

REALTORS®

Political Action Committee
Fundraising Guide

Table of Contents

01

RPAC: The Backbone of the REALTOR® Party 4

02

Not Every RPAC Investment is the Same 5

03

Fundraising Targets 8

04

Preparing Your Volunteers to be RPAC Fundraisers 9

05

Creating and Implementing a Fundraising Plan 13

06

State RPAC Relationship with National RPAC 17

07

RPAC Disbursements 19

RPAC: The Backbone of the REALTOR® Party

The REALTOR® Party and the REALTORS® Political Action Committee (RPAC) work together to protect and promote homeownership and private property interests. In fact, RPAC is the backbone of the REALTOR® Party. Since its inception in 1969, RPAC has promoted the election of pro-REALTOR® candidates across the United States at all three levels of government.

Candidates who receive support from RPAC are not selected based on their political party or ideology, but solely on their support of real estate issues.

Through RPAC, REALTORS® raise and spend money to elect candidates who understand and support their interests. The money to accomplish this comes from voluntary investments made by REALTORS®. REALTORS® freely make these investments because they know it's a wise investment in the future of their profession and the free enterprise system of this country.

In short, RPAC enables REALTORS® to support candidates who support the issues that matter to them.

This guide provides an overview of the ways RPAC and the NATIONAL ASSOCIATION OF REALTORS® fund their extensive political advocacy efforts.

Not Every RPAC Investment is the Same

02



Hard Dollars vs. Soft Dollars

RPAC investments are divided into two categories—hard money and soft money. And no, we're not talking about bills versus coins here.

Rather, hard money refers to voluntary investments from individual REALTORS®. RPAC investments must be made with a personal check or credit card paid with personal funds, and you cannot make an RPAC investment with a corporate credit card. These are the only funds that can be contributed to federal candidates, and in some states to state and local candidates.

Soft money, on the other hand, is money invested by organizations, corporations, state and local associations and NAR Institutes, Societies and Councils. Soft dollars also include mandatory dues payments or membership assessments. Soft dollars may be used for independent expenditures, Opportunity Race communications and certain other political events.

Simply put, hard money is the only type of funds that can be used for direct contributions to federal candidates (and in some states to state and local candidates.) Soft money is not subject to the same rules and can't be used for direct candidate contributions, but can be accepted by NAR and used in other ways to support candidates and issue campaigns.

RPAC Supports Candidates at the National, State and Local Levels

RPAC does more than support candidates running for U.S. Congress. In fact, RPAC also uses investments from individual REALTORS® for direct contributions to REALTOR® Champions running for state constitutional offices (like Governor or Attorney General); state legislative seats; as well as local positions (like mayor, city council, property assessors, county supervisors and more).

Roughly one-third of RPAC funds go to Congressional candidates and two-thirds to state and local candidates.

National and State RPAC Trustees (or in some local associations, the Government Affairs Committee) decide which REALTOR® Champions will receive RPAC funds based on questionnaires, interviews, voting records, support of REALTOR® issues and other important factors.

Other Political Advocacy Funding Sources

In addition to direct RPAC investments from individual REALTORS® (hard dollars), NAR funds political advocacy in other ways. Those additional programs include:

President's Circle (Hard Dollars):

Political Action Committees, like RPAC, may only legally contribute \$10,000 per election cycle to a Congressional candidate. The President's Circle Program allows REALTORS® to increase the strength of the REALTOR® voice on Capitol Hill by making contributions directly to selected REALTOR® Champions identified by the RPAC Disbursements Trustees Committee as having made significant achievements in advancing the REALTOR® public policy agenda. Each President's Circle investment is provided directly to the candidate from the individual member's personal account, thereby making it a hard-dollar contribution.

President's Circle members must first invest a minimum of \$1,000 in RPAC as a Major Investor to be eligible to participate in the President's Circle program.

Learn more about NAR's President's Circle Program at www.realtoractioncenter.com/rpac/presidentscircle.

Political Advocacy Fund (Soft Dollars)

The NAR Political Advocacy Fund consists of investments from state and local REALTOR® Associations, their affiliates and other corporate entities. It is different from RPAC, which may only accept personal (hard) dollars.

