

TREPAC/ Governmental Affairs Orientation



“...the most well
respected...”

– *Quorum Report*

“...the most
influential...”

– *Texas Insider*

“The *powerful*
Texas Association of REALTORS®...”

– *The Texas Tribune*

We love it when they call us names



CONTRIBUTIONS ARE NOT DEDUCTIBLE FOR FEDERAL INCOME TAX PURPOSES. CONTRIBUTIONS TO THE TEXAS ASSOCIATION OF REALTORS® POLITICAL ACTION COMMITTEE (TREPAC) AND THE TEXAS ASSOCIATION OF REALTORS® FEDERAL POLITICAL ACTION COMMITTEE (TAR FEDPAC)—WHICH MAKES CONTRIBUTIONS TO THE REALTORS® POLITICAL ACTION COMMITTEE (RPAC)—ARE VOLUNTARY AND MAY BE USED FOR POLITICAL PURPOSES. THE AMOUNT INDICATED IS MERELY A GUIDELINE, AND YOU MAY CONTRIBUTE MORE OR LESS THAN THE SUGGESTED AMOUNT. YOU MAY REFUSE TO CONTRIBUTE WITHOUT REPRISAL, AND THE NATIONAL ASSOCIATION OF REALTORS®, THE TEXAS ASSOCIATION OF REALTORS® (TAR), AND ITS LOCAL ASSOCIATIONS WILL NOT FAVOR OR DISADVANTAGE ANYONE BECAUSE OF THE AMOUNT CONTRIBUTED. UNTIL THE RPAC ANNUAL GOAL IS MET, 70% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC AND MAY BE USED TO SUPPORT STATE AND LOCAL CANDIDATES; THE REMAINING 30% IS SENT TO TAR FEDPAC TO SUPPORT FEDERAL CANDIDATES AND IS CHARGED AGAINST YOUR LIMITS UNDER 52 U.S.C. 30116. (EXCEPTION: 100% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC IF THE INDIVIDUAL IS AN EMPLOYEE OF AN AFFILIATE MEMBER OF TAR.) AFTER THE RPAC ANNUAL GOAL IS MET, 100% OF AN INDIVIDUAL'S CONTRIBUTION GOES TO TREPAC AND MAY BE USED TO SUPPORT STATE AND LOCAL CANDIDATES. YOU MAY CONTACT THE TAR POLITICAL COMMITTEE ADMINISTRATOR AT 800-873-9155 TO OBTAIN INFORMATION ABOUT YOUR CONTRIBUTIONS.

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A. Mission statement

The mission of TREPAC/Texas Association of REALTORS® Political Action Committee is to raise funds to promote homeownership, protect private-property rights, and increase political awareness.

B. History of TREPAC

In the late 1960s, leadership of the Texas Association of REALTORS® launched a major new initiative designed to increase the association's influence with elected officials at all levels of state and local government.

The association created a statewide committee to meet with candidates for office and elected officials to discuss issues important to REALTORS®. Simultaneously, the association urged local associations to form breakfast clubs with the same objective. Texas REALTORS® were asked to send investments to a state fund for candidate assistance. The first year of this fundraising effort produced less than \$1,000 raised at the state level. However, local boards had considerably more success in raising funds for their breakfast clubs.

In 1972, acting on the fundraising successes of many of the local boards, Texas REALTORS® formed TREPAC in coordination with the local committees. TREPAC raised a total of \$17,250 from 923 investors in that first year of operation.

In 1974, due to possible conflicts in laws governing political activity by a tax-exempt corporation, the association governing body approved the formation of TREPAC as a separate organization.

TREPAC as we know it today has evolved into the largest and most successful PAC of its kind in Texas. Furthermore, the National Association of REALTORS® considers TREPAC to be a model PAC for the entire nation.

C. Frequently asked questions

Texas REALTORS® will want to know about TREPAC before they invest financially. The following questions and answers will provide information on how to respond to their inquiries.

1. What is TREPAC?

TREPAC is a voluntary, nonprofit, unincorporated group whose membership consists of REALTORS® and others interested in protecting the rights of property owners in Texas. As a political action committee, TREPAC complies with all federal and state campaign finance laws. The voluntary investments TREPAC receives are used to support candidates for federal, state, and local office who demonstrate their support for the preservation of private-property rights and the real estate profession.

2. Who sponsors TREPAC?

TREPAC is sponsored by the Texas Association of REALTORS®. The association provides the professional staff and office facilities required to maintain TREPAC.



**good
stuff**

TREPAC was formed in 1972 with fewer than 1,000 investors. Today TREPAC is the largest grassroots political action committee in the state.



**good
stuff**

In 2018, Texas REALTORS® raised over \$4.4 million* for TREPAC.

*At publication

3. Who administers TREPAC?

A 52-member board of trustees is responsible for all TREPAC operations and financial disbursements. TREPAC consists of 44 trustees selected from each of the state association regions; four additional trustees serve as chairman, first vice-chair, second vice-chair, and the immediate-past chair; and the Texas Association of REALTORS® chairman serves as a trustee. There is also an Association Executive appointee, a Governmental Affairs Director (GAD) appointee, and one At-Large Trustees. Each trustee must be approved by the general trustee body.

4. Who may join TREPAC?

TREPAC membership is open to any individual who wishes to invest financially in good public policy that promotes homeownership and the free enterprise system. It is important to note, however, that members of the public may not be solicited for TREPAC investments using corporate dollars and corporate resources.

5. Where do TREPAC dollars go?

All funds eligible to be invested in candidates in political races are expended for that purpose. Thirty percent of the annual investments received by TREPAC, until quota is achieved, are forwarded to NAR's REALTORS® Political Action Committee (RPAC) for use in federal campaigns in Texas and throughout the country. In this manner, TREPAC participates in the political process at the national level, where a multitude of legislative issues threaten private-property rights and the real estate industry. The remaining funds are invested in candidates for state legislative office, certain statewide offices, and designated candidates in local races as requested by the local association. (See page 7.)

6. TREPAC provides financial support to candidates, so is it true that TREPAC also endorses candidates?

No. Only the Texas Association of REALTORS® can formally endorse a candidate.

7. Who decides which candidates receive TREPAC support?

Local REALTOR® boards and associations throughout the state and individual TREPAC members are asked to interview candidates and make recommendations as to which candidates should receive campaign contributions from TREPAC. These recommendations are reviewed and acted upon by the TREPAC board of trustees. No single person can ever commit TREPAC to a candidate. TREPAC supports candidates who share our concern for preserving the free enterprise system, protecting the rights of private-property owners, and keeping the real estate industry strong.

8. Does TREPAC invest in several candidates in the same race?

No. Investing in more than one candidate for the same office dilutes the strength of the contribution and sends a confusing message to voters. It is not uncommon for TREPAC to remain neutral in open (non-incumbent) races when a distinction cannot be drawn between candidates regarding REALTOR® issues.

9. Which political party does TREPAC support?

TREPAC is not affiliated with any political party; we are the REALTOR® Party. The program and platform of the individual candidates, board recommendations, and ultimate action by TREPAC trustees determine who TREPAC supports—not the candidate's party affiliation.



tip

Campaigns are becoming more complex, therefore more resources are always needed to remain competitive.

10. How are TREPAC investments delivered to candidates?

After a TREPAC check has been generated at the state association, the check is sent to the TREPAC trustee who has jurisdiction over the region where the candidate is seeking public office. Simultaneous to the mailing of the check, an email is generated to inform impacted PAC trustees, association executives, and other governmental affairs leaders that the TREPAC check has been sent to their district. Whenever possible, they will be asked to participate in a check presentation organized by the local association.

See appendix H.

11. Is TREPAC a success?

Yes. TREPAC does indeed have a proven track record. Since its inception in 1972, TREPAC has supported thousands of candidates at the local, state, and federal* levels who have been identified as friendly to the REALTOR® mission. TREPAC is now the largest general purpose political action committee in Texas.

12. Is TREPAC a grassroots effort?

Yes. TREPAC is a great example of grassroots efforts because the decisions to support candidates originate at the local level from involved REALTORS®. TREPAC trustees are all active in real estate, but they volunteer their time to make these decisions on behalf of all Texas REALTORS®. However, TREPAC's success only comes from involvement at the local, state, and national levels. TREPAC bylaws afford individual REALTORS® the opportunity to become involved in their association's political activities and, as a result, help shape the political landscape and public-policy debate.

13. What can you do about the government's expanding restrictions on your business?

Get involved in the political/governmental process.

TREPAC and the Texas Association of REALTORS® effectively coordinate their respective efforts by actively participating in political campaigns and maintaining a successful lobbying effort. The two forces go hand-in-hand, and neither can be achieved without the other.

The government's role in the real estate industry has been steadily increasing at every level. In order to maintain a healthy climate for the real estate industry in Texas and preserve real property rights as they exist today, Texas REALTORS® must participate in the political process through TREPAC. REALTOR® lobbying efforts in Austin and Washington, D.C., cannot be effective unless individuals who share REALTORS®' concerns are elected to public office.

Every candidate needs financial assistance to get their message before the voting public. This is why TREPAC was formed—to help candidates who support the REALTOR® mission get elected.

Texas REALTORS® all benefit from the efforts of TREPAC. Therefore, they each have a vested interest to participate in the political process by making an investment in TREPAC.

D. Local association goals

Each association's TREPAC goal is set at \$35 per member using membership totals from September of the previous year. Thus, each goal is set by multiplying \$35 times the number of members of each association.

**All federal candidates (i.e. U.S. Congress) receive funds from RPAC based on TREPAC recommendations.*



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Local corporate dollars can only be used to cover administrative and fundraising costs.



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Local non-corporate funds are used to support candidates seeking local office.

TREPAC encourages each association to meet their goal each year. In order to ensure that local members' contributions are accounted for, each association should appoint a local TREPAC chair to organize a committee. The committee will help to ensure the association reaches its annual goal.

See section on creating a committee on page 17.

E. Corporate versus non-corporate investments

1. Corporate investments

When TREPAC investments are given to local associations from a member's incorporated business account, they are considered corporate funds. Corporate funds may only be used to pay for the administrative costs associated with running TREPAC's operations, which include education and fundraising activities.

Local associations may obtain their allocated corporate funds with approval of expenditures by TREPAC and with proof of expense for fundraising efforts. Each association must provide receipts of fundraising expenses and complete a required reimbursement form to obtain any designated corporate monies. Local associations with their own political action committees will receive total percentages allotted automatically on a monthly basis.

2. Non-corporate investments

Investments given to local associations from an individual's personal account are considered non-corporate funds. The local association's portion of non-corporate funds is held in a designated account by TREPAC for use by local associations in local races only and cannot be used for federal or state candidates. Local association allocations may be given to a candidate (for a local office only) as approved by at least a majority vote of the board of directors of the local association and requested by completing the required forms.

If the local association has established its own political action committee, the non-corporate allocation may be given directly to that PAC, to be administered locally, provided it only invests in candidates who are not seeking federal or state office.

