

Thursday, November 13, 2025

**CALIFORNIA NAR DIRECTORS ISSUES BRIEFING**

NATIONAL ASSOCIATION OF REALTORS®  
2025 NAR NXT, THE REALTOR EXPERIENCE  
Marriott Marquis Houston  
Texas Ballroom Salon F, Level 4  
9:00 AM – 10:00 AM

**PRESIDING:**

Heather Ozur, C.A.R. President  
Tamara Suminski, C.A.R. President Elect

**STAFF:**

Matt Roberts, Local and Federal Governmental Affairs Director

**I. WELCOME**

**II. KEY CALIFORNIA EVENTS AT THE 2025 NAR NXT**

- **California Club Reception** – Thursday, November 13, 6:00 PM – 7:30 PM, in Texas Ballroom Salon C, Level 4 of the Marriott Marquis Houston
- **Region 13 Regional Caucus Meeting** – Sunday, November 16, 4:00 PM – 5:00 PM, in Hilton Americas-Houston, Lanier Grand Ballroom D-F, Level Four
- **Board of Directors** – Monday, November 17, 8:30 AM – 11:00 AM, in George R. Brown Convention Center, Hall B, Level 1
- **Delegate Body Meeting** – Monday, November 17, 11:30 AM – 12:00 PM, in George R. Brown Convention Center, Hall B, Level 1

**III. NAR STRATEGY ADVISORY GROUP UPDATE**

- Don Faught, Chair

**IV. NAR POLICY COMMITTEE ACTION ITEMS AND HOT ISSUES**

- A. RESORT & SECOND HOME REAL ESTATE COMMITTEE** (November 14, 10:30 AM – 12:00 PM, Marriott Marquis Houston, Texas Ballroom Salon A-C, Level 4)

**Recommendation #1**

That NAR support uniform, nationwide adoption of a requirement for community associations to disclose master insurance policies and related documents to buyers, including:

- Key facts about the association, including whether the master insurance meets lending requirements;
- Early disclosures so buyers have full information before making offers;
- Clear responsibility for disclosures placed on the community association, not the real estate professional;
- Access for real estate professionals to relevant documents, allowing them to share information and refer clients to licensed insurance agents without offering advice; and

- Clear, consistent disclosures across all fifty states to reduce confusion and strengthen consumer protection.

**C.A.R. Policy and Comments:** C.A.R. has long supported transparency and the timely disclosure of key homeowners association (HOA) and community association information to buyers. While the intent of this proposal aligns with C.A.R.'s policy objectives, it is unclear whether federal action is necessary given California's existing state-level requirements. It is also important that any federal legislation or regulation avoid preempting or undermining the robust disclosure framework already in place in California.

**B. BUSINESS ISSUES** (November 13, 1:30 PM – 3:00 PM, Hilton Americas-Houston, Lanier Grand Ballroom G-H, Level Four)

**Recommendation #1**

That NAR support uniform national legislation and regulations to modernize the real estate transaction process into a secure, efficient, and consumer-centric experience, with the real estate professional at the forefront.

**C.A.R. Policy and Comments:** While C.A.R. supports efforts to modernize real estate transactions and integrate emerging technologies, this recommendation is drafted broadly and could extend beyond that intent. As written, it could be interpreted to cover areas traditionally regulated at the state level—such as escrow, title and settlement procedures, contract formation, and real estate licensing. C.A.R. would recommend clarifying that any federal action should not preempt or duplicate existing state laws and regulatory authority.

**C. FEDERAL TECHNOLOGY** (November 14, 1:00 PM – 2:00 PM, Marriott Marquis Houston, Texas Ballroom Salon G-H, Level 4)

**Recommendation #1**

That NAR evaluate and support digital transaction technologies proposed in federal legislation and regulation according to the following principles:

Technologies should:

- Improve speed, transparency, and reliability while reducing costs and errors.
- Protect consumer rights, including the choice of digital or traditional processes.
- Meet high standards for cybersecurity, encryption, and identity verification.
- Ensure legal certainty and interoperability across jurisdictions.
- Expand equitable access and avoid deepening digital divides.
- Remain technology-neutral and interoperable to preserve competition.
- Support secure, compliant, and interoperable modern payment systems, including blockchain and digital assets, while preserving consumer choice and agent involvement.
- Empowers real estate professionals to stay at the center of the transaction by providing ongoing education, resources, and training, helping them adapt and lead as technology rapidly evolves.