Money from the Political Advocacy Fund is used for federal political activities such as Opportunity Races, legislative receptions and "Meet & Greet" events.

Learn more about NAR's Political Advocacy Fund at <http://www.realtoractioncenter.com/rpac/paf>.

Corporate Ally Program (Soft Dollars)

Multiple Listing Services (MLSs); NAR affiliates; real estate brokerages; real estate technology businesses; state and local REALTOR® Associations; state and local REALTOR® Association affiliate corporate members; NAR Institutes, Societies and Councils can invest corporate (soft) dollars in the REALTOR® Party Corporate Ally Program (CAP) (www.realtoractioncenter.com/corporateally). CAP investors may direct their investments to support federal, state and local independent expenditures for REALTOR® Champions running for public office or issue campaigns, or a combination of both.

Corporate Ally Program investments are applied to enable NAR to support equally both state/local as well as federal candidate and issue campaigns.

REALTOR® Party Initiative (Soft Dollars)

Launched in 2012, the REALTOR® Party Initiative (www.realtoractioncenter.com/realtor-party/tools-and-resources/mrp/assets/the-realtor-party.html) is funded by NAR through dues dollars. Each year, approximately \$40 million of NAR dues is devoted exclusively to REALTOR® Party advocacy and community outreach efforts. State and local associations apply for these programs, which include grants, educational classes, promotional materials, campaign tools and more.

Download the REALTOR® Party Association Resource Guide (www.realtoractioncenter.com/realtor-party/documents/MPR-Resource-Guide.pdf) to see a comprehensive listing with descriptions of all of the political and community outreach tools available to state and local REALTOR® Associations. RPAC fundraising grants and fundraising recognition resources are included.

Every Member

While it's true that RPAC is one of the largest PACs in the country, only one-third of our 1.2 million members invest. We can do better than that. The most important way to strengthen RPAC is to get more of our members—both residential and commercial REALTORS®—to step up to the plate—even with a small investment.

The RPAC Participation Council is charged with growing the number of investors every year. There are a number of fundraising tools (www.realtoractioncenter.com/rpac/for-associations/) on the REALTOR® Action Center to help state and local associations expand their RPAC participation rates. Also, more information about this can be found in the "Creating and Implementing a Fundraising Plan" on page 13 of this document.

Major Investors

With a minimum investment of \$1,000 per year, REALTORS® become part of RPAC's Major Investor Program (www.realtoractioncenter.com/rpac/major-investors/). Members of the Major Investor Program are recognized with specific benefits and accolades that acknowledge their support of RPAC.

There are four levels within the RPAC Major Investor Program: Sterling R, Crystal R, Golden R and Platinum R. View details about the investment levels, recognition forms and benefits for RPAC Major Investors on the REALTOR® Action Center website.

Young Professionals

Getting our youngest members to invest in RPAC is one of the best ways to grow our political advocacy and keep it growing into the future.

The Young Professionals Network (YPN) is a large and diverse group of REALTORS® who are extremely engaged professionally and politically in the real estate industry.

The YPN RPAC Pledge (www.realtoractioncenter.com/rpac/ypn) encourages YPN members to pledge to invest a total of \$10,000 over a 10-year period. By signing the pledge, YPN members create RPAC awareness in their communities and demonstrate the value of investing in RPAC.

Interested YPN members sign up for the Pledge program on the REALTOR® Action Center and start with a minimum investment of \$100.

Corporate Allies

As mentioned on page 6, the REALTOR® Party Corporate Ally Program (www.realtoractioncenter.com/rpac/protected/corporate) targets Multiple Listing Services (MLSs); NAR affiliates; national and regional real estate franchisors; and real estate brokerages. Participants may select to have their investments support federal, state and local independent expenditures for REALTOR® Champions running for public office or issue campaigns, or a combination of both.

Preparing Your Volunteers to be RPAC Fundraisers

04



Why Invest

The simple truth is that decisions made by elected officials impact the business of our members. That makes it critical to elect candidates who understand the importance of owning, selling and investing in real property. This is what RPAC helps us do.

RPAC and the REALTOR® Party work hand-in-hand to fight public policies that hurt the real estate business and to support those that enhance it. RPAC is not a charity. It's a wise investment in the future of each and every real estate professional.