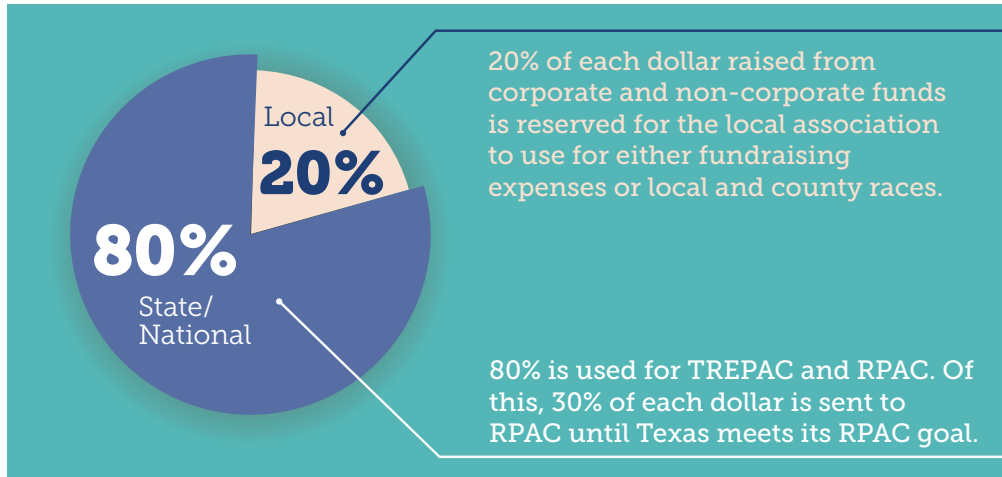
Note: Local association allocations for corporate and non-corporate funds are held in the name of the association for three years. Any third-year allocations that have not been requested by the local association will be released back to the TREPAC general fund on Nov. 30 of each year.

F. TREPAC money allocation

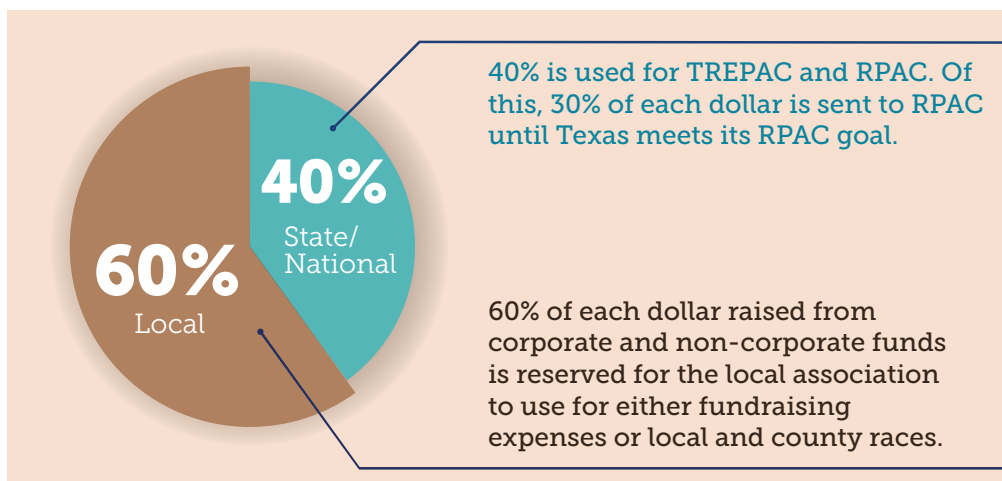
1. Corporate and Non-corporate Funds

A portion of money raised is reserved for each local association to use locally at its discretion. The remainder is allocated to TREPAC and RPAC.

- **Before 75% of local quota is met:**



- **After 75% of local quota is met:**



G. Investment reporting guidelines

State and federal laws mandate that TREPAC report investments from members in a timely, accurate, and detailed manner. Local associations can easily report investments using TREPAC reporting forms. Use of the forms enables TREPAC to comply with state and federal authorities, thereby avoiding civil penalties.



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NRDS numbers must be assigned for all TREPAC investors. A full name, address, employer name, and occupation must be entered for all investors.

When using the investment reporting forms, please report non-corporate investments on the non-corporate form and corporate investments on the corporate form. If you do not have a trust account, we ask that you gather all the checks from members, separate them into non-corporate and corporate stacks, and enclose the grouped checks in the corporate/non-corporate investment reporting envelopes that are provided to you throughout the year at no additional cost. Additional envelopes can be ordered by using the TREPAC Merchandise Order Form, which can be downloaded on TexasRealEstate.com/trepac.

See section on dues billing on page 20

The key to determining what type of investment is being made comes from the original source of the investment—in most cases, this will be a check or credit card. Use the printed name on the check regardless of who signs it and remember to always track its origination.

State law requires TREPAC to report every contributor's occupation, address, and employer. This applies whether the contribution is from a REALTOR®, an affiliate member of the state association, or a member of the public.

The Federal Election Campaign Act (FECA) also requires that if the amount of the investment is in excess of \$50, it must be forwarded to TREPAC within 10 days of the date of the check. If the investment is \$50 or less, it must be forwarded within 30 days. To simplify the forwarding procedure, it is highly recommended that all TREPAC investments be forwarded at least once a week to ensure timely reporting and awards recognition. Using the TREPAC reporting forms helps us abide by the law!

For additional guidelines and clarification, please call TREPAC staff at 800-873-9155.

Building a TREPAC culture is probably the most challenging task we have, but it is essential to creating and maintaining a successful PAC. Once we learn how to properly and effectively raise money, the challenge then becomes planting the seed. As fundraisers, we are concerned that we may “tap” people dry—in other words, solicit them so much that they refuse to give money down the road. Another concern might be times when the economy is down and the real estate business is hurting. It is for these reasons that we need to work hard at building a PAC culture so that TREPAC can continue to thrive, no matter the circumstances. But where do we begin?

Building a TREPAC culture is:

- Essential to the continued success and growth of the real estate industry
- Essential to the profitability of our profession
- Essential to the unified voice of the REALTOR® Party
- Essential to being the #1 PAC in Texas!

If you incorporate any or all of the following programs, you will be on your way to building a culture of Texas REALTORS® who believe in investing in their future.

A. Planting the seed

If you want something to grow, you have to plant a seed. Without it, there is no hope for growth or development. To begin:

- Start at the top. Ask your board of directors for 100% participation. Start at the \$110 level and build from there
- Spread the TREPAC message in good times and in bad
- Educate about issues from all three levels of government; in particular, those happening in your own backyard
- Plant the seed early. Educate new Texas REALTORS® at their orientation about the importance of protecting their industry
- Promote the REALTOR® Party philosophy, which means we support REALTOR® issues
- Recognize investors and remember to celebrate our legislative successes
- Tailor your presentation and materials to target each group differently
- You must have a clear knowledge of the REALTOR® demographics of your association (age, years in business, professional designations, etc.)
- Arrange for your association to attend REALTOR® Day at the Texas Capitol in Austin to meet with your elected officials and discuss important issues facing the real estate industry
- Invite elected officials to speak to your group about issues relevant to the real estate industry.

B. Participation programs

Now that you have planted the seed, it’s important that you continue to water it. Develop programs that will reach out to members to keep them involved and interested.



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Building a TREPAC culture will ensure continual success.



lead by example

Experience has shown that if a broker invests in TREPAC and explains why they invest, their sales agents will invest, too.

- Develop programs to promote and educate Texas REALTORS® about governmental affairs and legislative issues
- Develop REALTOR® programs for broker engagement, political engagement, and other target group programs to encourage greater involvement

1. Target Group Participation Programs

a. Young Professionals Network (YPN)

- Target your local YPN chapter. If a chapter does not exist within your region or association, work with young REALTORS® to get one started. They are the future of our association
- Develop a YPN buddy system to encourage young REALTOR® involvement
- Invite YPN members to fundraisers, check presentations, campaign events, and REALTOR® Day at the Texas Capitol so they can see the role TREPAC plays firsthand.

b. Brokers

- Host broker webinars or luncheons to relay important legislative issues affecting their business
- Set up office visits to speak to agents about the value of TREPAC
- Participate in TREPAC's broker challenges for 100% office participation
- Promote the TREPAC-Certified Brokerage Program and the TREPAC for the Busy Broker and Manager manual.

c. Commercial REALTORS®

- Educate REALTORS® who practice commercial real estate regarding what TREPAC is and how TREPAC protects the commercial industry
- Provide communication pieces on local and state issues affecting commercial real estate

- Participate in commercial trade expos to help spread the word.

d. Top producers

- Identify top producers in your area
- Host a TREPAC Major Investor event and invite top producers in your market
- Apply for an NAR grant to cover the costs of the event. Be sure to reach out to NAR early in the year to secure your preferred date. Invite TREPAC leadership to attend your event to speak on behalf of TREPAC
- Talk to top producers about investing in TREPAC with each real estate transaction
- Ask top producers to talk to other top producers about the value of TREPAC.

e. Institutes, societies, and councils

There are many other affiliated organizations and councils that are a part of the REALTOR® family, like WCR, CRS, CRB, NAHREP, etc. Reach out to these groups to educate their members on the value of TREPAC. This can be an extremely effective way to raise awareness and ultimately dollars.

2. Political Participation Programs

a. Awards reception with public officials

- Invite an elected official to every awards reception. Ask him/her to address the group and shake hands with investors. This allows the investors to meet the people who their contributions are supporting
- Provide time for a photo opportunity and take-home souvenir.

(see [Legal aspects section on page 47](#))

b. Email requirement

- Include email addresses on your local membership application and provide them to the Texas Association of REALTORS® for the *Legislative Liaison* e-newsletter and provide their mobile numbers to register members for REALTOR® Party Mobile Alerts (text txrealtors to 30644)

c. Meet-and-greet receptions

- Plan receptions involving elected officials and TREPAC investors. Provide refreshments and time for the public official to address the group and meet each investor individually. Hold receptions at local Texas REALTOR® offices
- Send personal invitations to your Platinum R and Golden R members.

(see Legal aspects section on page 47)

3. Affiliate Participation Programs

a. Affiliate appreciation luncheon

- Honor TREPAC affiliate members with a luncheon. Affiliate members are eligible to receive state- and national-level awards. To make sure they are honored for their contributions, hold a luncheon and invite REALTOR® members and local public officials to address the group. Be sure to also promote the TREPAC Certified Affiliate program to show your appreciation for all they do!

b. TREPAC Certified Affiliate Program

Real estate affiliates have a lot of responsibility before, during, and after every real estate transaction. Just like Texas REALTORS®, they also advocate heavily for private-property protection.

TREPAC wants to recognize affiliate offices' efforts through the TREPAC Certified Affiliate Program.

c. REALTOR® rally and trade show

- Host an annual themed event for Texas REALTORS®. Include a TREPAC auction, CE course, and a trade show where affiliates may rent booth space to advertise and promote their products with a contribution to TREPAC.

d. Affiliate advertising

- Affiliates may purchase a spot for advertisement signage at meetings and events. The more money they contribute, the larger the sign and the better the location. Advertising dollars help offset event expenses, allowing the local association to retain more of its corporate dollars for future fundraising needs.

C. TREPAC family tree

Each year, a new set of association officers are installed with their own agenda items. TREPAC should be on everyone's agenda all year, every year. The way to help accomplish this is to ensure that all incoming officers are familiar with and understand the importance of the PAC. What better way to understand the importance of the PAC and political participation than by serving on a PAC or Governmental Affairs committee?



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Local PAC committees should work with their AEs to create programs appropriate for their area.

