### The Primary Issues

- **Department of Justice Investigation**--A day before the meetings started last week (Monday, May 9), an article appeared in the Wall Street Journal indicating that the Department of Justice was very close to suing NAR for violation of anti-trust laws based on an Association policy that was due to go into effect on June 1. This NAR policy suggests that brokers are allowed to withhold listings from Virtual Office Websites (VOW) if they so choose. This issue was very prevalent during the meetings and was addressed by NAR President Al Mansell and Executive Director Terry McDermott throughout the four days. In brief, the article overstated the DOJ/NAR rift. While the DOJ is concerned about this issue, they are engaging in ongoing negotiations with NAR about possible changes to the policy. NAR does steadfastly support its position on VOW's and is willing to fight for it, but also is open to minor changes if need be. In an act of good faith, NAR did delay the implementation of the policy to January 1, 2006. For more detailed information on this ongoing story and updates, please click [here](#).
- **Banks In Real Estate Legislation**—One of the most significant issues that could affect the real estate industry is the potential of banks being permitted to enter into the real estate industry. NAR vehemently opposes this and fully supports legislation (Community Choice in Real Estate Act) that would prohibit them from entering into real estate. Opponents suggest that the real estate industry is not competitive and that allowing other industries like banks would be better for the consumer. NAR disagrees with this assessment, believing that 1.2 million individual agents equates to the industry already being one of the most competitive in the nation. Furthermore, NAR is concerned that huge national banking conglomerates by virtue of their federal charter would have an unfair edge against REALTORS. For more information on this issue, please click [here](#).
- **Small Business Health Plans**—As mentioned earlier, another hot button issue for REALTORS that was discussed with legislatures was the availability of affordable health care to small businesses and independent contractors. In 1996, 13% of REALTORS had no health insurance, that number is now close to 30%. And for many others, the costs for individual coverage is tremendously high. Currently, there are restrictions in states, like Pennsylvania, that prohibits an organization like the Pennsylvania Association of REALTORS to broker an insurance plan for its members let alone on a national level. The Small Business Health Fairness Act would permit national associations the same advantage that unions currently have for their members and allow an organization like NAR to broker a plan for its 1.2 million members that would

undoubtedly provide cost savings and better coverage. For more information on this issue, please click [here](#).

- **Fannie Mae/Freddie Mac Regulator Reform and REALTORS**—As many members are aware, both of these organizations recently had accounting scandals that brought their business practices under further scrutiny. While NAR does agree that regulation is needed, there is concern that too stringent regulation could result in these two historic housing organizations missions being weakened and/or completely changed. NAR is going to continue to work with legislatures to ensure that the regulator that is eventually established limits their work to overseeing the financial safety and soundness of these organizations. For more information on this issue, please click [here](#).

#### Other News

- **Ethics Training Loophole Closed**--The NAR Board of Directors voted on Saturday to close a loophole that had allowed members who do not complete the Quadrennial ethics training to remain in "suspended" status indefinitely. The new mandatory requirement allows members to remain suspended for two months before termination. This change will go into effect for the current Quadrennial Code of Ethics Requirement the deadline for which is December 31, 2008. Hence, members who do not complete ethics training during this period will be suspended as of January 1, 2009. Failure to complete the training by March 1, 2009 will result in termination of membership.
- **Membership growth means budget surplus**--NAR Treasurer Michael Brodie reported that an increase in membership will result in increased revenue to the association. Since 1999, NAR membership has grown by 56 percent. "We're in a very healthy situation right now," said Brodie. "We're adding new programming and increasing funding to existing programs to add value to membership." NAR announced that there will be no increase in NAR dues (\$64) for 2006 and 2007 and no increase in special assessments (\$20) for 2006. There has not been an NAR dues increase in 10 years. (NOTE. Suburban West REALTORS Association dues have held steady for 8 years and PAR dues have also seen no increases in 10+ years).
- **Upcoming Meetings**—NAR will convene its 2005 REALTORS Conference and Expo from October 28 – 31, 2005 in San Francisco. More than 25,000 members attend this increasingly popular meeting for professional development opportunities, meeting members from across the country and to attend the largest exposition of companies involved in all aspects of the real estate industry. For more information, please click [here](#). Next May, NAR will again conduct its Mid-Year Meetings and Expo in Washington DC. On behalf of Suburban West REALTORS Association, I encourage all members to consider attending even if only for part of the session. There is no cost to register and it provides a tremendous experience only a couple of hours away.

#### **OTHER IMPORTANT NUMBERS:**

- **Suburban West REALTORS Association TECH HOTLINE:** 800-704-7240 (email: [techhotline@att.net](mailto:techhotline@att.net)) (8:30 am to 8 pm, Monday to Friday)
- **PAR Legal Hot Line:** 800-727-5345 (9 a.m. to 10 am & 1 pm to 3 pm, Monday to Friday)
- **Suburban West REALTORS Association:** <http://www.suburbanwestrealtors.com>
- **SUPRA Support:** 877-699-6787 (8 am to 10 pm, Everyday)