Of course, the subject that gets our advocacy adrenaline going the most is tax reform. The REALTOR® Party and RPAC must be ready if and when real estate tax provisions are threatened.

Provisions like the mortgage interest and property tax deductions, capital gains rates and like-kind exchanges are important to our members' business as well as the bottom lines of their clients and the economy as a whole.

- For example, if the mortgage interest deduction was fully eliminated, home prices could decline by as much as 15 percent, according to NAR's Research Department.
- Look at it in a more personal way, that could result in an average income cut of \$8,800 per NAR member.
- If the property tax deduction was eliminated, home prices would fall by an average of 7 percent. That translates to a drop of \$2,500 in the average real estate agent's annual income.

Tax deductions for mortgage interest and property taxes are just one of many federal issues on RPAC's radar screen. At the state and local level, RPAC and the REALTOR® Party have their eyes on everything from transfer taxes, to sign ordinances to zoning laws.

RPAC and the REALTOR® Party are there at every turn to protect the interests of our members' business, as well as those of the clients they serve.

Take a look at NAR's current Advocacy Agenda (www.nar.realtor/political-advocacy/advocacy-agenda) for specific issues RPAC and the REALTOR® Party are working on this year.

Educating Members about Investing in RPAC

Before “The Ask” can happen, it’s imperative to educate potential RPAC investors. Actually, education is as important as solicitation itself. REALTORS® need to understand how RPAC impacts their bottom line before they invest.

The RPAC educational effort, particularly at the local association level, should be year-round and ongoing and can be carried out in a variety of ways.

The local association RPAC educational effort might consist of one or more of the following:

- Hosting a “new REALTOR®” orientation reception;
- Conducting a local association RPAC seminar, using state association or state RPAC staff and/or your NAR political representative;
- Giving an RPAC presentation or speech at local association meetings;
- Speaking to REALTORS® at sales meetings of large REALTOR® offices;
- Publishing articles about RPAC in local association newsletters;
- Sending a direct mail letter about RPAC to every member; and/or
- Making RPAC material available at all local board functions—be sure to include details about state and local legislative, administrative and regulatory successes that RPAC activity at the state and local levels helped achieve.

Common RPAC Myths

Investing in RPAC doesn’t have to be complicated, but there are doubters among us. It is not that they don’t care. They just need enlightenment. They may have bought into some of the myths that surround RPAC as a reason not to invest.

So, let’s take a few steps toward enlightenment by correcting some of the myths about RPAC.

Myth #1: RPAC is partisan.

Reality: RPAC selects candidates who share our philosophy and who will listen to the REALTOR® viewpoint. Political affiliation is not considered. In election cycle after election cycle, RPAC contributions are nearly evenly split between Republican and Democratic candidates.

Myth #2: I don’t need to contribute because my dues dollars already pay to lobby our issues.

Reality: Federal election law requires that direct contributions to federal candidates be made with “hard” dollars, or personal contributions. NAR cannot use dues dollars for these direct contributions. And candidates who become office holders are the ones who decide issues.

Myth #3: My RPAC investment is only important in election years.

Reality: Candidates need to begin fundraising in the off year leading up to the election so they are properly prepared when their election year comes around. Your RPAC investments are especially critical as we work to prevent burdensome tax hikes on real estate as state and local governments search for ways to shore up their overly stressed budgets.

Myth #4: I don't have any say in where my RPAC investment goes.

Reality RPAC is a bottom up organization. State and local associations work closely with the national RPAC Disbursements Trustees Committee to determine which candidates will be supported.

Support is based on these recommendations and the candidate's voting records and other measurements of support for REALTOR® issues.

Myth #5: RPAC buys votes, adding to my distrust of politics.

Reality: RPAC does not buy votes. PERIOD.

We want to be sure our elected officials fully understand the importance of REALTOR® issues. RPAC gives us a foot in the door by allowing REALTORS® and NAR staff to attend fundraisers where they can establish relationships in a casual environment. Establishing those relationships allows us a chance to present our issues to lawmakers. However, there is no guarantee they will agree, and in fact no elected official will always agree with us every time.

Remember, REALTORS® are not only representing ourselves, we are representing every American who owns, sells or invests in real property or aspires to do so in the future. RPAC is one of more than 4,000 Political Action Committees in the country, BUT it is the only one that exists solely to protect and promote the tradition of real estate ownership in America.

