

DECEMBER 11, 2024



ADVOCACY POLICY

POSITIONS ON CURRENT ISSUES IMPACTING LAND

GOVERNMENT AFFAIRS COMMITTEE
REALTORS® LAND INSTITUTE

rliland.com

Table of Contents

Four Pillars of Advocacy for the REALTORS® Land Institute	2
AGRICULTURE AND FOREIGN TRADE	3
COMMUNITY DEVELOPMENT	4
DRONE TECHNOLOGY	5
ENDANGERED SPECIES	6
FEDERAL OWNERSHIP OF REAL PROPERTY	7
GRAZING RIGHTS	8
IMMIGRATION REFORM	9
INTERNAL REVENUE CODE SECTION 1031	10
LAND MITIGATION BANKS.....	11
PROPERTY RIGHTS	12
RENEWABLE ENERGY	13
WATERS OF THE U.S. (WOTUS).....	14
WATER RESOURCES	15
WETLANDS.....	16
ZONING AND LAND USE.....	17

Four Pillars of Advocacy for the REALTORS® Land Institute

1. **Protection of private property rights**

RLI vigorously protects the rights of property owners. These property rights cover a range of issues where restrictions are placed on a property owner that impact their ability to buy, sell, and utilize property as protected in the Fifth Amendment. Specific issues of concern include land use restrictions and exactions, Open Fields, and foreign land ownership.

2. **Reducing regulatory burdens**

RLI engages in legislation and regulations that cause an unnecessary burden and cost to RLI property owners and developers. An example of this activity includes ongoing work regarding "WOTUS", the Waters of the U.S. rule that continues to cause confusion for permittees, property owners, states, regulatory agencies, and courts.

3. **Protecting beneficial tax structures**

RLI, along with the National Association of REALTORS®, gets involved in a variety of tax policy issues, including the protection of 1031 like-kind exchanges, to ensure that changes to the tax code do not negatively impact property owners and investors, and our members as real estate professionals.

4. **Encouraging property and economic development**

The land is one of our most valuable resources. RLI members are passionate about its protection while preserving the rights of private property owners and encouraging economic development. We monitor issues that impact growth and prosperity such as zoning and permitting, and legislation like the Farm Bill which impacts the livelihood of U.S. farmers and our nation's food security.

The REALTORS® Land Institute monitors and takes action on an array of issues that impact landowners and land real estate professionals. We work in close partnership with the National Association of REALTORS® to have a voice in Washington, D.C. to promote and protect private property rights.

AGRICULTURE AND FOREIGN TRADE

RLI recognizes the critical role that agriculture plays in the U.S. economy and national security. We support policies that enhance domestic agricultural production, promote trade opportunities, and protect the interests of property owners.

RLI supports:

- Prioritizing the gainful distribution and consumption of domestic agricultural products both domestically and to foreign countries over any restrictions in production.
- A proactive trade policy that benefits domestic agricultural production to grow and maintain relationships with policy makers and cultivate new trade opportunities.
- Full consideration of economic factors, private property rights, and national security by government agencies who may impose restrictions on foreign or corporate ownership of land or the conversion of agricultural land to non-agricultural land.

COMMUNITY DEVELOPMENT

REALTORS® play a vital role in the long-term health and growth of communities. Community revitalization and responsible development are essential for fostering competitive local economies and creating viable neighborhoods.

RLI supports:

- Development strategies should be tailored to the unique needs of each locality, urban or rural, considering factors such as community facilities, income levels, poverty, economic growth, population changes, and employment.
- Strategies that focus on revitalizing neighborhoods by preserving housing, promoting equitable development, and enhancing community facilities and services.
- Innovative public and private partnerships and development techniques, including those modeled by NAR programs.
- Growth management strategies that anticipate impacts on transportation, education, housing, business, and the environment. These strategies should not limit housing supply or unfairly shift costs onto property owners or developers.
- Reasonable zoning that protects property owners' rights and opposes exclusionary practices such as urban service boundaries and regulations aimed at limiting the highest and best use of land.
- Restricting municipalities or cities from regulating development and zoning outside their designated boundaries, which diminish landowners' rights and local control, often leading to inconsistent land use policies that don't align with the needs or priorities of those living outside the municipality.

DRONE TECHNOLOGY

Drone technology has become a powerful tool in the real estate industry, offering significant benefits for property marketing and site assessments. Drones are also transforming agriculture, natural resources, and land management, enabling better monitoring, data collection, and decision-making.

RLLI supports:

- Continued and responsible use of drones by professionals to improve efficiency, enhance marketing efforts, and streamline property investigations.
- Training and certification programs for drone operators and enforcement of reasonable regulations by the FAA and other authorities that promote safe drone operations. Regulations should allow for growth and innovation in the real estate and agricultural sectors while protecting public safety and privacy.
- The use of drones in agriculture, wildlife management, and natural resource monitoring to improve decision-making, land suitability assessments, and sustainable practices.
- The use of drones for efficient, accurate land surveying and mapping, providing property owners and land professionals with faster, more precise data for land use planning and inventory management.
- The use of drones to monitor environmental conditions such as water quality, vegetation health, and wildlife activity, to support responsible land stewardship and conservation efforts.
- The development and adoption of best practices that ensure drone use complies with local, state, and federal privacy laws, protecting individuals' privacy while utilizing drones for property inspections and aerial surveys.