1. Local Association Team

- Ensure the local president, incoming president, association executive, and other leaders are on board with TREPAC
- Appoint the incoming president to be the local PAC chair or to serve on the committee. This way, he or she will have a clear understanding of the importance of getting involved as president the following year
- Ask your local association leadership to help with your TREPAC initiatives
- Ask your association president to make calls to REALTOR® members, top producers, etc. Your president's time is valuable, so provide a script and use him or her strategically as part of your TREPAC business plan
- Have your president require 100% TREPAC participation among your board of directors.

2. TREPAC Working With Other Committees

a. Your Political Involvement Council (PIC) connection

Combining our efforts through the Political Involvement Council members is invaluable to the success of each of our committees and essential to building a TREPAC culture. With the help of your PIC members, you can:

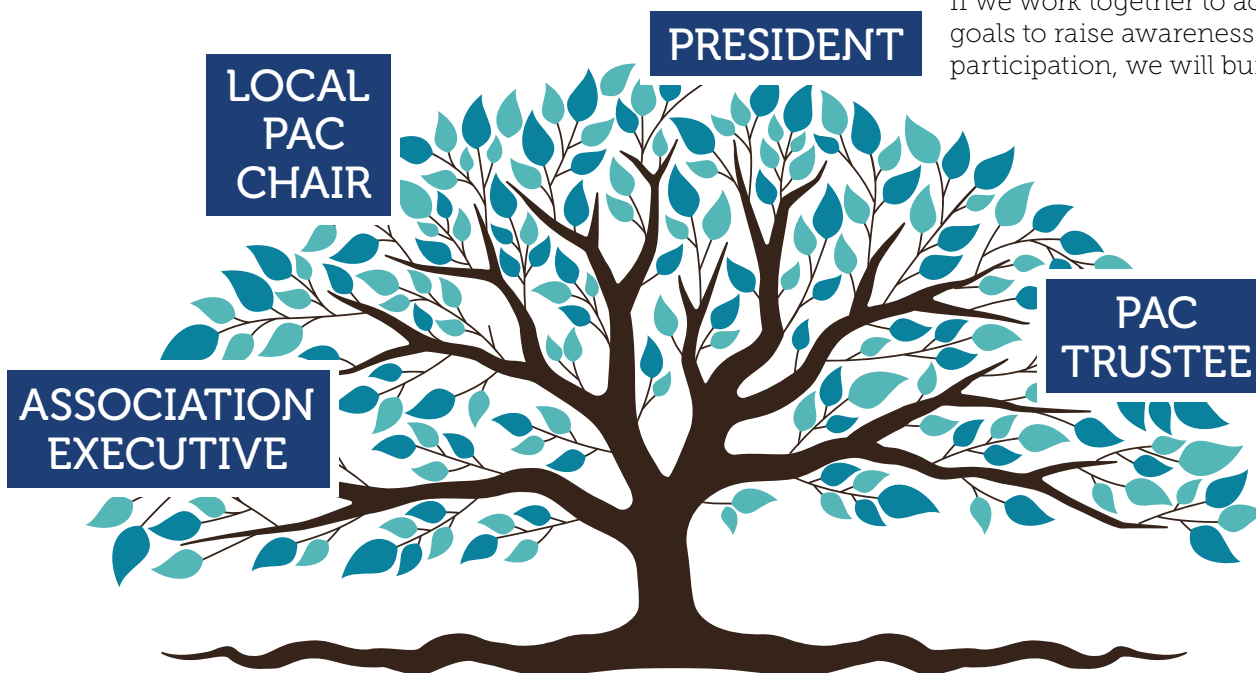
- Promote political affairs programs and goals
- Educate members on how the two committees can work together
- Attend PIC activities and participate in grassroots programs like candidate interviews, opportunity races, contact teams, etc.
- Offer opportunities to encourage greater participation in grassroots programs

b. Regional VPs

Your Regional Vice Presidents are the link between TAR and local associations. You can use them to help carry the message from the local to the state level. Work with your RVPs to help share the TREPAC message and increase awareness among all Texas REALTORS®.

If we work together to accomplish our goals to raise awareness and increase participation, we will build a PAC culture!

Local association team



A. Fundraising fundamentals

1. Contributing is investing

If people cannot determine a specific benefit from contributing to any source—they are not likely to make an investment.

To be successful in fundraising, you must be able to convince members that investing in TREPAC will bring a direct return in the form of better government, the election of better candidates, and effective influence by the real estate industry in the political and legislative processes in this country.

Even a relatively insignificant investment will be viewed as a waste of money if the investor cannot identify any resulting benefit.

This section considers the motivational aspects of successful fundraising—why people invest money. A better understanding of fundraising basics will help you avoid some of the common failures in raising money and increase your chances of success.

2. Reasons people invest

To motivate members to invest, you must understand the primary reasons people make an investment to any cause. Making the decision to give is very personal and can be quite different for everyone. The more you understand the motivation behind giving, the more successful you will be.

a. They believe in the cause

Most members invest in TREPAC because they believe its cause: to help elect candidates at the federal, state, and local levels who are supportive of the free enterprise system and private property rights.

Many find that the candidates TREPAC supports are the same candidates they would support personally. Others, while perhaps disagreeing occasionally about certain candidates, feel that the advantages gained by having Texas REALTORS® speak with one voice through TREPAC outweigh any personal reservations about one or two candidates.

For whichever reason, most members who invest in TREPAC do so because they believe that organized REALTOR® activity in the campaign process will not only result in a better business climate for the real estate industry, it will create better government for all.


b. They want to help or please the one who asks.

In fundraising, some members invest simply because they want to help the one who is asking. For example, a solicitor might say to another member, “Joe, I promised to raise \$1,000 for TREPAC, and I still need to raise \$200 by tomorrow. Will you help me make my goal by joining the 110 Club level and investing \$110?” In this case, the member who invests may be motivated more by the desire to help out a friend than to invest in TREPAC.

Similarly, some members invest because they want to please the solicitor. If a broker asks her sales agents for an investment, they are less likely to say no than if a stranger asked. After all, they have to work with their broker every business day and would not want to offend her over something as relatively insignificant as a \$35 investment. Keeping their brokers pleased may be a more important motivation than investing in TREPAC.



Texas REALTORS® don't “contribute” or “donate” to TREPAC—they invest.



Texas REALTORS® invest in TREPAC because

- They believe in the cause,
- They want to help or please the one who asks, and/or
- They desire recognition or an award.

c. They desire recognition or reward.

Another reason people make investments is the human desire for recognition and reward. There are always a few who prefer to be anonymous investors, but most people respond to a bit of praise and attention.

In fundraising, recognition is an important element in motivating members to invest. Investments from members must be properly rewarded. It is almost impossible to hand out too many awards for TREPAC in the fundraising process. Lapel pins, ribbons, certificates, etc., are inexpensive and should be an important part of your fundraising drive.

3. Reasons people do not participate

As important as understanding what motivates people to invest is to know why they don't. It's interesting to note that in 2017, only 51% of all Texas REALTORS® invested in TREPAC. That means almost half of all Texas REALTORS® did not invest one penny toward protecting their business, yet they reaped the benefits of those who did. Few members turn down a TREPAC appeal because they cannot afford to invest. How many members do you know would be pinched financially if they invested \$35, \$50, or even \$110?

a. They are never asked.

Raising money must be done the old-fashioned way: You must ask for it. If people are not asked, they will not invest—plain and simple.

Members need to be asked at every possible occasion, not just at association meetings.

Only a relatively small percentage of members regularly attend national and state association meetings. Some do not even attend their local association meetings. Therefore, general appeals for TREPAC investments at such meetings do not reach most members.

A fundraising drive can be a great way to solicit investments, but it's best to design one that reaches most of the members. Some local associations waste time and energy trying to devise a way to get their members to invest without being asked. Others may conduct a solicitation drive but only go back to the same 10% or 20% who invest year after year instead of tapping into the broad ranks of members who have never invested.

b. The fundraising appeal is too vague.

People may also decline to invest in a cause because the fundraising appeal is too vague.

To succeed, a solicitation must state the case effectively. Any solicitation, written or verbal, must provide the prospective investor with all the information needed to understand what he or she is being asked to invest in and why.

Think of it this way ... a potential homebuyer needs to know everything about a house before an offer is made. How old is it? How many square feet? How many bedrooms? How much are the property taxes?

A potential investor needs to know more than merely the fact that someone is asking for an investment to TREPAC. There is a need to know where their money will go, how it will be spent, who decides how to spend it, what benefit it has for the investor, and so on.

c. They don't know how much to invest.

Some people do not respond to an appeal for funds because they are uncertain about the appropriate amount to invest.

One of the fundamental principles of fundraising is that people are not likely to participate unless they are asked for a specific amount, or at least an amount within a clearly defined range. A “give what you can” or “give what you feel is right” approach does not work in fundraising.

It is no accident that professional fundraising organizations always ask for specific amounts during their fundraising appeals.

4. Countering objections

As you solicit other members for investments to TREPAC, you will get some objections. Here are some of the most common objections and suggested responses that will help you ease a prospect’s reluctance and create an understanding of why an investment in TREPAC is important.

“I don’t believe in giving money to political candidates.”

I’m sure you have insurance on your car, home, and business. Bad legislation passed by Congress, the state legislature, or city council could be as catastrophic financially as the loss of your car, home, or business by a fire, theft, or storm. TREPAC helps elect officials at the national, state, and local levels who support the free enterprise system and private-property rights. It’s the best insurance against legislation that can hurt the livelihood of Texas REALTORS®.

“I already invest in political candidates on my own.”

You should invest directly to the candidates of your choice, but you should also invest in TREPAC. A PAC investment to a candidate represents our entire profession and our views on legislation that directly affects our industry. Also, under the law, RPAC may invest larger amounts to a federal candidate than an individual. The larger investments can often make the difference between victory and defeat for a candidate who is supportive of the real estate industry.

“I’ve heard about political action committees—they’re just in the business of buying votes.”

Political action committees are made up of individuals who give a voluntary investment for a cause in which they deeply believe. TREPAC is an effective tool for those individuals who want to participate in the political process at the local, state, and national levels but cannot afford to give thousands of dollars to numerous candidates. In fact, the average investment given by a REALTOR® is under \$75. TREPAC uses these voluntary investments to help elect individuals who support the preservation of private-property rights and the real estate profession.

“I don’t like the candidates TREPAC supports.”

There are association members at all levels who are active in one political party or another. That makes our presence felt—no matter the candidate’s party. TREPAC itself is nonpartisan in its selection of candidates to support; mere party label is not considered. The record, program, and quality of each candidate, plus the recommendations of local associations and the state association, determine who gets TREPAC support.



Some Texas REALTORS® don’t participate because ...

- They are never asked,
- The fundraising appeal is too vague, or
- They don’t know how much to invest.



Never ask for less than the \$35 fair share amount.



reminder

You have to ask members for their investment.

Even the RPAC and TREPAC trustees who decide which candidates to support don't always unanimously agree. However, the trustees have a good deal of information from a variety of sources to help them in making their decisions. A member may disagree occasionally about one or two candidates TREPAC supports, but the decisions of the trustees usually represent the best long-term interests of the association and its members.

"I don't like the association's position on (an issue)."

You may not agree with a particular position taken by the association on a specific issue, but I'm sure you support the Texas REALTOR® philosophy. Do you want to help elect candidates who hold the same philosophy? TREPAC is the best way to do it.

"If TREPAC is already so successful, why should I invest now?"