Handling Objections

Once you've dispelled the RPAC myths, you may still run into members who voice reasons for not investing. Below are few objections you might hear and how to handle them in a one-on-one conversation with a potential investor.

I don't believe in giving money to political candidates.

Actually, rather than "giving" money to political candidates, you are investing in your business and a commitment to preserving the future of our industry. You have insurance on your car, home and business office. Bad legislation passed by Congress, the state legislature, or city council could be just as catastrophic financially as the loss of any of your possessions by fire, theft or storm. RPAC helps elect officials at the national, state and local levels who support the free enterprise system and private property rights.

I already contribute to political candidates on my own.

You should contribute directly to the candidates of your choice, but you should also contribute through RPAC. The dollars you invest are pooled with hundreds of thousands of other like minded investors to support candidates who understand the issues that affect the real estate business.

I don't have the money.

Look at it this way. Do you drink coffee? (If not, choose another indulgence like ice cream or pizza or just plain going out to lunch.)

Coffee drinkers on average consume 3.1 cups of coffee a day.

The average price for brewed coffee is \$2.38 per cup or \$3.45 if you are one of those double shot, no foam, one pump sugar free vanilla latte drinking hipsters.

Think you can't afford to invest in RPAC?

I suggest you eliminate one of those three cups.

Take that \$2.38 or \$3.45 and put it in a jar on your desk...or transfer into your savings account instead of your coffee shop debit card.

In about a month and a half you will have saved \$100 that you can invest in RPAC to protect your business.

I'm a Republican/Democrat, and RPAC has supported candidates of the other party.

RPAC is nonpartisan in its selection of candidates. The voting record and views on the issues that affect REALTORS®, in addition to the recommendations of local and state associations, are the deciding factors on who we support.

I'm not full time, why should I contribute?

If you benefit at all from the real estate business, you have a vested interest in ensuring that the individuals who pass the laws that affect our livelihood believe in private property rights and the free enterprise system.

RPAC is already a successful PAC, you don't need my contribution.

While RPAC has been successful in advancing the REALTOR® position, there is constantly new legislation being introduced. We must remain strong and ready to assist candidates at all levels that support our point of view. It is imperative that we continue to build on the momentum we have created.

Creating and Implementing a Fundraising Plan

05



The Fundraising Goal-Setting Process

There are two different RPAC fundraising goals set each year. One is set by the RPAC Trustees as the amount necessary to be effective in the federal races in which RPAC will engage in that election cycle. That goal is called the Federal RPAC Disbursements Allocation and it is set every two-year election cycle.

The other goal is aspirational and is based on what each state and territory association sets as its goal for the coming year. This goal, called the National RPAC Fundraising Goal (www.realtoractioncenter.com/rpac/sub/2016-rpac-pag-recommendations.pdf), must be higher than what the state or territory raised the previous year in order to qualify for subsequent NAR RPAC recognition for that fundraising year. State and territory RPAC Chairs declare their goals for the coming year during the REALTOR® Party Training Conference annually.

In other words, the Federal RPAC Disbursements Allocation is the minimum needed at NAR and the National RPAC Fundraising Goal is what we aspire to at all three levels of the association, and is the basis of how states/territories are recognized for their fundraising efforts.

Although the 70/30 percent split policy for sharing RPAC funds between the states and National was eliminated in 2014, this policy continues with the Major Investor Program. RPAC policy requires that National RPAC receive at least 30 percent of a Major Investor's contribution in order to provide recognition and benefits to the Major Investor. And of course, 30 percent of the Major Investor contribution received by National RPAC counts toward the state's set goal.

As a result of the 2014 RPAC Fundraising Goal Presidential Advisory Group, President's Circle contributions to candidates do not count toward a state's NAR fundraising goals.

See more about RPAC Fundraising Policies at www.realtoractioncenter.com/rpac/sub/goals.html.

Fundraising Methods and Recognition

Dues Billing

Requesting an RPAC investment on each member's annual association dues statement ensures that every member is asked to participate.

The effectiveness of a dues billing program depends in large part on the design of the solicitation. The easier you make it for the prospective investor to participate, the more likely he or she will invest.