ENDANGERED SPECIES

RLI supports federal efforts to protect and recover endangered species, balanced with the rights of property owners and the needs of a growing economy, including enhanced opportunities for states, localities and property owners to participate in the process.

RLI supports:

- Utilizing the best available science and data in all species listing, delisting and critical habitat decisions to maintain evolutionary minimal viable populations of wildlife.
- Incentives for private property owners to protect species, rather than relying on restrictions and penalties.
- Immediate, prompt and direct notification to private property owners, other impacted parties and state and local agencies regarding potential species listings, prior to the proposal of a critical habitat designation or any federal survey or inventory which might impact their property or jurisdiction.
- Reasonable protection for sub-species only when necessary for the survival of the species.
- Full local involvement in creating and implementing listing, recovery and critical habitat plans.
- Comprehensive, independent peer review of both the scientific evidence and economic impacts of all species listings and all proposed designations of critical habitat.
- A mandatory biennial review to expedite delisting of recovered species, and removal of land from a critical habitat designation, when supported by the best available science and data.
- Designating critical habitat using an accurate, map-based approach that is limited to areas currently occupied by the species and/or included in mitigation banking or conservation easement programs.
- The finalization of species listings and designation of critical habitat will occur only after the best available science and data and relevant tools offered in the ESA has been applied, the required economic analysis has been prepared and reviewed and the independent peer review has approved all necessary elements.
- Use of predator control to control predators who are causing decline of a species.

FEDERAL OWNERSHIP OF REAL PROPERTY

RLI believes the current level of Federal government landownership is excessive, as it limits economic development, restricts local governance, reduces state and local government tax revenue, and diminishes opportunities for private property owners.

RLI supports:

- Policies that reduce federal land holdings to allow for more private ownership, more effective land management, and local control.
- Ongoing thorough evaluations to publish inventories of Federal real property assets and dispose of those properties which exceed government needs.
- Updating existing laws and policies to eliminate unnecessary roadblocks and conflicts to responsible and simplified property disposition or exchange programs using private sector experts.
- The Federal government release of excess or remainder property without split estates, imposing deed restrictions, or other development limitations.
- Requiring every Federal agency holding real property to utilize private sector expertise in appraising, marketing, and liquidation of property assets.

GRAZING RIGHTS

RLI recognizes that historical grazing rights were encouraged by Congress in passage of various acts including the Homestead Act of 1862 in which federal lands were privatized but were not adequate to be economically feasible without use of the public lands to supplement the livestock operation and Taylor Grazing Act of 1934.

RLI supports the use of a market-based grazing fee formula to determine the fee charged to ranchers who graze their livestock on federal lands.

Any reforms to grazing law should:

- Maintain the intent of current federal law.
- Support continued use of livestock grazing as a tool to manage federal rangeland.
- Recognize the socioeconomic impact in areas and industries dependent on access to federal grazing land.

We oppose confiscation of a permittee's personal property or improvements on federal lands.

IMMIGRATION REFORM

Comprehensive immigration reform has the potential to impact the economy, including commercial and residential real estate markets, in a positive manner.

RLI supports:

1. Timely federal resolution of undocumented immigration that includes:
 - a. Securing U.S. borders to prevent illegal entry
 - b. Allowing for the flow of legal immigration to accommodate the labor needs of the US economy, and
 - c. Settling the status of undocumented immigrants in a way that acknowledges their presence in the U.S., their role in the economy, and their historic contribution to U.S. society.
2. Comprehensive immigration reform has significant potential to strengthen the U.S. economy, particularly in the real estate sector.
3. Addressing undocumented immigration and implementing visa reforms to create economic opportunities, and support a thriving, stable property market.

INTERNAL REVENUE CODE SECTION 1031

Section 1031 supports job growth and stable real estate markets, creates a path of economic opportunity, and is an important tool for the preservation of land for future generations.

Section 1031 stimulates a broad spectrum of transactions which, in turn, generate jobs and taxable income through business profits, wages, commissions, insurance premiums, financial services, and discretionary spending by gainfully employed workers.

Section 1031 like-kind exchanges play an important role in the U.S. economy by:

- a. Encouraging real estate investment and its use
- b. Contributing to federal, state, and local tax revenue
- c. Reducing the use of debt, while improving liquidity in the market.

RLI supports:

- The preservation and expansion of Section 1031 exchanges, which allow real estate investors to defer capital gains taxes, but not avoid them, when reinvesting in like-kind properties, encouraging economic growth and continued investment in real estate.
- Efforts to protect 1031 exchanges from tax reform proposals that would diminish or eliminate this important tool, ensuring property owners retain the flexibility and financial incentives necessary to reinvest in real estate.
- Legislation that maintains and enhances the benefits of 1031 exchanges for all.