Protecting private-property rights and our ability to do business is an ongoing battle. Those hostile to the real estate industry are always working to undermine the right to hold and use private property. So while TREPAC has been successful in advancing the Texas REALTOR® position, we must remain strong and ready to assist candidates at every level who support our point of view. On many occasions, some lawmakers have incurred political risk to support REALTOR®-backed legislation. We can't abandon them when they need help in their campaigns. The best way to support them is through TREPAC.

"TREPAC keeps pushing the same issues year after year when asking for money. That doesn't make me want to invest."

Many issues resurface every time lawmakers meet. Texas REALTORS® must be ready to fight continual threats to our industry.

"I'm only in the real estate business part time."

If you benefit at all from your real estate activities, you have something to lose if the wrong candidates are elected or the wrong laws are passed. We all have an obligation to help protect the industry from which we earn even part of our livelihood. TREPAC is one of the best ways to support our industry.

"I'm really busy with my business right now and don't have time to get involved."

You simply can't afford not to get involved. By making your annual investment during the dues billing period, you have done your part to help protect your business and the real estate industry.

"I really can't afford to invest because of the economy."

The economy is a product of politics, and we really can't afford not to get involved. TREPAC investments are used to help elect public officials who understand our economic situation and will be responsive to the economic problems of our industry. When you think about it, making an investment in TREPAC is a real bargain.

"TREPAC supports federal candidates; I'm more interested in state and local candidates."

Though 30% of your TREPAC investment does go to support federal candidates until our RPAC assessment is met, 70% will remain right here in Texas for use in supporting state and local candidates. By making an investment in TREPAC, you can help support good candidates at all levels of government.

B. Let's get busy— How to spread the word

1. Fundraising basics

Many of us look at fundraising as an unpleasant business because we have been conditioned to think that talking about money, much less asking for it, is indiscreet or objectionable. How many times have you heard someone say, "I'll do anything but ask for money"?

Modern campaigns can be expensive. It takes a great deal of money to rise above the noise and effectively reach voters with a candidate's message.

In Texas, for example, a state Senate race—where you're trying to communicate with a district of almost one million people—can run into the millions of dollars. State House races routinely cost several hundred thousand dollars. Even some local races can approach the low six figures. Without adequate financing, candidates favored by Texas REALTORS® and TREPAC cannot be elected. These candidates support the free enterprise system and private-property rights; if they lose, we all lose.

Therefore, no member of the Texas Association of REALTORS® should be reluctant to ask another member for participation. The sole purpose of TREPAC is to help elect candidates at the federal, state, and local levels who are supportive of the real estate industry. By supporting their own political action committee, they will help elect candidates who will listen to the REALTOR® point of view.

2. Creating a committee

To get started, you must first create a TREPAC committee and appoint a PAC chair. This should be done prior to the annual TREPAC and Governmental Affairs Orientation in October. The local board TREPAC chairman should attend Orientation to better understand his or her role for the coming year.

Obtain a commitment from your local president and association executive to support your TREPAC goals. If you do not have their total commitment, your TREPAC activities will not have the proper support needed to achieve your goals.

The selection and makeup of your committee is critical for success.

Choosing a PAC chair

- Create a job description
- Look for someone who can lead a team and recruit the best and the brightest
- Select someone who can ask people for money and get others excited about TREPAC
- Ensure your selection knows the issues and is able to educate others on what's at stake
- An effective TREPAC chair will think outside the box but still preserve the association's core values and purpose.

Selecting a committee

- Select top producers so they can solicit other top producers
- Select new agents to solicit other new agents; new agents are often enthusiastic and eager to be involved
- Select a couple of large-office brokers so they can show their support to their company and communicate to other large-office brokers
- Make sure all geographic areas of your association's jurisdiction are represented
- Large associations may have subcommittees for each area



- Select individuals who specialize in certain services (e.g., commercial, property management, new-home sales, appraisers, and inspectors)
- Select members who can articulate REALTOR® issues effectively
- Committee members must work together on planning and executing their TREPAC goals. This includes making sure planned fundraising events net an acceptable rate of return.
- Discuss and encourage grassroots participation through political affairs programs.

b. Solicit

Who you select to do the asking is important in fundraising drives. This certainly does not mean that only brokers or association presidents can be successful TREPAC solicitors. But make sure you tap into the business networks of your strongest supporters. Involve solicitors who have sway among your membership—people to whom it will be difficult to say “no.”

Experience has shown that a recognized, successful Texas REALTOR® who is also a visible leader in local or state association activities will likely be much more successful soliciting for TREPAC than a new sales agent no one knows. Such key solicitors might include your association's past and present officers, committee chairmen, or REALTORS® of the year.

You should involve the right members as solicitors in your fundraising drive to take advantage of people's reluctance to say “no” to someone they want to help or please.

c. Fundraise

By participating in TREPAC fundraising, you will be taking part in an important process that makes the United States unique. Every American has the constitutional right to participate in our political process. We can do this not only by voting, but by making monetary investments to the candidates, political party, or political action committee of our choice.

3. Functions of the committee

OK, so you've put your committee together. Now what do you do? The responsibilities of the committee are to educate, solicit, fundraise, and recognize. Encourage your volunteer members to promote grassroots participation in TREPAC.

a. Educate

To use the “cause” motivation effectively, you must make sure that members are fully educated. Education is key to building a great PAC culture. You can't effectively raise money if you don't give them a reason to invest.

The educational effort, particularly at the local level, should be year-round and make use of a variety of methods. Consider one or more of the following methods for your TREPAC educational effort:

- Conduct a TREPAC seminar using TREPAC staff and/or your PAC trustee
- Give TREPAC presentations or speeches at local meetings about important legislative issues
- Offer to speak during brokers' sales meetings
- Send communications about TREPAC to every member
- Have plenty of TREPAC materials available at all local association functions. (These items are available on TexasRealEstate.com)



Use solicitors who know about TREPAC and who can articulate an effective appeal.

Although political fundraising is a necessary part of the American political system, no one would claim that raising money for any purpose is easy. Soliciting for TREPAC is no exception. But as you know, many difficult tasks become easier and more pleasant when they meet with success. If you have attended your state association convention or local educational programs, you know that a great deal of effort is put into teaching members how to motivate buyers of real estate—the psychology of selling, in other words. Some of those tactics translate well to fundraising.

If you are going to solicit for TREPAC successfully, you should understand the fundraising basics:

- Start with dues billing
- Mention TREPAC in every issue of member-only newsletters and at association meetings
- Implement the A-Team program (see page 31)
- Create two or three different types of special events, because one event may not gain the interest of everyone
- Plan a targeted direct-mail program via mail or email, then follow up with a phone bank.

See **Legal compliance on page 40.**

d. Recognize

Rewarding your members is important and keeps them motivated! Give recognition to members who stand out as key investors by publishing their names on a password-protected page of the association website or in a member-only newsletter. Recognize TREPAC investors at member luncheons or meetings. Treat them as special guests at TREPAC events and show them how important they are to TREPAC.

- Publish the names of all investors in a member-only newsletter

- Distribute badges or ribbons reading TREPAC Investor, Capitol Club, Lonestar Statesman or Major Investor
- Present dedicated and longtime investors with special awards. A selection of such items may be ordered through the TREPAC online store at TexasRealEstate.com
- Provide VIP services for Major Investors, such as priority seating or pre-registration to special TREPAC events.

Remember, successful recognition and reward programs not only serve as an incentive for TREPAC investors, they will help build a culture of happy, committed, and systematic investors for years to come.

4. Fundraising methods


Several techniques can be used to raise money. Most successful association fundraising plans employ a combination of techniques to solicit investments from members throughout the TREPAC fundraising year. These techniques are implemented during the front-end, middle, or back-end fundraising periods. The most commonly used are dues billing and face-to-face solicitation. The following three techniques generally are the most cost-effective and efficient ways to raise TREPAC funds.

Front-end (dues billing):

Dues billing is the easiest, most successful way to raise money. If you are able to raise all or most of your TREPAC dollars at the front-end, then the remainder of the year is not solely reliant on face-to-face solicitations or special events.

- “Do Your Dues” Campaign

Middle (the conversation):



Each association should schedule a presentation for all TREPAC award recipients, to publicly recognize them and thank them for their support.

Educating Texas REALTORS® and having a conversation about the important issues in the real estate industry is how we will begin to build a TREPAC culture. One benefit of building a strong TREPAC culture is that members are more likely to invest in TREPAC at the beginning of the year during dues billing. Education throughout the year is a key component to maintaining and building a high rate of investments during front-end dues billing campaigns.

- Office visits
- A-Team presentations (See page 31)
- One-on-one solicitation
- Solicitation campaigns
- Phone banks
- Direct mail
- Social media (See page 41).

Back-end (special events):

Many Texas REALTORS® enjoy attending TREPAC events and activities. Below is a list of some of the most successful events around the state. These events should be used to raise additional PAC dollars, and not used as the sole means of raising money.

- Jail and Bail
- REALTORS® Got Talent
- Competitive events, such as bowling or golf tournaments or a 5K run
- Tailgate party
- Chili cook-off
- Volley for TREPAC
- Night at the Races
- Top chef
- Blackjack for TREPAC—check with TREPAC staff to make sure you're doing this event legally
- Cake decorating contest
- Learn-Create-Auction
- Non-event events
- Pink flamingos
- Photo contests

For more information on any of the above events, contact TREPAC staff.

a. “Do your Dues” billing

Dues billing is billing members for voluntary investments on the association dues statement. This process has proven over the years to be the easiest and most successful method to start your fundraising campaign. The “Do Your Dues” campaign is directed at getting members to invest early during the dues-billing cycle. Here are some resources to help you promote it to your members.

- When your local association mails its annual dues billing, each member should have the opportunity to invest in TREPAC on the invoice
- The minimum voluntary investment level listed should be \$35 (TREPAC fair share)
- Brokers or designated REALTORS® should be asked to invest at a higher amount
- When paying online, require members to uncheck the “voluntary investment” box
- If they uncheck the box, use a pop-up message to encourage them to leave the box checked
- Bill Texas REALTORS® at the same amount they invested the previous year, if the amount was above the fair share
- Use “above-the-line” recommended investment
- Prior to billing, publish articles in your association’s newsletter about the importance of participating in TREPAC
- Promote TREPAC successes, issues, TREPAC calculator, or other educational materials
- Include a thank-you note from the president pointing out the need and importance of investing
- Encourage excitement during the dues-billing cycle by promoting the “Do Your Dues” videos
- Offer dues-billing challenges for association or MLS dues
- Tie dues billing to a fundraiser for your local food bank or other charity
- Always include the TREPAC disclaimer on dues-billing statements



Dues billing is the easiest and most successful way to raise money.

- Promote TREPAC awards/incentives for investing.

Visit the **“Do your Dues”** page on [TexasRealEstate.com](https://www.texasrealestate.com) for inserts, videos, and other tools and resources.

b. Direct mail

Fundraising through direct marketing can serve two purposes: to raise money and to raise member awareness for TREPAC. Direct marketing can be done through email, postal mail, telephone, and even text messaging.

Direct marketing shows the member that TREPAC has a timely, compelling message and should always provide members with a means to act.

