

## NAR Federal Update as of February 6, 2019

NAR 2019 Advocacy Agenda NAR will soon be hosting its annual Policy Conference in Washington D.C., and the Advocacy Agenda is at: <https://www.nar.realtor/political-advocacy/federal-advocacy/2019-advocacy-agenda>.

NAR Urges HUD to Release Condo Rules NAR President John Smaby strongly urged U.S. Department of Housing and Urban Development (HUD) Secretary Carson to release the long-awaited final Federal Housing Administration (FHA) condominium rules

EPA Releases Annual Accomplishments Report The EPA published a 2018 Year In Review report highlighting the agency's major accomplishments. This report highlights key steps EPA has taken to protect the environment and public health.

USDA Issuing Conditional Commitments Again Following the end of the government shut-down, the U.S. Department of Agriculture (USDA) Rural Housing Service is once again issuing Section 502 Conditional Commitments, which are required for USDA loans to close. Per USDA, there were 3,236 outstanding Conditional Commitment requests as a result of the government shut-down. USDA Rural Housing staff is working to get those USDA Guaranteed Loans processed. USDA has temporarily set-up a team dedicated solely to processing rural development loans. The estimate is that this team will be able to process 400 loans per week. This is in addition to the normal loan processing done by USDA Rural Housing staff. They expect to get through the backlog in the next few weeks.

Private Flood Insurance On January 25, 2019, Federal banking regulators released a final regulation clarifying lender acceptance of private flood insurance. [Download an unofficial copy of the rule\(link is external\)](#), which will soon be published in the Federal Register and takes effect on July 1. The final regulation implements Section 239 of the Biggert-Waters Flood Insurance Reform Act of 2012, which generally requires lenders to accept private flood insurance meeting a strict statutory definition. More specifically:

- Adopts the same definition of private flood insurance as the statute; this definition has been an ongoing source of confusion, particularly for smaller lenders.
- Provides compliance aid for lenders to determine whether a private policy meets the definition and thus must be accepted in satisfaction of federal flood insurance requirements.
- Clarifies that lenders also have broad discretion to accept private policies that don't meet this strict definition if the lender finds that the policy provides sufficient protection of the mortgage loan consistent with safety and soundness requirements.

For more information, go to <https://www.nar.realtor/washington-report/private-flood-insurance-update-0>

EIA Energy Report The U.S. Energy Information Administration (EIA) released its annual National Energy Outlook on January 24. The Outlook provides projections of domestic energy markets through 2050 and includes cases with different assumptions

about economic growth, world prices and technological progress. Key takeaways from the report include:

- The U.S. becomes a net energy exporter in 2020 as a result of large increases in oil and natural gas production, coupled with slow growth in U.S. energy consumption.
- Utilities experience a shift in fuels used to generate electricity, driven by low natural gas prices. Increased natural gas-fired electricity generation, increased use of renewables and additional retirements of coal and nuclear plants occur during this period.
- Increasing energy-efficiency across all industry sectors keeps U.S. energy consumption flat, even as the economy expands.

For more information, go to <https://www.nar.realtor/washington-report/eia-releases-energy-outlook>