



ADVOCACY UPDATE



February 25, 2021

Dear BOMA members,

Although many of you have not met me yet, I have just completed my sixth week as BOMA International's new Vice President of Advocacy & Building Codes. It's been an eventful first several weeks on the job. I am very excited to join the BOMA team and I look forward to getting to know each of you as we continue to work on the issues important to our industry.

In the area of federal advocacy, the pandemic continues to dominate our work. In January, President Biden proposed a wide-ranging legislative response, "The American Rescue Plan," and the legislation was released this month. Simultaneously, the White House released a long-term national strategy for addressing the pandemic. BOMA International staff provided documents that highlight the key elements of these proposals, with an emphasis on the impact and assistance provided to the commercial real estate industry.

Our state and local efforts around the United States are also addressing COVID-related issues, including state adoption of language to classify building personnel as essential workers for vaccine prioritization and supporting liability protection legislation.

And our political action committee, BOMAPAC, continues to grow, even as we have shifted fundraising efforts to adapt to a virtual environment. BOMAPAC is crucial to supporting our lobbying efforts for the commercial real estate industry.

I feel very honored to have the opportunity to work with BOMA members in the months and years ahead. Together, we will continue to shape state and federal policy to make a positive difference for BOMA, its members and the commercial real estate industry as a whole.

Best regards,



Don Davis
Vice President of Advocacy & Building Codes

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Federal

Congress Introduces Legislation Supporting CRE

The new U.S. Congress has introduced three bills of importance to BOMA members: the Retail Revitalization Act; the Growing Renewable Energy and Efficiency Now (GREEN) Act of 2021; and the Clean Start: Back to Work Tax Credit Act. The bills are intended to provide financial relief or incentives for the commercial real estate industry. Below is a quick summary of each bill:

- **Retail Revitalization Act:** Allows REITs to make equity investments in financially distressed tenants without violating current rules that restrict these investments. The intent is to allow REITs to assist tenants in meeting operation costs, protect jobs and ensure BOMA member buildings retain tenants.
- **GREEN Act:** Increases the Energy Efficient Tax Deduction for Commercial Buildings (179D) to \$3.00 per square foot for improvements that exceed 30% of the ASHRAE standard. This reflects a change in the current deduction of \$1.80 for 50% beyond ASHRAE. These changes are crucial to making the tax incentive effective and achievable in reaching greater efficiency in commercial buildings.
- **Clean Start Act:** Creates a \$250,000 tax credit to help defray increased cleaning costs associated with the COVID-19 pandemic. This will be especially important to ensure the safety of tenants, building staff and visitors as they return to buildings.

BOMA International will continue to provide updates on these important pieces of legislation as they move through Congress. If you have any questions, please contact Emily Naden, Director of Federal Affairs, at enaden@boma.org.



State & Local

BOMA Focuses on COVID Vaccine Prioritization

As the roll-out of vaccines provides hope in the battle against the COVID-19 pandemic, attention has turned to plans regarding vaccine prioritization. These decisions are made at the state level, and in the past few weeks, concerns have been raised that some states are considering abandoning the recommended tiered approach that prioritizes

essential workers. The tiered approach was informed by guidance from the U.S. Department of Homeland Security (DHS), which worked directly with BOMA International to develop language identifying commercial property employees as essential workers. These guidelines from the U.S. Centers for Disease Control and Prevention (CDC) and DHS are non-binding, but the industry does not want to see states depart from the recommendations of healthcare and security professionals. To aid in advocacy for vaccine prioritization, BOMA International has put together a [summary document](#), sample letter and spreadsheet of state prioritization plans.

To determine the vaccine plan in your state, visit your state health department through this [CDC portal](#). If you have questions or would like a copy of the related BOMA documents, please contact Ken Rosenfeld, Director of State and Local Affairs, at krosenfeld@boma.org.