- Determine your target audience. Is it members who did not invest with dues billing? Members who invested last year but not this year? Or is your target group the offices that have not yet reached 100% participation?
- To have a great success rate, make sure to incorporate all the following items into your direct marketing package:
 1. A concise, timely, and informative message
 2. A request for a specific amount of money
 3. A means to act (response form, pledge card, link to invest, etc.)
 4. Have your message endorsed by an influential Texas REALTOR®.

c. Education

Participate in TREPAC’s video broadcast of “The Law, Legislature, and the REALTOR®”. This is a 3-hour CE course broadcast to participating local associations several times a year. The course is taught by TAR Governmental Affairs staff and gives an overview of the legislative process and the legislative issues affecting the real estate industry.

This CE course is a great way to educate REALTORS® and raise awareness about the important issues facing our industry and the value of getting involved in the political process.

d. Move-up programs

As part of building a TREPAC culture, it is important to keep current investors interested in maintaining their same level of investment or investing more year after year. Implement a “move-up” program for those current investors by offering incentives, such as investor awards, reserved seating, and year-round recognition at the local, state, and national levels. Review the many TREPAC/RPAC incentives to help get you started.

*See Appendix B for incentive programs

e. Local association challenges

1. Association vs. association

This type of challenge seems to be one of the most popular vehicles for local associations to use as a motivational tool to increase membership involvement. Many local associations challenge other associations to show their local spirit.

These challenges can be based on:

- Highest percentage over dollar quota
- Highest percentage over participation quota
- Highest number of 110 Club, Lone Star Statesman, or Sterling R members.

2. Office vs. office

Office challenges are usually the most productive due to the competitive spirit of Texas REALTORS® and the pride they have for their individual office. These challenges are usually based on 100% participation of sales agents making investments and going beyond their fair share.

Examples of awards can include:



Asking members for money can be a pleasant experience ... if you know how to ask properly.

- The winning broker and sales manager are taken to lunch by the losing broker and sales manager
- The losing office provides some type of treat to the winning office
- All offices obtaining 100% participation receive recognition on the local level
- The most outstanding office wins a special recognition award from the local association.

f. One-on-one solicitations

Perhaps the most effective technique in almost any kind of fundraising—TREPAC, charity, church, etc.—is one-on-one solicitation. The No. 1 reason people don't give money is because they were never asked. As the name implies, this involves one member sitting down with another to ask for a TREPAC investment. One-on-one solicitation is time-consuming. Nonetheless, most professional fundraisers agree that, while other techniques may be more productive in raising money from a larger number of people, one-on-one solicitation is almost always the most effective way to get an investment from any one individual. Remember, it's far more effective to use persuasion rather than pressure when trying to change someone's mind. Talk about TREPAC's successes in protecting the REALTOR® profession and rights of property owners.

1. Determine who you should target

Every member should invest in TREPAC.

Choose targeted groups such as investors who contributed in 2017 but not 2018, local association leaders who have not invested, "move-up" investors who are just shy of the next award level, etc.

2. Who can be solicited?

The Federal Election Campaign Act (FECA) stipulates that only the following class can be solicited for TREPAC investments (hereafter "solicitable class"): Texas REALTORS® members (including affiliate members), certain salaried executive and administrative personnel of the association, and the family of both groups. According to the Federal Election Commission (FEC), "family" includes a father, mother, sons, and daughters who live in the same household.

TREPAC investments may still be accepted from a person or entity outside of the solicitable class, provided the person or entity was not solicited and was not informed that unsolicited investments are acceptable.

See Legal compliance on page 40.

3. Setting up appointments with prospects

- Compile your list of contacts
- Call your prospect, identify yourself, and briefly describe why you are seeking an appointment
- Give your prospect enough information to confirm a date and time to get together
- Set up a convenient time to meet or contact by phone.

g. The five rules of one-on-one solicitation

Once you have agreed to solicit other members for TREPAC, but before you make that first visit, you should learn the five rules for successful one-on-one solicitation:

1. You must have invested in TREPAC yourself

This is called the “put your money where your mouth is” rule, and it is an unbreakable one. There is simply no way you can make an effective case for TREPAC if you have not invested yourself. This is just common sense. You could hardly ask someone to buy a certain product if you had to admit that you did not use it yourself. It would be difficult to ask someone to vote for a particular candidate if you were not planning to vote for him. Many times, the first question your prospects will ask is, “If this is so important, how much money have you invested?”

2. You must state the case for TREPAC effectively

To get an investment for TREPAC from your prospects, you must do an effective job selling TREPAC. To do that, you must:

- Understand how TREPAC works
- Know its purpose, objectives, and structure
- Use persuasion, not pressure.

As you call upon prospects, you know you will get some objections to investing in TREPAC. Failure to respond convincingly can leave your prospect believing that no satisfactory answer exists. If you don't know the answer to a question asked by one of your prospects, admit it and promise to find the answer.

3. You must ask for a specific amount

One of the fundamental principles of fundraising is that people are not likely to invest unless they are asked for a specific amount. A “give what you can” or “give what you feel is right” approach does not work in fundraising, and will seriously weaken your one-on-one solicitation efforts.

In deciding how much to ask from each prospect, you should be familiar with the investment categories established by your TREPAC trustees. The TREPAC goal, called a “fair share,” is \$35 per member per year. To decide how much you will ask from each member, observe the following guidelines:

- Never ask for less than the fair share goal—\$35 per member per year
- Never ask for less than the member invested the year before
- Attempt to “upgrade” or increase the amount the member invested the year before by informing them about our award level programs.

4. You must close the sale

Just as in selling real estate, to be an effective TREPAC solicitor you must bring your prospects to the decision, “Yes, I will invest in TREPAC.”

Guidelines to close the sale:

- Do not ask the yes/no question until you are sure you are close to a deal and have effectively conveyed all the reasons why this investor should contribute to TREPAC.
- When the time is right, ask for their investment directly and confidently: “Mr. Jones, will you invest xx dollars in TREPAC today?” or “Will you write a check to TREPAC today for xx dollars?”
- Wait for a response from the prospect. You are not asking this person for money to put gas in your car. You are asking him to make an investment in his livelihood.
- If the answer is yes, the next step is to thank the prospect and leave with the check.
- If the response is no, ask for a lesser amount. If you are again met with a negative response, ask if there would be a better time of year or if they would consider an even lesser amount. Also ask if you can provide information on the benefits of TREPAC by signing them up for the *Legislative Liaison* e-newsletter.



tip

You must lead by example if you're going to ask members for money.



tip

Phone solicitation will help bring in a lot of money at the end of your fundraising campaign.

5. You must follow up

Once you have completed the solicitations, you must:

- Follow up on any questions or requests that may have arisen during your visits
- Be sure to send thank-you notes (regardless of whether they invested).

h. Meeting presentation

Members are often asked to speak at a luncheon or sales meeting about TREPAC and do not realize that this can be a fundraising opportunity.

Here are a few ideas to turn your next presentation into a fundraising experience:

- Make sure pledge cards or other materials are on tables for people to fill out
- Have posters displayed at entrance of meetings
- Meet with association leaders ahead of time to discuss pertinent information
- Read the latest *Legislative Liaison* for updates
- Tell your story about why you invest
- Always close with a push to invest in TREPAC.

i. Telephone solicitations

Telephone solicitations use local members to call other members to solicit TREPAC investments.

- Select an office location that will permit the use of its phones
- Provide callers with a list of names to call that includes name, phone numbers (both office and home, if possible), and the amount previously invested, if any.
- Target audiences
 - 1) Those who invested \$110 or more in the previous year
 - 2) Those who are known as high-volume producers and would have less reason to refuse to

invest, or

3) Any and all members.

- Provide a script and other useful resources that can help address questions
- Ask Major Investors of the association to call and/or visit someone they know personally and ask them to match the Sterling R investment
- Recognize those who pledge in your association's publications as soon as possible after the phone bank.
- Encourage competition between offices for 100% investments. Publish the results.

j. Online investments

It's never been easier or more important to protect your pocketbook. By investing online at TREPAC.com, you are doing your part to ensure the real estate economy continues to thrive and that homeownership remains affordable for all Texans. The best part about investing online is that your investment is applied to your local association but is processed immediately by going directly to TREPAC.

By encouraging Texas REALTORS® to invest online, you are reaching out to all members of your local association and not just those who attend the monthly meetings, fundraisers, and political events. By going online, Texas REALTORS® will be able to make their investment at any time and are more likely to repeat future investments.

5. Business plan

The business plan is a method used to assist in creating an association's fundraising goals. The plan provides a formula to determine the best way to raise money based on the association's success in certain areas such as dues billing, direct mail, special events, and A-Team presentations.

The plan should include steps for each fundraising method. Texas Association of REALTORS® staff prepares the document by incorporating each association's existing data into the plan. The plan is then distributed to their association to help map out their fundraising objectives for the year.

This plan should be used as your guide throughout the entire fundraising cycle along with monthly follow-ups to gauge fundraising progress.

***See Appendix C for 2019 Business Plan**

6. Fundraising tools

TREPAC tools for success and fundraising items support an association's fundraising efforts. A local association can purchase items such as pledge cards and brochures to be utilized in sales meetings and new-member orientations. They are especially effective in an A-Team presentation. For example, when giving an A-Team presentation, put a pledge card on each chair and ask each member to fill out their pledge card and make an investment to protect the real estate industry.

For auctions, prizes, and other fundraising items, we provide TREPAC- branded items, such as iPad cases, laptop bags, golf balls, travel mugs, and jackets. These items can be purchased through the local association and used as fundraising items or promotional giveaways. TREPAC- and REALTOR® Party-branded items are very effective in boosting fundraising efforts.

To access further fundraising tools and resources, visit TexasRealEstate.com. You may also visit TREPAC.com, a page that uses social media to spread TREPAC messages to members.

a. TREPAC savings calculator

Texas REALTORS® can go online and see firsthand how TREPAC has helped them save money on real estate transfer taxes, taxes on services, professional fees, and their mixed-use vehicle by simply plugging their own numbers into our online calculator. And once they realize how much they saved, they can invest some of their savings in TREPAC.

***See Appendix D for TREPAC calculator**

b. Texting

Keep on the pulse of what's happening with TREPAC and the Texas Association of REALTORS® by texting the word "TREPAC" to 512-806-0316.

By sending this text, you'll be enrolled to receive messages on important legislative issues, calls for action, and other matters concerning our industry.

7. Implementing your plan

Now that you understand the fundraising basics, have created a fundraising committee, and developed your fundraising methods, it's time to put them into action! Use your fundraising committee to help put together your business plan and monitor the success of the methods chosen.

Refer back to the business plan often to make sure you are on track. Certain methods may work better than others depending on your members and the fundraising needs, so it's important to have the fundraising committee meet periodically to discuss successes and what should be modified for next time. How well do your members respond to meeting presentations? Direct marketing campaigns? Are they investing?

Your business plan will help you determine where you are successful and how well your members respond.



Texas REALTORS® can use the TREPAC savings calculator at TREPAC.com to determine how much TREPAC has saved them.



Your business plan should be used as your guide throughout the year.

C. Special events

1. Guidelines for special events

Some associations include special events in their fundraising activities. Auctions, dinners, chili cook-offs, etc. can be fun and successful events for TREPAC. Some associations even sell merchandise to benefit TREPAC at these events.

Members involved in fundraising committees are often familiar with special event fundraising through charity or church work, and they believe the same type of activities are appropriate for TREPAC fundraising. In other cases, fundraising committees plan such events because they believe they are more fun and will appeal to a larger percentage of their membership.