**C.A.R. Policy and Comments:** C.A.R. has not adopted a broad policy position on this topic, instead focusing on specific state-level proposals that could hinder members' ability to conduct business effectively. This recommendation is consistent with NAR's longstanding support for the responsible use and integration of emerging

technologies in real estate transactions. The principles outlined align with existing NAR policy emphasizing consumer protection, transparency, and maintaining the real estate professional's central role in the transaction process.

**D. INSURANCE** (November 13, 10:00 AM – 11:30 AM, Hilton Americas-Houston, Lanier Grand Ballroom G-H, Level Four)

**Recommendation #1**

That NAR support reforms to preserve the long-term viability of the National Flood Insurance Program (NFIP), including limiting or excluding coverage for properties with excessive flood loss claims.

These reforms should be guided by the following principles:

- Program Fiscal Sustainability
- Uniform, Clear, Transparent, and Consistent Standards
- Flood History Transparency
- Personal Responsibility
- Community Resilience
- Affordability Through Risk Mitigation

**C.A.R. Policy and Comments:** C.A.R. policy supports maintaining the long-term sustainability of the National Flood Insurance Program (NFIP) and recognizes the importance of addressing properties with repetitive flood losses. C.A.R. already has existing policy stating that properties with repeated or excessive losses should not qualify for continued NFIP coverage. The principles outlined in this recommendation are consistent with that position.

**E. FEDERAL FINANCING & HOUSING** (November 14, 10:30 AM – 12:00 PM, Marriott Marquis Houston, Houston Ballroom 6-7, Level 2)

**Recommendation #1**

That NAR support suspension of the Federal Housing Administration's (FHA) rule related to property resale restrictions.

**C.A.R. Policy and Comments:** C.A.R. policy supports eliminating the FHA's anti-flip rule, which restricts property resales within 90 days of purchase. This recommendation aligns with C.A.R.'s position that such restrictions unnecessarily limit market activity and can impede the availability of affordable, move-in-ready homes for buyers.

**F. LAND USE, PROPERTY RIGHTS & ENVIRONMENT** (November 13, 1:30 PM – 3:00 PM, George R. Brown Convention Center, Room 371, A-F, Level 3)

**Recommendation # 1**

To approve a new policy on public lands management, as follows:

- NAR supports the management, protection, and sustainable use of public lands by promoting laws, regulations, policies, guidance, and practices.
- NAR encourages protection of property rights, sustainable resource use, long-term conservation and ecosystem protection, public access and recreation, science-based management, and local input and decision-making.

**Recommendation # 2**

To approve a new policy on transferable conservation easements, as follows:  
NAR supports financial and other incentives for voluntary private land conservation.

**C.A.R. Policy and Comments:** C.A.R. staff has no specific comments on these recommendations. Both proposals establish very broad policy positions related to land use and conservation. They do not appear to conflict with existing C.A.R. policy but are general in nature and would primarily guide NAR's engagement on future federal proposals in these areas.

**G. FEDERAL TAXATION** (November 14, 1:30 PM – 4:00 PM, Marriott Marquis Houston, Texas Ballroom Salon A-C, Level 4)

**Recommendation #1**

That NAR reaffirm, strengthen, and modernize its support for federal tax policies that assist owners whose real and personal property is threatened by, damaged, or destroyed by natural disasters, including (but not limited to):

- Tax credits, deductions, or similar tax incentives designed to encourage owners to mitigate potential damage from natural disasters, including home hardening.
- Federal exemption for state and federal disaster mitigation payments or incentives.
- Federal Catastrophe Savings Accounts (CSAs), Disaster Savings Accounts (DSAs), or other similar accounts designed to allow property owners to set aside funds to help cover costs arising from a devastating natural disaster in a tax-favored account established for the purpose of helping provide emergency funds to repair or restore damage caused by such a disaster, or to provide basic living expenses.
- Restoration of the federal casualty loss deduction to all casualties and not just those that occur in a presidentially declared disaster area, and
- Expansion of the involuntary conversion replacement period to four years for all principal residences damaged by disasters, not just those in presidentially declared disaster areas.