State & Local

Annual Issues Survey Reveals Top Trending Issues

Each year, BOMA International sends out the State and Local Issues Survey to identify leading advocacy issues faced by BOMA local associations. The survey reveals trends across the country and helps to plan for the year ahead. We received a record response this year and have outlined top issue areas identified below:

- **Tax and Finance:** Sales taxes on services remain a top issue, but decreased slightly from the previously year, which hopefully is a sign that the issue has peaked. Concern about all

other taxes has increased from last year, led by commercial rent tax taxes that spiked to 54%, while transfer taxes, infrastructure fees and parking taxes all crept up by several percentage points.

- **Property Access:** Crime and safety concerns skyrocketed from 29% to 77%; there could be several reasons for this, and it will be the subject of further examination. Homelessness, a BOMA priority issue, also ranked near the top of the list. Comfort animals, ADA challenges, e-scooters and drones also continue to be issues for many local associations.
- **Sustainability Mandates:** Energy benchmarking requirements show no signs of slowing down, and further crept up to 82%. The next highest issues are electric vehicle requirements at 47% and climate or carbon emissions policies, which in one year rose from 35% to 45%.
- **COVID-19:** We added a new category this year as much of the advocacy work related to the pandemic occurred at the state and local level. Unsurprisingly, overwhelming numbers of local associations reported liability protections (82%) and defining essential personnel (78%) as top issues.

If you have questions or would like a copy of the results, contact Ken Rosenfeld, Director of State & Local Affairs at krosenfeld@boma.org.



State and Local

Illinois Class Action Suit Receives IDF Support

BOMA International's [Industry Defense Fund \(IDF\)](#) Oversight Committee approved a joint application from BOMA/Chicago and BOMA/Suburban Chicago to support their work on a class action lawsuit against a major utility company. The two local associations are coordinating the case for commercial energy customers to ensure that

ratepayers are fairly reimbursed after Commonwealth Edison and its parent company Exelon were found to have engaged in a massive bribery scheme. The utility companies have admitted to paying repeated bribes over nine years in exchange for the passage of legislation that earmarked over \$2 billion in subsidies and continues to allow the utilities to take billions of dollars from customers to unlawfully inflate their profits. The lawsuit, supported by the IDF award of \$25,000 in matching funds, aims to ensure that affected commercial ratepayers receive an appropriate share of any awarded damages in the form of a monetary settlement and/or rate relief. A successful class action suit would also send a message nationally to legislators and regulators that inappropriate actions by large utilities will have substantial repercussions.



BOMAPAC

BOMAPAC Winter Fundraiser Extended

BOMAPAC, BOMA International's political action committee, achieved record virtual success, raising over \$12,000 from the fundraiser held in conjunction with this year's virtual Winter Business Meeting. The items have been so popular, we will be placing a second order and will be extending the fundraiser

through March 31. Don't miss out on your chance to get the latest BOMA gear! There are three different gifts available at three different giving levels:

- For contributions of \$25, you will receive a BOMA-branded face mask and a virtual Zoom background which designates YOU as a BOMAPAC contributor.
- For contributions of \$75, you will receive a quarter-zip pullover embroidered with the BOMA logo.
- For contributions of \$125, you will receive a Champion® college-style BOMA sweatshirt.

To make your contribution online, [click here](#). After making your contribution, [click here](#) to view and select a thank you gift. Thank you to everyone who has already contributed. Your support goes a long way in ensuring BOMAPAC has the resources necessary to continue to advocate on behalf of you and the entire commercial real estate industry on Capitol Hill. If you have any questions about BOMAPAC or the fundraiser, please contact Meg Novak, Government Affairs & PAC Manager, at mnovak@boma.org.

Contributions to BOMAPAC are not tax deductible. Contributions to BOMAPAC are for political purposes and all contributions are voluntary; you may refuse to contribute without reprisal. Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year.



Sustainability

Apply to Be Recognized as a Green Lease Leader

The Green Lease Leaders Program provides a unique opportunity to gain industry-wide attention and national press coverage for your sustainability efforts. Managed by our partners at the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance, the program sets national standards for what constitutes a green

lease while fostering collaboration between landlords and tenants. Commercial, industrial, multifamily and retail landlords, tenants and transaction teams are eligible to apply for recognition as Green

Lease Leaders. The application deadline for the 2021 program is March 31; further details and the application can be found on the [Green Lease Leaders website](#).