An association may sponsor social events like dinner parties and receptions to solicit investments. Your association's corporate allocation is available to cover related fundraising costs. Please note that under TREPAC policy corporate reimbursement is not available for functions that could be interpreted as primarily benefiting a candidate, such as a function that honors specific candidates. More importantly, depending on the circumstances, a function benefiting a candidate may be illegal. See subsections on Use of corporate funds by a local association in a campaign, page 46, and on Hosting meet-and-greet events, page 47.

Whatever the motivation, using special events for the sale of merchandise to raise TREPAC funds involves practical and legal considerations that should be reviewed before planning any such activities. In addition, your association's legal counsel should review all proposed fundraising activities to ensure compliance with current laws. You will want to use the TREPAC disclaimer on all special event invitations for any fundraising activities.

The fundraising event must only solicit investments in TREPAC or an affiliated PAC sponsored by the association. The association may not use its funds or resources to support the solicitation of investments directly to a candidate or industry PAC or to otherwise coordinate with any candidate for or against a candidate's campaign.

MUST-READ for special events: Section on Legal aspects on page 47.

2. Raffles

Gambling in Texas is illegal. While exceptions exist for charitable entities, these exceptions do not apply to TREPAC. Therefore, regardless of what it is called—a raffle, a sweepstakes, etc.—fundraising events cannot include a scheme that involves payment for a chance to win a prize. For example, you could not award “free” prizes through raffle drawings at a fundraising event if only those that paid admission to attend the event are eligible to win.

You can avoid illegal gambling and still raise TREPAC investments by eliminating chance from the equation. For example, you could charge for entry into a game of skill (rather than chance)—such as a hole-in-one golf challenge or a dart contest—where prizes are awarded based on performance. Please note, card games and fantasy football are not considered games of skill. Another approach to eliminating chance is a TREPAC incentive program that equally rewards all investors that achieve a certain goal.



reminder

Raffles for political purposes are illegal in Texas.

Alternatively, you could eliminate prizes from the fundraising event. For example, you could host a casino night where you charge for admission and extra chips but do not offer any prizes to the winners. You could recognize the winners with a trophy, certificate, etc. so long as nothing of value is provided to them.

Under specific circumstances, the law allows for private poker tournaments. No tournament money, however, could go to TREPAC.

For more details on Casino night fundraisers, see section on Fun Events, Casino nights, on page 29.

3. Auctions

Some associations conduct auctions to benefit TREPAC. Usually, these consist of donated items or services being sold to the highest bidder either through a live or silent auction.

Auction items can range from expensive original artwork, such as bronzes or oil paintings, to handmade tablecloths or jewelry. Some local boards put up for bid such things as a week in a member's cabin in the mountains or vacation time at the seaside beach house of a member. Merchandise or service can often be put up for bid at an auction so long as it is desirable or useful enough to draw bidders' interest. Please note, however, that the auction of heavily regulated items (such as alcohol or guns) is subject to many legal restrictions.

For example, a temporary TABC permit will be necessary if you wish to include alcohol in an auction. While you should always consult with TAR before conducting an auction, it is important to notify PAC staff right away, if you hope to include heavily regulated items in an auction.

See appendix K

Conducting an auction also demands consideration of several legal aspects, such as:

- Who can donate merchandise or services?
- How to handle consigned items
- Who can purchase auction items?
- What restrictions may apply?

a. Who can donate merchandise or services?

Only those who can legally invest in TREPAC, i.e., those in the solicitable class (see page 40), may donate an item for sale at an auction. Associations may also purchase and/or donate items for an auction, subject to satisfaction of the federal "one-third rule." The one-third rule provides that the maximum cost of auction items, prizes, merchandise, or entertainment that may come from corporates funds or donations—which would include funds or donations from an incorporated local association—is one-third of the total funds raised by the event. The organization or person donating an item at auction is reported as making an in-kind contribution in TREPAC in the amount of the fair market value of that item. Please note: The fair market value of an in-kind contribution is not counted toward an individual or entity's annual TREPAC investment total. The full name, mailing address, occupation, and employer of the investor must be determined so that the legally required information about the investor can be accurately reported.



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Contact TREPAC staff within 15 days of your event if you plan to auction alcohol.

b. Who can purchase items?

Only those who can legally invest in TREPAC, i.e., those in the solicitable class (see page 40), may purchase an item for sale at an auction. The purchaser of an item at an auction is deemed to have made an investment in TREPAC for the entire purchase price of that item, even when a portion of that price is paid to an artist or other consignor. Therefore, you must take care not to sell any auction items to an organization or person not permitted to invest in TREPAC or to ask an organization or person outside of the solicitable class to bid on or purchase an auction item. As above, the full name, mailing address, occupation, and employer of the investor must be determined so that the legally required information about the investor can be accurately reported.

See section on Legal aspects on page 40.

c. Potential disadvantages

Properly organized and conducted auctions can be a successful way to raise TREPAC funds, but several potential disadvantages must be considered.

Insufficient identification with TREPAC

Some auctions draw members who are more interested in the items being auctioned than in TREPAC. In fact, at some auctions, TREPAC is scarcely mentioned at all. Members attending such auctions can leave knowing as little about TREPAC as they did when they arrived. Therefore, you should make sure you pitch TREPAC itself at such auctions, so members will have a clear idea of where their money will be going and why it is important for them to invest.

Keeping your crowd

You may attract a good crowd initially but many people wander in and out of auctions, and it's often difficult to hold a crowd for the amount of time it takes to auction off the items. Unless your auctioneer is especially gifted in entertaining people and holding their attention, or unless you have some particularly sought-after auction items, you may not retain enough active bidders to make your auction a success.

4. Dinners or other food events

To many members, fundraising dinners are perhaps the most familiar method of raising money. Most of us have been invited to dinners to raise funds for a candidate or political party, charity, community cause, church, etc.

a. Who can be solicited to purchase tickets?

Only those who can legally invest in TREPAC, i.e., those in the solicitable class (see page 40), may be solicited to purchase tickets.

See section on Legal aspects on page 40.

b. Who may pay the costs?

The association paying to conduct the event is subject to the one-third rule: The maximum cost of auction items, prizes, merchandise, or entertainment that may come from corporate funds or donations—which would include funds or donations from an incorporated local association—is one-third of the total funds raised by the event.

Example: If association funds are used to help pay the cost of a fundraiser where the cost of the auction items, prizes, and entertainment is \$1,000, then at least \$3,000 must be raised in event proceeds in order to meet the one-third rule.

The one-third rule does not apply to the amount spent on facilities, food and drink, or advertising expenses. Association funds may be used to pay the full cost of these items without regard to the one-third rule.

Donation of any goods or services used in staging the event may be solicited and accepted only from those persons in the solicitable class, and the fair market value of any such items or services must be included in the determination of the association's cost of staging the event if the items or services come from corporate affiliate members.

It is permissible to utilize the services of corporate vendors to provide food and facilities (e.g., a restaurant owned by a corporation) and services (e.g., an incorporated caterer or food service company) to hold a food-related fundraising event, as long as the corporate vendor is paid "within a commercially reasonable time in the amount of the normal and usual rental or other charges for the food, facilities, and services. If not paid in this manner, there is risk of an unlawful solicitation and investment in TREPAC regarding the corporate vendor. Therefore, the association holding a dinner must pay the usual rental for the hall or building where the dinner is held and pay the caterer the normal fees for the food services provided.

D. Fun events

1. Casino nights

Many associations use casino nights to raise money. These events usually simulate the environment of a gambling casino with bingo, card games, table games, and other gaming-related activities that are lots of fun for all but come with a number of legal restrictions.

Association legal counsel and local law enforcement agencies should be consulted before planning a casino night event to determine whether state and local laws allow such events and what restrictions may apply.

Example – Play for fun, no prizes

- Texas REALTOR® pays admission to attend
- All admission monies go to TREPAC as investments
- Attendees can pay for additional chips
- Include silent or live auction to raise additional PAC dollars.
- Key to keeping it legal: Absolutely no prizes!

Under the following specific circumstances, the law allows for private poker tournaments:

- Private place: The location where the poker tournament takes place cannot be open to the public. Additionally, no matter what, the draft cannot be held in a bar or restaurant. Ideally, it should be physically separate from the fundraising event.
- Private tournament: The poker tournament cannot be open to the public; cannot allow people outside of the solicitable class (see page 40) to participate, no matter how they heard about the tournament.
- No required investment: Cannot require a person to pay admission to the separate fundraiser event in order to be eligible to participate in the poker tournament
- Equal chance of winning: All participants pay the entry fee ("tournament buy-in") to play in the poker tournament. This is not a TREPAC investment. All participants are given equal amounts of chips so they have the same chance of winning, except for the advantage of skill and luck. There is not an opportunity to buy additional chips.
- Keeping the money separate from the fundraising event: All tournament buy-in money must be kept separate from TREPAC money.



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By law, the amount your association spends to conduct the event must be equal to one-third of the total funds raised by the event.

- No cut for TREPAC: 100% of the tournament money (number of players x tournament buy-in) must be awarded to the poker participants; none of the money can go to TREPAC. TREPAC should not accept investments from the winners of the poker tournament at the fundraising event.

Consult with TREPAC staff and your local counsel as needed. As indicated above, hosting a poker tournament in a legal manner can be complex.

2. Golf tournaments

Putting together a golf tournament to raise TREPAC dollars can be a lot of fun and also a lot of work.

The money raised and participant response is usually quite good, but there are a few items to keep in mind.

Example 1: Pay to play

- Admission pays green fees to play in TREPAC golf tournament; admission fees are not investments.
- Include silent or live auctions for TREPAC dollars.
- Pro: This approach avoids application of the one-third rule to green fees, as green fees don't have to be considered under the one-third rule where admission fees are not investments. The high cost of green fees can otherwise make it difficult to meet the one-third rule for golf tournament fundraisers.
- Con: Admission fees are not investments. Find other ways to raise TREPAC dollars during the golf tournament.

Example 2: Admission goes to TREPAC

- Texas REALTORS® pay to play in the TREPAC golf tournament; admission fees count as investments.

- Advertisers or local TREPAC dollars cover the overhead. Remember that advertising dollars paid by affiliate members should not be considered TREPAC investments.
- Additional TREPAC investments give attendees a chance to enter a closest-to-the-hole or longest-drive competition, etc. Winners receive prizes.
- Include a silent or live auction for additional TREPAC dollars.
- Pro: Potential to raise a lot of money for TREPAC, as admission fees count as investments.
- Con: The high cost of green fees can make it difficult to meet the one-third rule. Multiply the total cost of green fees, prizes, and auction items by three to determine the amount of money that needs to be raised at the golf tournament to satisfy the one-third rule.

For more details on putting on a golf tournament, contact TREPAC staff.

3. Major Investor events

A Major Investor Event-Based Fundraising Program is designed to help educate REALTORS® about the importance of investing in TREPAC and to recruit new Major Investors.

In collaboration with NAR, local associations can host personalized events designed to explain the connection between legislative successes and TREPAC. During these NAR-sponsored events, attendees get a special legislative briefing from TREPAC leadership, NAR staff, GADs, and key REALTOR® volunteers, and receive a comprehensive explanation of RPAC Major Investor benefits. The majority of events are 100% NAR- sponsored.

How are these events structured?

The most successful events are small and personal with 15 to 20 attendees. Invited guests should include top producers or REALTORS® close to a Major Investor award level. The event is held at a local venue that is convenient for attendees. Dinner events normally last about two hours and are held at establishments that are bound to attract potential new Major Investors.

