Top 2015 NMHC and NAA Legislative and Regulatory Accomplishments

NMHC and NAA had a tremendous 2015 securing legislative and regulatory victories on behalf of the $1.3 trillion apartment industry. The following represent the top advocacy successes that we worked closely with our leadership and members to achieve:

**Tax Policy**
- Secured the permanent or long-term extension of expired tax provisions that will significantly benefit the multifamily industry, including bonus depreciation, small business expensing and the Low-Income Housing Tax Credit.
- Removed barriers to foreign investment by advocating successfully for the permanent increase from 5 to 10 percent of the ownership stake that a foreign investor can take in a U.S. publicly traded REIT without triggering the Foreign Investment in Real Property Tax Act (FIRPTA), and helped secure the removal of the tax penalty that FIRPTA imposes on pension funds investing in U.S. real estate.
- Shaped key changes to legislation overhauling partnership audits to ensure multifamily capital flows are not disrupted.
- Simplified the IRS's application of so-called repair regulations that address how expenses in connection with acquiring, maintaining and improving tangible property should be treated for tax purposes.
- Commissioned ground-breaking research on like-kind exchanges and commercial building depreciation to educate policymakers on the key role these provisions play in multifamily housing development.

**Finance & Capital Markets**
- Helped ensure the reauthorization of the EB-5 “Jobs for U.S. Visa” Immigrant Investor Program, which is a vital source for multifamily project investment, through September 2016.
- Worked with the Federal Housing Finance Agency to boost 2015 multifamily loan purchases to more than $40 billion from the initial $30 billion multifamily loan caps imposed on Fannie Mae and Freddie Mac.
- Secured an exemption for all multifamily and project loans from a damaging margining proposed rule that would have significantly increased the industry’s financial and operational costs.
- Requested modifications to Dodd-Frank Wall Street Reform and Consumer Protection Act provisions that impact commercial mortgage-backed securities holding multifamily debt.

**Affordable Housing**
- Obtained increased funding for numerous HUD affordable housing programs, including the Section 8 Project-Based Voucher and affordability-focused preservation programs.
- Secured expansion of the Rental Assistance Demonstration (RAD) to 185,000 units, which is designed to reverse the trend of lost affordable units by accessing private capital to make up for funding shortfalls.
- Simplified the income verification process for the Section 8 Housing Voucher Program and reduced administrative burdens by enabling recertification of rent and income calculations every three years versus annually for residents on fixed incomes.

**Military Housing**
- Achieved enactment of legislation to limit the basic allowance for housing reduction to 1 percent in 2015 and eliminated other changes to military housing benefit.
Energy & Environment

- Advocated for a science-based definition for waters subject to federal jurisdiction under the Clean Water Act to limit runaway regulatory costs.
- Opposed the Energy Department’s one-size-fits-all gas furnace efficiency rule that would result in expensive and technically infeasible ventilation requirements for many multifamily properties.
- Secured enactment of a key provision in the Energy Efficiency Improvement Act of 2015 establishing a new, voluntary program to identify spaces in commercial buildings that have achieved certain levels of energy efficiency as part of the Tenant Star program.
- Advocated for common-sense lead regulations by streamlining the training requirements for the recertification of workers who disturb lead and provided detailed comments on lead in the public and commercial rule.

Fair Housing

- Submitted an amicus brief to the U.S. Supreme Court arguing that disparate impact liability could trigger discrimination claims for legitimate business practices, despite no intention of singling out a particular group protected by the Fair Housing Act.
- Requested regulatory clarifications and other guidance from HUD on specific disparate impact operations practices to address apartment industry concerns related to unintentional discrimination.

Business & Property Operations

- Secured enactment of a long-term reauthorization of the Terrorism Risk Insurance Act (TRIA) to ensure that apartment owners have access to affordable terrorism insurance.
- Attained enactment of bipartisan cybersecurity legislation that establishes voluntary cyber threat information sharing between the public and private sectors and includes strong liability and antitrust protections for participating apartment firms and other businesses.
- Secured the passage of bipartisan patent reform legislation by the House and Senate Judiciary Committees, which would help curb unsupported patent infringement claims that are a costly drain for the multifamily industry.

Construction & Development

- Advocated for building codes and standards that are technologically feasible, cost-effective and reflect the unique characteristics of the multifamily industry.
- Blocked unnecessary changes to the ICC codes.
- Identified proposals to address concerns raised about apartment fires.

Research & Analysis

- Secured critical funding for the U.S. Census Bureau’s American Community Survey that helps the multifamily industry in estimating the economic impact of apartment homes and ensured that the mandatory nature remained intact despite continued attempts to allow voluntary responses.