Check with your state RPAC and legal staff to see whether dues billing for RPAC is permitted in your state. To satisfy state law, your members may have to write a separate check and complete a separate transaction for the RPAC portion, or may be able to include both their dues and RPAC investment in one check/transaction. Your membership database provider or state PAC may have sample billing statements for reference.

Check with your state RPAC and legal staff to determine if the voluntary RPAC investment can be added above the “total amount due” line on the dues billing statement. This is referred to as “above-the-line dues billing.” Some state laws dictate specific placement of the RPAC line item.

Determine the suggested voluntary RPAC investment amount you want to include on your dues billing statement. Check with your membership database provider to see what options are available to you for billing at various levels, billing brokers a different amount, billing member’s previous year investment amount, etc.

Ensure your dues billing statement includes the correct federal and any state required solicitation notice or disclaimers (check with your state RPAC and legal staff for the required language of the disclosure).

Federal laws and some state laws govern the transmittal of RPAC funds. The Federal Election Commission Act (FECA) requires that investments in excess of \$50 be forwarded from the local association to the state association within 10 days of the date of receipt. Investments of \$50 or less must be forwarded within 30 days.

Get more details on dues billing requirements and procedures online at www.nar.realtor/ae/manage-your-association/core-standards-for-state-and-local-associations/core-standards-rpac-dues-billing.

Events

Special events are a great way to build camaraderie, generate enthusiasm and, most importantly, raise money for RPAC. A signature special event may become the highlight of your fundraising program—something to build up to over the course of the year. You may also use an event as a tribute to your Major Investors through selective seating, private receptions or by having a portion of the program in their honor.

Take a look at some of the RPAC Fundraising Events your colleagues have hosted in the RPAC section of the REALTOR® Party Success Stories posted online at www.realtoractioncenter.com/realtor-party/tools-and-resources/mrp/success-stories.html#rpac-fundraising. There you’ll find stories about everything from auctions to golf tournaments to fashion shows to sweepstakes.

RPAC Fundraising Grants (www.realtoractioncenter.com/rpac/for-associations/rpac-partnership) are available to help state and local associations increase their RPAC fundraising receipts and RPAC participation. Your participation in the program is subject to state law. There are different grant amounts for different sized associations. Grant amounts, applications and other tools are available online.

Major Investor Fundraising Events (www.realtoractioncenter.com/rpac/for-associations/fundraising-programs/rpac-major-donor-event-based.html) help state and local associations recruit new Major Investors and President's Circle members. Associations can be reimbursed up to \$65 per person to host these exclusive events, although such reimbursements may also be limited by state law in a few cases. Best practices, applications and other tools are available online.

Recognition and Awards

Recognition is really appreciation. It's a way to say thank you to your RPAC investors. In addition, public recognition of your RPAC investors encourages others to invest as well. When members see their colleagues recognized at meetings, through awards, or on special lists of contributors, it may cause them to say to themselves, "Next time, I want to be one of those investors."

NAR recognizes both individual investors and associations for their RPAC fundraising efforts in a number of ways. Major Investors are recognized through the Sterling R, Crystal R, Golden R and Platinum R levels. In addition, NAR recognizes those members who have made significant investments over the years through the RPAC Hall of Fame.

State and local associations are recognized for their fundraising efforts through the Triple Crown and President's Cup Awards. Get the details on all RPAC Awards and Recognition online at www.realtoractioncenter.com/rpac/for-associations/fundraising-programs/rpac-awards.

Recognition of In-Kind Contributions

In addition to monetary investments, some state associations accept contributions of goods or services, or "in-kind" contributions, for their state PACs. Such non-cash contributions are retained by the state association or PAC and not forwarded to National RPAC.

NAR requires that in order to be applied to the state's goal, National RPAC investments made by members through state associations must be real money and not in-kind contributions. State associations may, however, count in-kind contributions as part of a member's RPAC investment history.

Please note that some states may not accept in-kind contributions.

For legal and compliance purposes, in-kind contributions must be recorded and tracked by states that may accept them. A member's in-kind contributions in his or her state can count toward his or her RPAC lifetime giving history.

