



## ***Tax Housing to Pay for Transportation? That's a Call for Action!***

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Did you know that you and I, as homeowners, have a lobbyist in Washington, DC? Our lobbyist works to preserve the free enterprise system and our right to own real property. Our lobbyist is the National Association of REALTORS® - the largest trade association and one of the most powerful lobbying groups in North America.

My colleagues and I are members. As REALTORS®, we work for, and are paid by, America's property owners. Together, we have resources and political power none of us would have alone. So, what should we do when Congress begins talking, as its Members did this week, about taxing housing to pay for transportation? We need a Call for Action!

This past week, the National Association of REALTORS® issued a "Call for Action" that directly involves all of America's property owners. I thought you might like to know.

The House of Representatives Transportation and Infrastructure Committee is considering reauthorizing surface transportation legislation – in other words, paying for roads and bridges – from the wallets of homeowners. Say what?

Here's what is proposed.

When you take out a home loan through Fannie Mae or Freddie Mac (which is almost everyone), you pay, what are called, credit risk guarantee fees, or "g-fees." These are collected to fund an insurance pool to pay for those who default on their loans. Like all insurance premiums, that money sits in a pool until it's needed to pay a loss. Lawmakers can't seem to sit still when money is just sitting there, so they want to take that money and spend it on roads and bridges.

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It is the position of the National Association of REALTORS®, and I agree, that g-fees should only be used for the purpose for which they are collected. G-fees are a critical risk management tool to protect against losses from faulty loans. These should only be used to manage Fannie Mae and Freddie Mac credit risks, not be used to fund wholly unrelated transportation programs. Doing so would place an unnecessary long-term burden on American homeowners – you and me – who would be saddled with paying a new transportation tax at the expense of helping Fannie Mae and Freddie Mac from effectively managing their risk.

If you'd like to join the effort to stop this, let our Representative, the honorable Cathy McMorris Rodgers, know your thoughts.

[mcmorris.house.gov/contact](http://mcmorris.house.gov/contact)

