



2017 Legislative Package



Fredericksburg
Area Association
of REALTORS®



Fredericksburg Area Association of REALTORS® 2017 Legislative Package

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PURPOSE

The 2017 Legislative Package for the Fredericksburg Area Association of REALTORS® is intended to be an outline guiding the government affairs efforts of the Association throughout the year. In addition, FAAR will also submit this package to the Virginia Association of REALTORS® for consideration in the VAR Legislative Package prepared for the 2017 General Assembly Session.

Questions or comments should be directed to:

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STATE LEGISLATIVE POSITIONS FOR 2017

PROFESSIONALISM ISSUES

State Issue

As more and more individuals enter the real estate profession, FAAR feels strongly that professionalism needs to be a greater focus of pre and post-licensing education. One of the top threats to agents, as identified in the Swanepoel D.A.N.G.E.R. Report commissioned by NAR, are the “masses of marginal agents” who are destroying the reputation of REALTORS®. These marginal agents are part-time, untrained, unethical, and/or incompetent, according to this report. The knowledge gap between these types of agents and those that are competent and treat it as a profession is undermining the credibility of the industry as a whole.

FAAR proposes the following changes to the current prelicensing and post-licensing structure.

1. Allocate at least 6 of the 60 hours of current prelicensing to cover practical topics such as buyer and listing paperwork and writing contracts.
2. Allow licensees to complete only 50% of their education via online or correspondence courses. The other 50% must be in a classroom.
3. Allow more of the 30 hours of post-licensing education to be offered as electives. The current 2 hour elective is not enough.
4. Add a 1 or 2 hour finance requirement to the current post-licensing education. This is a vital topic for new agents and there is currently no post-licensing requirement for it.

In addition the suggested changes to the pre-and post-licensing system, FAAR believes that educational and experience requirements should be expanded for those licensees acting as principal and managing brokers. There is a significant difference between associate brokers who function as salespersons and those who function as true managing brokers. The managing brokers should be held to a higher standard for education and experience

FAAR proposes strengthening the education and experience requirements for those licensees acting in a managing or principal broker capacity.

1. DPOR shall identify the managing broker and principal broker in conjunction with each sales office. If an agent is actively managing in an office but is not the principal broker with DPOR, that individual must be identified as a managing broker and subject to the same education and experience requirements as a principal broker. The license lookup display should read “Managing Broker” under the category of broker type for managing brokers who are not the principal broker of the firm.
2. Once a licensee achieves a broker’s license as stated under current law, they must act as an associate broker for two years before moving into the position of principal or managing broker. During those two years as an associate broker, the licensee must be actively engaged in real estate.
3. Once a licensee becomes a managing or principal broker, they must complete four hours of mandatory training every two years, in addition to the 8 hours of currently required broker management.

This specific ask is submitted by FAAR 2016 President Christine Singhass. As a broker-owner, she feels strongly that adequate supervision and ethical behavior starts with the broker and many managing brokers are woefully unprepared to assume true management of an office. President Singhass supports the convening of an official VAR work group to further study issues of education, broker supervision, and professionalism.

HOUSING DISCRIMINATION

State Issue

FAAR supports legislation to prohibit discrimination in housing transactions on the basis of sexual orientation and gender identity. Our Association believes that all consumers should be treated equally in their housing transactions, which includes prohibiting discrimination on the basis of sexual orientation or gender identity. **FAAR requests that VAR work with other stakeholder associations to develop a proposal to hold all housing providers to an equal non-discrimination standard for sexual orientation and gender identity.**

All issues included as a specific legislative request to VAR are sponsored by Public Policy Committee Chairman Suzy Stone, recommended by FAAR's Public Policy Committee, and endorsed by the FAAR Board of Directors. If any additional information is required on any of these specific issues, questions should be directed to FAAR GAD Kim McClellan.

ISSUES OF CONCERN

TRANSPORTATION INFRASTRUCTURE FUNDING

One of the top issues facing the Commonwealth of Virginia is the growing mobility crisis throughout the population crescent stretching from Northern Virginia to Hampton Roads. FAAR applauds the passage of historic transportation legislation from the 2013 General Assembly session and strongly advocates for keeping a focus on transportation infrastructure.

FAAR promotes the efficient movement of people, goods, and services throughout the Commonwealth of Virginia. Maintaining a balanced, multi-modal, and regional transportation system is critical to our long-term economic viability. In order to meet the current and future demands on the Commonwealth's transportation network, the Virginia Department of Transportation (VDOT) must continue to invest in major highway projects such as extending the HOT lanes into Spotsylvania County, support mass transit expansion such as Virginia Railway Express and Metro, and commit to expanding regional and commuter bus networks. It is vital that future local land use plans accommodate the growth that this area continues to experience and that local, state, and federal entities work together to ensure that current needs are being met and future capacity is being planned for.

Transportation must remain a state priority and responsibility that provides dedicated, broad-based funding sources for multi-modal transportation solutions. The General Assembly must continue to enact reforms reestablishing the link between land-use and transportation planning.

REGIONAL COOPERATION

As the Fredericksburg region continues to grow, it's often hard to distinguish where one county or city ends and another begins. Benefits and challenges are shared across the region and no unit of local government is operating in isolation from its neighbors. FAAR supports enhanced regional cooperation among the governments in the region as collaboration and combining of some infrastructure services provides great benefits to the citizens of our communities.