Investment Limits and Rules

As mentioned earlier, hard money has many restrictions on how it is raised and spent and must be reported to the Federal Election Commission. Hard money is raised from individuals who may contribute up to \$2,700 directly to a federal candidate per election and \$5,000 to a political action committee (like RPAC) per year.

RPAC may contribute \$5,000 to a federal candidate per election, and may use only “hard” personal contributions to make such contributions to candidates.

Certain contributions to National RPAC are prohibited by the Federal Election Commission or by the National RPAC Trustees Policies. These prohibited contributions are: 1) contributions by corporations; 2) contributions made in the name of another; 3) any part of a cash contribution exceeding \$100; 4) all anonymous contributions, regardless of amount; 5) contributions from members who personally provide goods or services under contract to the federal government; 6) contributions by minors under the age of 18; and 7) contributions from foreign nationals.

Unlike RPAC, NAR may accept corporate investments to the NAR Political Advocacy Fund, which are primarily used to communicate with NAR members about Federal candidates through the Opportunity Race program or to engage in Federal issue advocacy.

Contributions to the PAF are also made by state or local associations, MLSs, incorporated real estate firms and others. There are no limitations on the amount of soft money a corporation or individual can provide to the PAF, nor is there any limitation on the amount NAR may collect or spend through the PAF.

Federal law requires that certain information be gathered about RPAC investors. This includes the name, mailing address, occupation and employer of each investor and the amount and date of the investment.

Remember, there is no federal tax deduction or credit for political contributions, including RPAC investments. Investors should check state law to determine if there are any state income tax benefits provided for political contributions.

Learn more about RPAC and the Law online at www.realtoractioncenter.com/rpac/for-associations/legal-and-tax-resources.html.

State RPAC Relationship with National RPAC

06



All 50 states plus the District of Columbia, the Virgin Islands, Guam and Puerto Rico have state level REALTORS® Political Action Committees in operation. State RPACs are responsible for: 1) collecting voluntary investments from REALTORS® and their families within that state, 2) determining whether such investments are permissible under federal law and transmitting to National RPAC its share of the permissible investments; 3) making recommendations to the RPAC Federal Disbursements Trustees Committee as to which federal candidates running within the state deserve RPAC support; and 4) determining which state and local candidates receive RPAC support from the state's share of RPAC investments.

Some state RPACs are entities with few or no ties to their state association other than common membership. Others are a standing committee of the state association, with a clear and direct operating relationship between the two. Operating state RPACs separately from state associations often is dictated by state law restrictions regarding corporate assistance to political action committees.

If state law does not require separation, it is usually preferable for the state RPAC to be established as a committee of the state association. From a political standpoint, this closer structural relationship more clearly correlates the political goals of the association members who participate in RPAC with the goals of the state association.

There is also a practical advantage: The professional liability insurance coverage provided by NAR covers state association committees and their members. Thus, where a state RPAC is operated as a committee of the state association, that insurance covers state RPAC trustees and officers as well. Where the state RPAC is less closely related to and controlled by the state association, there may be some uncertainty as to the applicability of that coverage.

Cooperative Agreements

RPAC's success stems in large part from its system of mutual effort and cooperation. All of the 50 states, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands have executed "cooperative agreements" with National RPAC and established state RPACs.

The cooperative agreements between National RPAC and state RPACs address the practice of state and local associations soliciting and collecting investments to be shared between RPAC and state PACs and used to support candidates for local, state and federal elective office.

The state determines the percentage of each investment that will be sent to National RPAC and notifies NAR of that percentage. States can change the specified percentage, but not more than once a year.

The only exception to this flexibility is that states must provide national RPAC with at least 30 percent of the contributions of individuals seeking to be recognized as RPAC Major Investors in order to receive the benefits of those investments.

The agreements further provide that national RPAC has the exclusive right to contribute to candidates running for federal office, while reserving for state RPACs the sole authority to contribute to state and local campaigns. The agreements also assign to national RPAC and the state PACs, respectively, the responsibility for preparing and filing required reports with appropriate federal and state campaign finance agencies.

Under the cooperative agreement, the state RPAC commits to transmit the federal portion of the RPAC investments it collects to national RPAC, and to provide to NAR information about the identity of investors and the date and amount of each contribution.

