

# **The Greater Portland Board OF REALTORS® PUBLIC POLICY STATEMENT 2018-2019**

Created and proposed by Greater Portland Board of REALTORS® (GPBR) Legislative and Political Advocacy Committee. Approved by GPBR Board of Directors September 13, 2018

The social and economic fabric of our nation, our state and our communities, is deeply rooted in the fundamental right of all people to own, use, and transfer real property. Real property ownership has been and continues to be one of the highest personal priorities of most Americans. Real property is defined as land and anything permanently affixed to the land together with all rights exercisable in connection with such land and fixtures.

Real property ownership inspires a deep sense of personal pride and accomplishment and fosters greater interest and involvement in community affairs. Real property ownership encourages savings and investment and contributes to economic stability and self-sufficiency.

The Greater Portland Board of REALTORS® is committed to protection and preservation of the constitutional right of every individual to acquire, occupy, use and dispose of real property as he or she chooses within the law. We oppose laws, rules, and regulations that impose unreasonable restraints and limitations on the ownership, use, and transfer of real property. This includes inequitable and counterproductive property taxes and any other taxes which impact real estate.

We are further committed to the protection and preservation of the free enterprise system. We support private businesses and look unfavorably upon government guidelines, rules, regulations, and procedures that unnecessarily burden the business community and add to the costs of doing business.

## **1. PROPERTY AFFORDABILITY**

1.1 The Greater Portland Board of REALTORS® believes that every individual should have opportunities to live in safe and decent housing that is affordable to them. We urge all levels of government to adopt and integrate housing policies that respond to the individual and collective housing needs of our society.

1.2 The Board supports legislative measures and initiatives that serve to increase the availability and affordability of housing through the private sector. The Association supports the right of seller/owners to sell property and take debt obligations from the buyer.

1.3 The Board favors joint public and private sector housing initiatives that encourage homeownership by individuals and families at all income levels.

1.4 The Board believes that rental housing needs are best met through private investment and recognizes the value of public incentives to accomplish the development of rental housing. The Board opposes rent control.

1.5 The Board believes that real estate investment, development, and revitalization contribute to a sound economic base and an adequate supply of housing which citizens can afford. We oppose state and local policies and regulations that limit or effectively prevent innovation and development that serve to meet housing needs and changing market demands.

1.6 The Board believes that local planning and zoning policies should allow for development of adequate land and housing which all our families and individuals can afford. We support laws and policies which:

- zone adequate land for all types of housing
- allow growth and residential development
- encourage maximum site utilization and permit development at higher densities when the objectives of affordable housing and preservation of open space are at issue
- streamline the permit and approval process and eliminate unnecessary and costly time delays
- encourage innovations in development and construction techniques and materials
- encourage innovative design to meet affordable housing needs

1.7 The Board discourages adoption of laws and policies that allow communities to assess impact fees on developers which negatively impact homeowners, tenants, and business owners. Such fees discourage development and add to the cost of real property acquisition. Developers should be required to pay only for the costs of infrastructure and other public facilities and services directly related to the individual development project in a consistent and predictable manner.

1.8 The Board recognizes that factory-built housing, manufactured housing and other types of non-stick built housing provide an affordable alternative to traditional types of housing and expand ownership opportunities.

1.9 The Board advocates adoption of local planning and zoning policies that encourage the development and availability of all housing types including manufactured housing. We discourage adoption of local zoning ordinances and codes that exclude factory-built, modular, and manufactured housing or which impose unreasonable standards and controls on these housing types. (See Sections 1.6 and 1.7.)

## **2. GOVERNMENT REGULATION**

2.1 The Greater Portland Board of REALTORS® believes that competition in a free enterprise system is the best way to meet the needs and market demands for real property. We urge government at all levels to reduce impediments which negatively impact the ability of the private sector to meet the needs and demands for real property efficiently and effectively.

2.2 The Board strongly opposes exclusionary and/or inclusionary zoning, no-growth ordinances, any retroactive measures and moratoriums as such laws and policies limit the supply of housing, restrict economic and investment opportunities, and contribute to higher housing costs.