4. Local association functions — meetings

a. Preparation

- Set a timetable for actions
- Planning for most events should be started at least 45 to 60 days before the event
- Form a committee
- Have written guidelines for all committee members
- Determine what you can spend for overhead costs
- Who will you invite for your special guests: State senators, state representatives, members of Congress, local officials? See subsection on Hosting meet-and-greet events, page 47, for limitations regarding candidates during election season.

b. Advertisers

- What is the cost to be an advertiser for this event?
- Do you want multilevel advertisers (Golden, Crystal, and Sterling)?
- Set a goal for the PAC committee. Example: We need 20 advertisers, and we have 10 committee members, so each member needs to recruit two advertisers each.

c. Invite notifications

- Send a notification to potential advertisers — must be in the solicitable class (see page 40)

- Send a notification to your special guests inviting them to attend
- Determine what type of invitation you will need for your event
- All advertiser names should be listed on the invitations
- Invitations should be sent out two weeks prior to the event.

d. Attendees

- What are you going to charge individuals to attend the reception?
- Have a display board with all the advertisers' names listed at the event entrance
- Name-badge ribbons for your hosts are an additional form of recognition for their commitment
- Introduce and thank all elected officials or special guests for attending.

Remember: This is a fundraiser and not a thank-you party. The goal is to raise funds for TREPAC, and costs should be covered like any other special event with advertisers.

E. A-Team Approach

1. What you need to know

Each program has equally important goals and objectives designed to help us speak with a strong unified voice for the real estate industry.

To conduct an A-Team presentation for your association, follow the model using TREPAC, public policy, political affairs, and issues mobilization.

Provide a brief presentation on each of the four programs, then discuss how they are all equally important in the success of achieving Texas REALTORS® goals.

This section will help you prepare for an A-Team presentation and includes sample scripts.



Take pledge cards to hand out at every meeting.



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The A-Team is designed to make maximum use of all four of our governmental affairs areas: TREPAC, Public Policy, Political Affairs, and Issues Mobilization.



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“No man’s life, liberty,
or property are safe
when the legislature is
in session.”

—Gideon J. Tucker

Preparation

- Schedule time with area brokers and office managers to speak to agents
- Arrive early enough to set up the room
- Place pledge cards and other PAC materials at each seat
- Get a list of agents in attendance to follow up.

Presentation

- Determine who will discuss which topic (in some cases, one person may do the entire presentation)
- Make sure to be prepared and well versed with your presentation
- Do not read from your notes. Use talking points as a guide to keep you on point.
- Speak from your heart and simply tell your story about why TREPAC is important to you and why it should be important to them
- Know that you may only have 5-10 minutes to speak.

Follow up

- In front of the agents, ask the broker/manager whether you can put up posters in the break room
- Send a thank-you letter to the broker/manager
- Send a thank-you letter to your TREPAC contact.

2. A-Team introduction

In 2017, TREPAC raised more than \$4.9 million, which enables us to invest in candidates running for office who share our belief in protecting the rights of property owners in Texas and in keeping our industry strong.

Our TREPAC efforts combined with our Political Affairs programs, legislative advocacy, and focus on local issues help us motivate and engage Texas REALTORS® to participate and assist with campaigns through major grassroots efforts on the campaign trail and at the Capitol.

With 2018 being an election year and the Texas Legislature convening in 2019, we need your support electing the right candidates to office. A strong TREPAC will allow us to do just that.

3. Legislative Affairs presentation

As the preamble to the REALTOR® Code of Ethics states, “Under all is the land.” That’s why TAR’s legislative agenda has expanded beyond traditional real estate issues, like property taxes, home equity, and private-property rights, to include issues such as transportation, infrastructure, and water. These and other issues debated at the state and local levels can have direct or indirect impacts on private-property rights and real estate consumers.

Association leaders realized that Texas is in a strong position ... we have a diverse economy, we are a leading state in the nation for job creation, and people are moving here at the rate of 1,100 per day according to the U.S. Census Bureau.

We want to ensure the Texas of tomorrow is better than the Texas of today.

The 86th Texas Legislature: Looking ahead

The regular session of the 86th Texas Legislature convenes Jan. 8, 2019. Texas REALTORS® are prepared to advocate for private-property rights and the real estate industry during the 140-day session.

Make plans now to attend REALTOR® Day at the Texas Capitol on March 26, 2019, where you’ll meet with your lawmakers during session. As their actual local constituents, you have the greatest voice to share REALTOR® positions on legislation.

The 85th Texas Legislature: More victories

The 85th legislative session adjourned May 29, 2017. Texas REALTORS® had several important legislative successes as the strongest advocates for Texas real estate consumers.

Bills and testimony

As in every legislative session, TAR staff read and reviewed every single bill that was filed during the 2017 legislative session to ensure the interests of Texas REALTORS® and Texas real estate consumers were protected. TAR staff then monitored bills that had been identified with the potential to directly or indirectly affect the Texas real estate industry.

- 14 staff members reviewed bills by assigned topics
- 7,051 bills were filed during the regular session
- TAR tracked 2,767 bills during the regular session
- 583 bills were filed in the special session
- TAR tracked 343 bills during the special session

In addition, TAR Legislative Affairs staff and consultants provided testimony in several committee hearings in support of pro-real estate legislation—often remaining until the committee adjourned in late hours to ensure lawmakers recognized TAR’s dedication to consumer advocacy.

Advocating for property tax reform

Texas REALTORS® strongly advocated for the pro-consumer property tax reforms in a piece of legislation known as Senate Bill 669 that would have given taxpayers more information about how their tax rates are set and how they can engage in the rate-setting process.

To support TAR’s position, we initiated multiple member and consumer calls for action on property tax reform. When we initiated a call for action targeting the Texas House of Representatives, respondents sent more than 5,000 messages in less than 36 hours.

However, the 85th Texas Legislature ultimately failed to pass SB 669. While TAR is disappointed that lawmakers didn’t resolve this important issue during the 2017 session, Texas real estate did have several victories.

Legislative successes

We’re proud to say that these TAR-supported bills were signed into law by Gov. Greg Abbott:

Clarify advertising rules and disclosure from wholesalers

Senate Bill 2212, authored by Sen. Kelly Hancock and sponsored by Rep. John Kuempel, became effective on Sept. 1, 2017.

The legislation will protect real estate consumers from misleading real estate advertisements and require disclosure from real estate wholesalers.

TAR worked with the Texas Real Estate Commission on this important pro-consumer legislation.

More information on seller’s disclosure

House Bill 890, authored by Rep. Charlie Geren and sponsored by Sen. Craig Estes took effect Sept. 1, 2017.

The law puts a mechanism in place to provide real estate buyers disclosure about the impact of potential aircraft noise and other activities from nearby military installations.

This language has been added to TREC’s Seller’s Disclosure:

This property may be located near a military installation and may be affected by high noise or air installation compatible use zones or other operations. Information relating to high noise and compatible use zones is available in the most recent Air Installation Compatible Use Zone Study or Joint Land Use Study prepared for a military installation and may be accessed on the Internet website of the military installation and of the county and any municipality in which the military installation is located.

This provides potential buyers with information about military installations without putting a burden on sellers to investigate whether such disclosure may be required for a particular property.

End voter confusion

Senate Bill 957 passed the House and Senate unanimously and was authored by Sens. Donna Campbell and Juan "Chuy" Hinojosa and sponsored in the House by Reps. Jodie Laubenberg, Larry Gonzales, Gina Hinojosa, Charlie Geren, and Toni Rose,

The new law clarifies Texas ballots in several ways:

- State propositions must be labeled with a number (Proposition 1, Proposition 2, etc.)
- Local propositions must be labeled with a letter (Proposition A, Proposition B, etc.)
- Propositions must be labeled with the entity ordering the election (State of Texas Proposition 1, City of Lakeway Proposition A, etc.)
- State propositions must be listed above local propositions.

TAR supported this legislation and other bills to end voter confusion in response to past elections when state and local propositions were labeled similarly on ballots, which lead to confusing campaigns.

For example, some Texas voters had as many as five "Proposition 1"s on their ballots in the November 2017 election and were unclear about which proposition was being advertised in campaign materials.

Expanding transportation options statewide

House Bill 100 became a law that provides clear statewide standards for transportation network companies (TNCs) by implementing several requirements, including:

TNCs must be permitted by the Texas Department of Licensing and Regulation

TNCs must pay an annual fee (\$5,000) to operate throughout the state

TNCs must perform annual local, state, and national criminal background checks on drivers.

This TAR-supported legislation had wide support in the Legislature, as it was authored by Rep. Chris Paddie, joint-authored by Reps. Senfronia Thompson, Poncho Nevárez, John Kuempel, and Geanie Morrison; coauthored by 67 other representatives; and sponsored in the Senate by Sen. Charles Schwertner.

TAR supported the bill because TNCs play an integral role in a multimodal approach to resolving the state's transportation challenges, allow real estate consumers to expand their property search, and encourage the state's pro-business environment.

Prohibit fees on new construction

House Bill 1449, authored by Rep. Ron Simmons and sponsored by Sen. Jane Nelson, became a law that prohibits cities from imposing California-style linkage fees on all new residential and commercial construction. These fees would raise costs to real estate consumers and harm economic growth and expansion in Texas.

Special session

Here's a rundown of the TAR-supported legislation that was signed into law after the 2017 special session.

Municipal annexation reform

Senate Bill 6, authored by Sen. Donna Campbell, now requires cities in populous counties that want to annex an area to seek voter approval in the area to annex it.

Trees on private property

The law resulting from House Bill 7, authored by Rep. Dade Phelan, says cities that charge property owners a fee to remove trees on their own property are required to give property owners the option to instead plant a tree somewhere else, either on their own property or in a mutually agreeable location in the city. This law also prohibits a city from preventing the removal of certain small trees.

Funding for public schools

House Bill 21, authored by Rep. Dan Huberty, gives Texas public schools \$351 million through various programs and created a 13-member commission to study the current public school finance system and make recommendations for improvements. TAR has been following the commission's meetings and will report on the findings.

What happened to property tax reform?

Unfortunately, the 85th Texas Legislature didn't pass legislation in the regular session or special session that would have reformed property taxes for Texans.

Texas REALTORS® have been working to reform the property tax process for more than two decades, and we're disappointed that the Legislature didn't take this opportunity to pass significant reforms.

The final version of the comprehensive property tax reform bill in the special session—Senate Bill 1, authored by Sen. Paul Bettencourt, — would have provided several reforms for Texas property tax payers:

- Lowered the rollback rate from its current 8%
- Made rollback elections automatic for all local taxing entities, repealing the petition requirement
- Improved transparency in the tax-rate-setting process, providing taxpayers more information about how rates are set and how to voice concerns when a proposed tax rate will lead to an increased tax bill.

Texas REALTORS® worked diligently during the legislative session to educate lawmakers on the importance of real property tax reform, especially the need to enhance transparency.

TAR will continue to work with lawmakers on this and other critical real estate issues in advance of the 2019 session.

The Hidden Property Tax campaign

The Hidden Property Tax statewide education campaign continues to gain momentum as we work to educate property owners, elected officials, and media professionals about the property tax cycle.



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Candidate interview questionnaires are at TexasRealEstate.com/candidateinterviews.