See full State Cooperative Agreement online at www.realtoractioncenter.com/rpac/for-associations/national-association-state.pdf.

NAR and RPAC encourage state PACs to make available to local associations or their local political action committees a portion of the RPAC contributions for use in local elections.

See sample Local Cooperative Agreement online at www.realtoractioncenter.com/rpac/for-associations/state-association-local.pdf.

Filing Requirements and Electronic Transmissions

National RPAC files monthly reports with the Federal Election Commission. Those reports show all contributions received by RPAC from NAR members and others permitted to contribute. They also show all contributions to federal candidates and committees made by RPAC and other related expenditures. Copies of National RPAC's reports to the Federal Election Commission are available from the Federal Election Commission, 999 E Street, NW, Washington, D.C. 20463, and are also available on the FEC's Website at <http://www.fec.gov>.

With more than 350,000 contribution records received annually by National RPAC, it is not feasible to accept hardcopy paper submissions of data. As the majority of states utilize computer systems to record membership and PAC contributions, technology allows for the ability to export data fields from one system and import the information directly into another system via a requested format.

All states are required to submit contributor data via electronic transmission. Any checks or electronic funds transfers are returned to the state if not accompanied by electronically transmitted contributor information.

Take a look at the RPAC fundraising transmittal deadlines online at www.realtoractioncenter.com/rpac/sub/rpac-fundraising-transmittal-1.pdf.

RPAC is one of the most bipartisan PACs in the country, giving to both Democrats and Republicans alike. The only stipulation is that the candidate be a member of the REALTOR[®] Party, which means that the candidate supports REALTOR[®] public policy positions. Through direct contributions, our opportunity race program and independent expenditures, we ensure that REALTOR[®] issues are heard on Capitol Hill.

Learn more about candidate screening and who RPAC has supported online at www.realtoractioncenter.com/rpac/disbursements..

Conflict of Interest Policy

The RPAC Trustees have a strict policy to avoid the potential of, or even appearance of, any conflicts of interest in the decisions about who to support with RPAC funds. Trustees are required to disclose any direct or family business relationship with candidates who are being considered for RPAC support. And, of course, if they do have any kind of relationship with the candidate, they may not vote or remain present during any discussion of support for that candidate.

Receptions

Both in-state/territory receptions and DC Receptions allow NAR and its members to strengthen relationships with U.S. lawmakers through face-to-face contact, as well as by presenting RPAC support in the form of a check to specific candidates.

In-State

In-state (including territories) receptions involve REALTORS[®] from the state, lead by the Federal Political Coordinator, meeting with his/her respective U.S. Representative or Senator, to present a campaign check.

Incumbent House members are eligible for up to \$1,000 in the first year of the two-year election cycle. U.S. Senate candidates are eligible to receive up to \$2,000 of in-state reception funds to be used all at once or in increments (no less than \$500) during the first five years of the six-year election cycle.

State and local associations that do not contribute hard dollars (which are preferred) to RPAC or soft dollars to the PAF are not eligible to receive in-state/territory reception funds unless approved by a simple majority of the National RPAC Trustees.

In-state/territory Meet and Greet events enable REALTOR® Associations to provide federal candidates with an opportunity to meet with REALTORS® to discuss public policy issues, but not campaign-related topics. RPAC funds up to \$1,000 for a state or local association to host a Meet and Greet event for a candidate.

An additional resource is the In-state Meet and Greet events program which enables REALTOR® Associations to provide federal candidates with an opportunity to meet with REALTORS® to discuss public policy issues, but not campaign-related topics. RPAC funds up to \$1,000 for a state or local association to host a Meet and Greet event for a candidate. Such events are generally reserved for freshmen or congressmen new to a committee of importance to NAR. Unlike In-State funds, they must be approved by the RPAC Disbursement Trustees.

DC

DC Receptions provide valuable opportunities for the NAR Government Affairs staff to develop working relationships with federal elected officials.

Incumbent House members can receive up to \$2,000 per two-year election cycle of DC Reception funds.

U.S. Senate candidates can receive up to \$3,000 of DC Reception funds, of which \$1,000 is accessible every two years of the six-year term. Unused funds may be carried over to following years of the term.