LAND MITIGATION BANKS

Land banks mitigate adverse conditions with real property, create transactions with difficult properties, allow for innovative conservation practices, and provide ways to deploy properties which may otherwise be underutilized.

RLI supports:

- Developing programs which support density in growth areas while limiting development in conservation areas.
- Developing programs which justly compensate property owners for conserving real property.
- Using mitigation banks to enhance land use options.
- Requiring the use of private sector expertise in appraising and managing property assets in the land mitigation banks.

PROPERTY RIGHTS

The government must not arbitrarily infringe upon the basic right to acquire, own, use, enjoy, and transfer real property and must protect private property rights as outlined in the 5th and 14th Amendments of the U.S. Constitution.

RLI supports:

- The right to acquire real property with confidence and certainty their property's value or use will not be significantly diminished by government action without due process, fair compensation, or consent.
- Ensuring property owners have swift access to legal systems at all levels to address any takings, claims, or relief from other property rights violations.
- Just compensation covering the property's value and additional costs like legal fees, temporary housing, lost business revenue, and severance damages when the government uses eminent domain.
- Exercising eminent domain only when necessary to achieve a defensible public use, supported by clear, objective evidence that the public benefit will be realized.
- Transaction transparency measures such as prompt and direct notifications to property owners who may be impacted by the acquisition.
- The enactment of statutes, ordinances, or regulations which would prohibit the use of deed restrictions for the purpose of imposing private transfer fees.

RENEWABLE ENERGY

RLI believes that to maintain healthy diversity in the economy, the Federal government should be particularly sensitive to the overregulation of our country's natural resources. The government should implement programs that will provide our nation with the natural resources needed to create affordable development with respect to private property rights.

RLI supports:

- A free-market system as the most appropriate means of attaining energy conservation and production goals.
- Increased conservation, domestic expansion, and the development of existing and new energy sources as long as national security and economy are not compromised.
- Removing and streamlining regulatory and permitting impediments to the discovery, production, transportation, and sale of energy resources.
- Contingency planning for severe energy supply disruptions.
- Collaborating with private enterprises to reach, develop, and incentivize domestic energy sources.
- Positive incentives for conservation activities such as energy tax credits.
- Increased emphasis on energy-efficient technology by the building industry.

WATERS OF THE U.S. (WOTUS)

RLI supports federal efforts to define “Waters of the U.S.” that protects property rights, preserves water quality, encourages robust economic growth, and sparks healthy real estate development.

RLI supports federal legislation and regulation that:

- Provides certainty, clarity, and clear limits over what waters are under the jurisdiction of the federal Clean Water Act, and what waters are not.
- Streamlines the permitting process to develop a property affected by the Clean Water Act, including a clearly defined appeals process.
- Provides incentives and tax credits to property owners to protect water quality.
- Uses the best available science to determine if a water is a WOTUS.
- Requires jurisdictional authorities to be fully transparent and accountable in all actions related to WOTUS policy and determinations.

WATER RESOURCES

Responsible water management emphasizing the protection of surface and subsurface water quality is critical to land use, real estate development, and private property rights.

RLI supports:

- The development and adoption of comprehensive water resource policies designed so that, when implemented and adequately funded, meets the needs and requirements of all water users while respecting the legal rights and uses of states and private property owners.
- Reliable and data-driven systems of water resource infrastructure and technology ensures water quality and quantity.
- Clean and abundant supplies of water with a scientific awareness of the connections between fresh water, drinking water, effluent, and stormwater.
- Market-based solutions to reduce pollution and degradation of the nation's waterways, while consistently defending private property rights.
- Federal policies that enhance internationally-shared water sources.

WETLANDS

Nationwide policies should protect wetlands to ensure a stable natural environment.

RLI supports:

- A nationwide method for identifying and delineating wetlands should be used, focusing on critical areas based on vegetation, soils, and hydrology, to streamline and simplify regulatory processes.
- Wetland policies should be based on reliable, peer-reviewed scientific studies to ensure accuracy and transparency.
- A clear, uniform permitting process with binding time limits and guaranteed appeal rights to reduce delays and litigation.
- Property owners must receive accurate and timely notifications of any changes to wetland inventories or rules that could impact their property.
- Wetland mitigation banks to improve environmental benefits, lower compliance costs, and enhance property values.

ZONING AND LAND USE

Affordable housing and development are adversely affected by zoning-imposed lower density due to the additional land needed to be purchased and the higher cost of infrastructure.

RLI supports:

- Higher density development based on the capacity of infrastructure resulting in lower construction and perpetual maintenance costs, which directly contributes to homeowner affordability.
- Conservation of agricultural resources and open space by steering higher density uses towards available infrastructure, preserving land for food production and rural uses.
- Zoning policies that do not require increased lot sizes in transitional areas.
- Higher density development to reduce impervious cover, minimizing water quality impacts and preserving environmental health.