**C.A.R. Policy and Comments:** C.A.R. has existing policy supporting tax relief and incentives that assist property owners impacted by natural disasters. The provisions outlined in this recommendation—including tax credits for mitigation, expanded casualty loss deductions, and extended replacement periods—are consistent with C.A.R.'s long-standing advocacy to help homeowners rebuild, recover, and strengthen resilience following disasters.

**Recommendation #2**

That NAR modify its current policy to oppose any changes to section 1031 tax deferred like-kind exchanges involving real estate, but only in the following circumstances:

- In all cases NAR supports federal tax policies that eliminate the 45-day rule and the 180-day rule (if the investor invests in single family homes for homeownership.)

**C.A.R. Policy and Comments:** C.A.R. policy supports eliminating the 45-day identification rule for like-kind exchanges but does not address removal of the 180-day completion rule when proceeds are reinvested for specific purposes. However, C.A.R. does support tax incentives for investment property owners who sell to buyers

intending to occupy the property as their primary residence. This recommendation is generally consistent with that policy direction.

**Recommendation #3**

That NAR support impactful changes to the tax law that would disincentivize very large investors in single-family residential rental property (defined as owning more than 10,000 houses) from acquiring more units, while enabling greater access to homeownership and more housing stock for first-generation and first-time homebuyers.

**C.A.R. Policy and Comments:** C.A.R. has examined the issue of creating tax disincentives for large institutional investors in single-family housing but has not adopted a formal policy position. While C.A.R. supports efforts to expand homeownership opportunities and increase housing availability for first-time and first-generation buyers, no specific stance has been taken on the use of federal tax measures to limit large-scale investor activity.

**V. COMMITMENT TO EXCELLENCE**

**A. Recommendation #1**

Amend “current qualifications” to include “C2EX committee members hold a current and active NAR Commitment to Excellence Endorsement.”

**B. Recommendation #2**

Change the one (1) year term of the eleven at-large committee member allocations to two (2) year staggered terms.

**VI. PROFESSIONAL STANDARDS**

**A. Recommendation #1**

That Standard of Practice 3-4 be deleted.

“REALTORS®, acting as listing brokers, have an affirmative obligation to disclose the existence of dual or variable rate commission arrangements (i.e., listings where one amount of commission is payable if the listing broker’s firm is the procuring cause of sale/lease and a different amount of commission is payable if the sale/lease results through the efforts of the seller/landlord or a cooperating broker). The listing broker shall, as soon as practical, disclose the existence of such arrangements to potential cooperating brokers and shall, in response to inquiries from cooperating brokers, disclose the differential that would result in a cooperative transaction or in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. (Amended 1/02)”

**B. Recommendation #2**

To amend Article 6 to require disclosure of referral fees when recommending real estate products or services.

Article 6 has historically exempted referral fees from its disclosure requirements. This amendment seeks to end that exemption to ensure greater transparency to clients and customers.

**C. Recommendation #3**

To amend article 7 to retain a REALTOR®'s ethical duty to disclose to clients when accepting compensation from more than one party, while also clarifying that there is no obligation to disclose the contents of a buyer-broker agreement to sellers or their brokers.

“In a transaction, REALTORS® shall not accept compensation from more than one party, even if permitted by law, without disclosure to ~~all parties~~ and the informed consent of the REALTOR®'s client or clients.”

**D. Recommendation #4**

To amend Standard of Practice 17-4 to expand and modernize the specific non-contractual disputes that are subject to arbitration, and update the language contained in the SOP to ensure compliance with the tenets of the settlement agreement.

**E. Recommendation #5**

To add a new Standard of Practice under Article 1 requiring that REALTORS® disclose to clients and customers when they are lacking familiarity or knowledge with a property type or area prior to providing real estate services.

**VII. OTHER BUSINESS**

**VIII. ADJOURN**