Other types of hard dollar contributions approved by the Trustees and used by the NAR Government Affairs staff in D.C. are contributions to National political parties and to Leadership PACs. These additional contributions allow NAR access to events featuring congressional leaders and showcase our support for our REALTOR® Champions.

Special Recognition Fund

The Special Recognition Fund (www.realtoractioncenter.com/realtors/fpc/Special-Recognition-process.pdf) provides a higher level of financial support for Members of Congress who have been supporters of the real estate industry. In addition, this fund assists challengers and open seat candidates who traditionally have a difficult time raising money. All Special Recognition requests must be approved by the NAR RPAC Disbursement Trustees, generally due to a request by the respective state RPAC Trustees Committee.

The Federal Political Coordinator should be part of the check delivery presentation for Special Recognition checks (as is the case with in-state receptions).

A candidate questionnaire (www.realtoractioncenter.com/docs/rpac/2015/unprotected/candidate-questionnaire.pdf) must be completed for all open seat and challenger candidates for the House and Senate. A candidate interview is highly encouraged to obtain the answers to the questionnaire in person. The candidate questionnaire should be used during the interview and must be emailed to RPAC following completion of an online request for RPAC funds for the request to be considered.

Polling Program

Periodically RPAC also conducts and provides polls as in-kind contributions to a candidate. RPAC also conducts polls for internal use to assist a state Trustees Committee in making a candidate funding recommendation. Internal polls are funded through the Political Advocacy Fund, while RPAC funds are used for polls to be shared with candidates. Both types of polling must be approved by the RPAC Disbursement Trustees.

Federal Opportunity Races

Through the Federal Opportunity Race program, RPAC channels contributions from real estate brokerages and industry organizations—soft dollars—into mobilizing REALTORS® on behalf of a campaign. In the most intense races, NAR provides on-the-ground field workers to encourage local practitioners to support or marshal support for a candidate.

Since federal election law allows only a maximum PAC contribution of \$10,000 to a federal candidate, the Opportunity Race program allows NAR to go the extra step to help elect pro-REALTOR® candidates.

The Opportunity Race program is funded through voluntary RPAC corporate contributions—soft dollars. RPAC saves our “hard dollars” or “federal funds” to be used only for direct contributions to candidates.

There are three levels of support in the Opportunity Race program. Each level is generally defined by the amount of voter contact between NAR and its members in support of the chosen federal candidate. Level 1 is the most intense, with Level 2 less so and Level 3 the least intense. The level selected for each race depends on many factors such as the candidate’s support of REALTOR® issues, his or her ability to enact our agenda based on committee assignments and the competitiveness of the race.

Independent Expenditures

An independent expenditure is a communication that expressly advocates the election or defeat of a clearly identified candidate that is not made in cooperation, consultation or concert with or at the request of the candidate. Both NAR and RPAC may lawfully engage in federal independent expenditures, but neither engages in “negative” independent expenditure campaigns. As a result all RPAC or NAR independent expenditures urge the election of candidates. State Trustees cannot request an independent expenditure for a federal candidate. However, before an independent expenditure may be considered by the NAR RPAC Disbursements Trustees, the state must first have requested a Level 1 Opportunity Race (the most intense level of member-to-member communications on behalf of a candidate).

President’s Circle Direct Investment Program

As outlined on page 2, the President’s Circle Program allows REALTORS® to invest in candidates in addition to the \$10,000 limit on RPAC contributions established by federal election law. President’s Circle members invest in selected REALTOR® Champions who have demonstrated support for REALTOR® Party issues by their votes, sponsorship of bills or other ways. Each President’s Circle investment is provided directly to the candidate from the personal account of the REALTOR®, thereby making it a hard dollar contribution.

The program consists of an annual individual hard dollar pledge of \$2,000 in order to join. Members make contributions to selected federal candidates or National Political Party Committees when asked and encouraged by NAR to do so. Participants have flexibility among the NAR designated targets in choosing which federal candidates or National Political Party Committees they wish to support to fulfill their \$2,000 pledge within the calendar year. Only Sterling R, Crystal R, Golden R and Platinum R level RPAC Major Investors can participate in the President’s Circle program.

Learn more about NAR’s President’s Circle Program online at www.realtoractioncenter.com/rpac/presidentscircle.