2.3 The Board believes that government at all levels should be efficient, responsive and economical. We support and encourage the cooperation and regionalization of governmental entities in sharing provision of services so as to avoid duplication and cut costs.

2.4 The Board believes that government regulatory procedures, laws, and judicial actions affecting real property should be simplified. If they are unnecessary and complex they delay real property transactions and increase costs associated with the transfer and use of real property. We oppose implementation of regulations which will cause undue hardship, such as protracted foreclosure processes.

2.5 The Board believes that if private property is confiscated by the government, there must be just reimbursement to the property owner, and the government must have demonstrated a proven need for the property before a confiscation can occur.

2.6 The Board supports life safety measures but seeks to always be mindful of costs to homeowners. The Board opposes mandatory sprinkler systems in new construction or existing single-family homes. The Board opposes mandatory requirements which add to the cost of new construction or existing single-family homes.

## **3. TAXATION**

3.1 The Board understands that the economy has a direct impact on real estate values and, as such, we oppose legislation and taxation that allow uncontrolled and unchecked government growth and spending. Government should be restrained from creating new programs and positions when the need cannot be justified and when adequate sources of funding for these actions are not available without creating a new revenue source. We encourage all levels of government to periodically review existing programs and sunset programs for which a need can no longer be demonstrated.

3.2 The Board favors a tax system that fosters economic growth and healthy real estate markets. We oppose any primary residence property tax freeze that negatively impacts decisions about homeownership and ownership of real property. We encourage public support

of homeownership and real estate investments through income tax advantages. We support income tax deductions that encourage private investment. We support the mortgage interest deduction and property tax deduction and oppose any change or diminution of their value.

3.3 The Board believes that government fees should not exceed the reasonable cost of providing the service for which the fee is charged. We oppose an increase of government fees which is in effect an increase in taxes.

3.4 Transfer Taxes. The Board believes that transfer tax revenues from any source should be used for housing needs, with an emphasis on the sale, transfer and ownership of real property. This means that we support continued funding of the Maine State Housing Authority through transfer tax funds.

3.5 Speculation Taxes. The Board opposes the imposition of speculation taxes or other taxes on capital gains realized on the sale of real property because such taxes discourage private investment in housing and real estate.

3.6 Taxes on Services. The Board opposes any effort to impose a sales tax on real estate brokerage services or on any other real estate-related services (e.g., tax on commissions, rental fees, appraisal fees, tax on advertising, etc.)

3.7 Gross Receipts Taxes. The Board opposes any effort to impose taxes on the gross receipts of Maine businesses.

3.8 Exportability of Taxes. The Board opposes the imposition of additional taxes on second homes or rental lodging which are often owned and used by Maine's citizens and families, and not exported. Exportability of Maine's tax burden is not sound public policy.

#### **4. ENVIRONMENTAL PROTECTION**

4.1 The Greater Portland Board of REALTORS® supports protection and preservation of Maine's environment and natural resources provided economic development, accessibility of housing for all Maine citizens and private property rights are not overly and unreasonably restricted.

4.2 The Board opposes unreasonable restriction on the use of privately owned property including but not limited to coastal and shoreland zone controls, open space requirements, protection of public/private water supplies, moratoriums and no growth policies that have adverse economic effects on employment, housing and the tax base. The Association urges all levels of government to respect the concept that private property ownership is made up of a bundle of rights, which includes use. If such use is denied or abridged by government for the benefit of the people, the cost of "taking" should be equitably distributed. The individual property

owner should not be expected to pay for measures that benefit the public good and a broad number of citizens and which, in effect, limit the individual's private property rights.

4.3 The Board urges collective and cooperative action by lawmakers, government representatives, general industry and real estate industry leaders, and environmental groups to address and resolve the problems and challenges of environmental protection and responsible land use.

4.4 The Board supports reasonable efforts to address negative environmental impact due to global climate change, utilizing sound science for decision making, and necessary balance with private property rights protection.