The Central Rappahannock Regional Library is a great example of what partnership between local governments can accomplish. It is imperative that area governments continue to work together on mutually beneficial projects like the library, water and sewer, parks and recreation, and other various opportunities to maximize efficiency and public service. FAAR encourages local governments affecting decisions in the greater Fredericksburg area to work together in regional efforts to save costs and eliminate the duplication of services. The General Assembly should continue to develop and implement incentives for local governments to band together in regional cooperative efforts to provide services to citizens at a lower cost, and to enhance the region's opportunities for future economic development.

CHESAPEAKE BAY PRESERVATION ACT

FAAR is concerned about achieving a balance between a healthy Chesapeake Bay and a strong, viable economy in Virginia. FAAR supports local ordinances that do not go beyond the Commonwealth's mandated minimums. FAAR will continue to support reasonable and fair regulations that promote a balance between economic growth, the protection of private property rights, and the preservation of the environment while opposing any initiatives that exceed these

criteria.

FAAR strongly supports REALTORS® having a seat at the table during negotiations over implementation of Chesapeake Bay preservation practices. It is vital that individual property owners' rights are recognized and taken into consideration when rules are put in place that may impede their ability to use their land as they see fit.

PROVIDING HOUSING OPPORTUNITY AND CHOICE

The Fredericksburg area sits 50 miles south of Washington, DC, making it a desirable community for those commuting to our nation's capital. Residents and potential homebuyers in the Fredericksburg area saw home prices skyrocket, with a 238% increase in the period of from 2001 through 2007. While prices have fallen considerably in the region, there are still barriers to homeownership for many potential buyers.

Housing opportunity and choice are the cornerstones of the American economy and tradition. Homeownership has always been considered a lucrative source of investment for individuals and families and studies have shown that homeowners have a greater commitment to their community than renters. It is important that government at all levels create an atmosphere for the market to produce housing choices for people at all income levels that encourages the exchange of real property.

FAAR supports the availability of a wide-range of urban, suburban and rural housing choices at all price levels. In order to assist communities in developing growth plans and policies, our Association supports and encourages implementation of the following objectives:

- Ensuring an adequate supply of land for housing, at all market levels, to meet existing and forecasted housing demand.
- Use of market analysis to reflect an area's diverse population and income levels in a wide range of suburban and rural housing types and choices.
- Reduction of regulatory barriers to home rehabilitation to enable historic preservation, modernization of older housing units, and to increase affordable housing options.
- Evolution of planning, zoning and subdivision laws to accommodate mixed-use development, and changing growth patterns.
- Implementation of fair and reasonable development, building review and permit processes.
- Transportation systems that enhance access to work and services.
- Market-driven and incentive-based approaches to managing growth.
- Balanced, equitable, and fair financing of infrastructure needs, including a more proportionately balanced revenue return to localities from the state.

GROWTH ISSUES

During the past ten years, the population of the greater Fredericksburg area has dramatically increased. In the last ten years, the area population has increased by over 30%. More and more people continue moving to the area demanding housing and other services. The ever expanding costs for investing in critical infrastructure have placed enormous burdens on the fiscal health of the regional governments. It is unlikely that the region will experience a significant reduction in its growth rate over the next ten years, so growth issues will continue to dominate

public policy debates.

FAAR supports the following measures to accommodate current growth and plan for future growth:

- Provide ample housing opportunity and choice.
- Improve public safety and schools.
- Ease traffic congestion.
- Implementation of responsible and reasonable storm water management programs.
- Fair and equitable taxation plans to provide necessary financial resources without overburdening property owners.
- Sensible adequate public facilities planning and revenue raising that does not infringe on private property rights.

STANDING POSITIONS

COMPREHENSIVE PLANS

Comprehensive Plans should be fluid documents, frequently updated, that serve as a guide for the provision of an adequate supply of developable land to meet the market's demand for housing opportunities. Economic development efforts and comprehensive planning efforts must work in tandem to ensure that workers can find affordable housing in close proximity to their places of employment. FAAR supports the following objectives:

- Clustering of development and innovative land-use policies that encourage mixed-use and pedestrian friendly developments.
- Comprehensive land-use planning that serves as a guide for identifying land to be made available for residential, recreational, commercial, industrial and other uses.
- Updating Comprehensive Plans on a regular basis to accommodate changing demands for different types of housing needed to support the local workforce.
- Flexible planning which avoids fixed growth boundaries that exacerbate sprawl and adversely affect housing affordability.

HISTORIC PRESERVATION ORDINANCES: FAAR opposes the implementation of historic preservation ordinances that go beyond the current state law in its regulation of historic preservation and create unreasonable costs for property owners. Our primary concern is that historic preservation benefits the entire community and should be paid for by the entire community by allowing tax credits for compliance with ordinance requirements.

PREMISES LIABILITY: FAAR opposes any premises liability legislation that would require businesses to be responsible for crime (including vandalism) occurring on their property.

PRESERVATION OF OPEN SPACE AND THE ENVIRONMENT

FAAR recognizes the importance of preserving Virginia's environment and supports:

- The preservation of sensitive lands through public action as long as those efforts respect private property rights and are not achieved through "takings."

- Land purchased for open space should always be purchased from a willing seller who is compensated at fair market value.
- Predictability in the development process.
- Increased uses of density.
- Access to open space and parks.

THIRD PARTY PROVISION OF HOME/CONDO OWNERS DOCUMENTS

While the General Assembly passed legislation to clarify the amount HOA/COA's could charge a homeowner or unit owner for the timely provision of the association's document package, there is a growing concern that as more associations turn to third party providers, documents are not being provided in the necessary time frame. FAAR will continue to monitor this situation and will reserve the right to seek legislative remedy should the situation warrant.