4.5 The Board supports application of best evidence-based science to protection of vernal pools, sizing of culverts, and testing for lead, radon and arsenic.

4.6 The Board opposes mandatory testing at the time of sale, such as water and air quality. We support consumer education about voluntary testing so that buyers and sellers can make their own informed decisions.

## **5. ENERGY CONSERVATION**

5.1 The Greater Portland Board of REALTORS® supports voluntary energy conservation measures including favorable financing for costs incurred to reduce energy consumption.

5.2 The Board supports the development and voluntary use of alternative energy sources to reduce dependence on non-renewable forms of energy.

5.3 The Board opposes mandatory energy audits or mandatory energy ratings for homes but supports voluntary energy audits to assist in decisions to purchase property or upgrade efficiency.

## **6. FAIR HOUSING**

6.1 The Greater Portland Board of REALTORS® acknowledges and supports the right of all people to freely choose where they will live, regardless of race, color, religion, sex, handicap, gender identity, familial status, ancestry, source of income, sexual orientation or national origin. This right is protected under federal and/or state fair housing laws.

6.2 The Board believes that equal opportunity in housing can best be achieved through observance of the law, public and industry education, and mutual cooperation of the real estate brokerage industry and the public in a free and open housing market.

6.3 The Board supports voluntary affirmative action as the best means of accomplishing fair housing objectives related to equal treatment and professional real estate brokerage services.

## **7. CONSUMER PROTECTION**

The Greater Portland Board of REALTORS® supports and encourages dissemination of information which helps buyers, sellers, lessors, lessees, and other parties in a real estate transaction know and understand their rights and obligations as clients and customers, such as the Maine Association of REALTORS Residential Property Transaction Booklet.

## **8. ANTITRUST COMPLIANCE**

10.1 The Greater Portland Board of REALTORS® believes that vigorous and fair competition is essential to the preservation of our free enterprise system. We advocate strict compliance with federal and state antitrust laws.

10.2 The Board recognizes that compensation is a matter of individual agreement between agent and client and that any individual or collective attempt to fix, set, or control rates of compensation by the association or any of its members is a violation of federal and state antitrust law.

## **9. POLITICAL AFFAIRS**

11.1 The Greater Portland Board of REALTORS® supports the purpose and objectives of political action committees and will continue to operate and encourage the activities of our political action committee (LPAG along with MARPAC and RPAC).

11.2 The Board urges its members to work diligently toward effecting more efficient, and responsive government at all levels. We encourage the involvement of REALTORS® in local, state, and national government and political activities as a means of achieving public policies and laws which preserve and protect the economic interests of the real estate industry and the right of all people to own, use, and transfer real property.

## **10. Additional Property Ownership Issues**

The Greater Portland Board of REALTORS® views the following topics as being of particular interest to the rights of the individuals that they regularly support in their pursuit of real estate ownership. As such we make it a priority to monitor any regulatory activity at the town level for any of the towns that we cover in the areas of and not limited to: Short Term Rentals, Rent Control, Impact Fees, Property Taxes, Pesticides, Development/Building Moratoriums, Historical Districts, Rainwater/Storm Water Runoff Regulations, Overlay Districts, Sprinkler System Requirements, Rezoning, Walkable District/Rezoning, View Rights, Mineral/Air Rights, Flood Zones, Subdivision Laws, Density Zoning, Transition Zoning, Broadband/Internet/Cable/High Speed Internet Access, Paper Streets, Riparian Rights and Tax Credits to name a few.

Anything that could be viewed as a detriment to property ownership rights could potentially be a concern for us. As daily partners and advocates to consumers engaging in real estate ownership, we regularly experience the issues that impact their ability to enjoy and customize real property as well as the value of their real estate assets. Due to the familiarity we have in this area we invite policy makers to view us as a resource, collaborative partner, in the town planning process. Thank you for taking the time to be familiar with this and us, we look forward to working with all of the towns in the Greater Portland area as we grow and meet the needs of our clients, customers, taxpayers and citizens.