The campaign is even more important now since lawmakers didn't ultimately pass legislation that would reform the property tax process.

Learn more at HiddenPropertyTax.com

Keep TREPAC strong

Texas REALTORS® remain one of the most influential groups at the Capitol. We enjoyed overwhelming success during the 85th Texas Legislature, none of which would be possible without a strong TREPAC.

The threats to our industry are ever-present and always changing ... and that's why maintaining a strong TREPAC is more important than ever. Your investments help elect lawmakers who are proven friends of the real estate industry—and having friends in the right places makes all the difference.

4. Political affairs presentation

The Texas state government operates on a two-year cycle: Odd-numbered years are legislative sessions, and even-numbered years are election years. But the grassroots activism of Texas REALTORS®—the core of TAR's political advocacy efforts—never stops.

The association focuses on grassroots political programs, which seek to accomplish four main goals:

- Establish and solidify relationships with elected officials, candidates, and legislative staff
- Create REALTOR® Champions at all levels of government
- Keep Texas REALTORS® informed and engaged
- Ensure candidates and elected officials know Texas REALTORS® are involved and paying attention—from before candidates run for office until after they place a final vote.

Keep those four goals in mind as we review programs implemented during either election years or legislative years.

Election Years

During election years, Texas REALTORS® participate in several programs ...

Candidate Academy—We like to start building relationships early. Through the Texas REALTOR® Candidate Academy, TAR identifies potential candidates for office, then prepares them for the rigors of a Texas political campaign.

Attendees learn everything from fundraising strategies to best practices for turning out your voters. Sometimes we even convince people not to run.

Learn more at TexasRealEstate.com/academy.

Candidate Interviews—TAR encourages local associations to conduct candidate interviews when elections approach. These conversations help develop relationships, build trust, and promote TAR's public policy agenda. Using the TAR-provided candidate questionnaire can also help keep legislators accountable for their actions.

The bonus: Candidates begin to see local REALTORS® as the go-to source for information on housing and homeownership policy.

Learn more at TexasRealEstate.com/candidateinterviews.

Opportunity Races—Opportunity races are a collaborative effort between the Texas Association of REALTORS® and local associations for certain political campaigns.

Opportunity races may include the use of direct mail, phone banking, polling, extensive REALTOR® volunteer activities, websites, social media outreach, meet-and-greet events, and other efforts to encourage local Texas REALTORS® to vote for TREPAC-supported candidates on Election Day.

These efforts are sometimes complemented with a public-facing campaign, which can include direct mail, paid block walking, web-based advertising, print communication, and more ... even TV or radio.

Learn more at [TexasRealEstate.com/OR](https://www.texasrealestate.com/OR).

Voter Registration Drive—The first step in electing REALTOR® Champions is maximizing the number of Texas REALTORS® who vote. But you can't vote if you're not registered, and that's why TAR places a high priority on registering Texas REALTORS® and the public to vote. Of course, the ultimate goal is increasing voter turnout. And we're pretty successful—Texas REALTORS® vote at more than twice the rate of the general voting-age population. It's also worth mentioning that REALTOR® turnout can really influence elections—particularly primary, local, and special elections because Texas has an embarrassing problem: We consistently rank at or near the bottom on voter turnout.

REALTOR® Delegate Program—Becoming a delegate to your political party's convention is an excellent opportunity to promote real estate issues, showcase TAR involvement in the political process, and establish relationships with public officials.

REALTOR® delegates attend their party's conventions and attempt to have the American Dream Resolution added to each party's official platform. The resolution spells out some of the most important housing and real-estate related priorities.

Learn more at [TexasRealEstate.com/delegate](https://www.texasrealestate.com/delegate).

REALTOR® Public Official—Texas REALTORS® who serve on boards, commissions, or other elected bodies are well suited to be REALTORS® Champions. Their professional experience gives them a unique perspective on the legislative, regulatory, and political challenges that face the real estate industry.

Obviously, an RPO may be a:

- United States senator or representative
- Texas senator or representative
- Mayor or city council member.

But it doesn't stop there. An RPO may also be a:

- Planning or zoning board member
- County commissioner or judge
- Justice of the Peace
- Member of an appraisal review board, school board, economic development commission, historical commission, MUD, water/land board, housing authority, transportation/mobility commission, etc.
- Gubernatorial appointee to a regulatory agency, board, or commission (TAR staff may be able to help Texas REALTORS® become gubernatorial appointees.)

Add the REALTOR® Public Officials you know to our database at [TexasRealEstate.com/RPO](https://www.texasrealestate.com/RPO).

Now, let's discuss programs we run during legislative years.

Legislative Years

Legislative Liaison—We can't have a solid grassroots program without solid information. One of the most important programs we offer is *Legislative Liaison*. It's a political insider newsletter ... written especially for Texas REALTORS®.

Liaison not only recaps what happened during the legislative session that week ... it offers the real estate perspective—that's information you can actually use!

Sign up to stay in the loop at [TexasRealEstate.com/liaison](https://www.texasrealestate.com/liaison).



Only individuals in the restricted class can be solicited using corporate dollars and resources.



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Responding to a call for action is of vital importance at any time but especially when the Legislature is in session.

Legislative Contact Teams—The Texas REALTOR® Legislative Contact Teams are vital to the success of the association's political and legislative advocacy, especially during legislative sessions. We have legislative contact teams for all 181 members of the Texas Legislature. The teams are comprised of Texas REALTORS® who live in their assigned lawmakers' home districts and are charged with establishing and maintaining a personal relationship with their assigned lawmakers and their staff members.

By presenting the perspective from back home, these Texas REALTORS® become the most effective lobbyists TAR has ... and this is actually an excellent segue into our next popular program...REALTOR® Day at the Texas Capitol.

REALTOR® Day at the Texas Capitol—Lawmakers hear from professional lobbyists seemingly all day, every day. But what they really care about are their constituents' opinions. There is no better way to get a legislator's attention than to have politically astute Texas REALTORS® from back home (ideally members of the Legislative Contact Team) travel to Austin to discuss current legislation.

REALTOR® Day at the Texas Capitol, held during each legislative session, is a major component of the Texas Association of REALTORS® legislative effort. This event localizes, personalizes, and reinforces the association's legislative agenda by providing opportunities for Texas REALTORS® to visit with their legislators at the Texas Capitol in person.

Calls for Action—Using the REALTOR® Action Center, NAR and TAR will occasionally release calls for action (CFAs) to raise lawmakers' awareness of priority issues or if legislative action is necessary. CFAs are pre-written messages you can send directly to your lawmakers.

These messages encourage lawmakers to support or oppose legislation that NAR or TAR has identified as having potential effects on your business. Delivering consistent, timely information to an elected official can be the difference between success and failure at city hall, the Texas Capitol, or in D.C.

And while the CFA system is an ideal messaging and targeting platform, a high response rate is even more important. For example, in the summer of 2018, more than 16,000 Texas REALTORS® sent messages to Congress, urging lawmakers to renew the National Flood Insurance Program before it expired. This was the highest response rate of any state!

So, who does all this?

TAR's Political Affairs programs wouldn't be successful without a team of dedicated volunteers and staff:

- Political Involvement Committee (PIC)
- Grassroots Political Network
- TREPAC Trustees
- Local board Governmental Affairs leaders
- Association executives
- Governmental Affairs Directors (GADs)
- TAR Field Representatives.

5. Issues Mobilization and Issues Advocacy Presentation

Decisions and regulations affecting the Texas real estate industry and Texas REALTORS® are made daily at the local and state levels. Many directly affect how you will conduct your business today and tomorrow. Therefore, it is essential for Texas REALTORS® to be informed and involved.

Local Issues Mobilization campaigns bring Texas REALTORS® viewpoints to the general public and positively influence public opinion and public policy. Identifying, planning, and implementing these crucial local campaigns is the responsibility of each local association.

The Texas Association of REALTORS® Issues Mobilization Political Action Committee (IMPAC) was established to assist these local entities with funding.

Local associations need to be alert when it comes to issues that might need the assistance of an Issues Mobilization campaign and need to know constitutes an issue.

Significant local issues may include rental registration, environmental ordinances/regulations/referenda, sign ordinances, ordinances that restrict growth, zoning requirement changes, local tax increases, and school bond issues. You can identify an issue in your community by observing media coverage, noticing direct-mail solicitations from support groups, and/or vetting campaign promises from local officials. Similar to Issues Mobilization, the Issues Advocacy Fund is used to address issues that have direct statewide implications on the real estate industry.

If you identify a potential issue in your community, contact your TAR field rep. They can help determine if the issue warrants an Issues Mobilization application.

6. TREPAC presentation

Thank you for giving us the opportunity to visit with you today on an issue that is very important to our industry ... political involvement! Now you might be asking yourself how this is relevant to your business. Every facet of our industry and the professions connected with our industry are governed by some form of regulation. Government on the federal, state, and local levels creates rules, regulations, laws, and ordinances that affect all aspects of real estate. These affect not only our industry but our clients as well. Who are these regulators? Politicians? How do they obtain their position?

In the political and legislative process, there are winners and losers. The difference is that the winners sit around the table to decide what is going to happen, and the losers stand out in the hall to find out what happened! TREPAC allows us to be seated at the table to help decide our own fate.

We have a lot at stake. As independent contractors, one small piece of legislation can make or break the way we do business. Do you want to find yourself competing with your local bank for real estate brokerage or property management? Each of us invests in our profession in many ways. We challenge you to make that business investment by filling out the pledge card placed in front of you to protect our industry today.

And to those of you who are TREPAC investors, thank you for making TREPAC the No. 1 political action committee in Texas. But our work is not done. We need your TREPAC investments now more than ever to promote and protect the Texas REALTOR® agenda at the national, state, and local levels. Every dollar you invest in TREPAC helps us. Our livelihood is at stake, and we need to make sure we elect the right candidates who will look out for our industry. Learn more about the issues, get involved in the political process, and most importantly, make an investment in your future by joining TREPAC. Will you join me today? Because remember, if we're not at the table, we're probably on the menu. Questions?

F. Legal aspects

1. Introduction

Political activities, including fundraising, involve important legal considerations. Local associations and individual members of the Texas REALTORS® should thoroughly understand the legal limitations, procedures, and consequences of these activities.



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Always close your
A-Team presentation
with a push for a
TREPAC investment.

This section describes how federal and state election law affects fundraising conducted by associations as well as other political activities by associations, such as campaign expenditures, political advertising, and candidate meet-and-greet events. This section should not be considered a substitute for legal counsel. Election laws and rules and regulations can change frequently.

2. Who can be solicited for TREPAC funds?

Due to limitations under state and federal law, only certain individuals and firms can be solicited for TREPAC investments as part of a fundraiser conducted by a local association. Association members and staff should only solicit investments from the solicitable class, which includes: Texas REALTORS® members (including affiliate members), certain salaried executive and administrative personnel of the association, and the family of both groups. According to the Federal Election Commission (FEC), a “family” includes a father, mother, sons, and daughters who live in the same household.

TREPAC investments may still be accepted from a person or entity outside of the solicitable class, provided the person or entity was not solicited and was not informed that unsolicited investments are acceptable.

3. What is a solicitation?

Because of the restrictions on who can be solicited, the question of what constitutes a solicitation becomes very important. The FEC has a fairly broad interpretation of “solicitation.” In addition to a straightforward request for investments, a solicitation includes any communication that encourages support of TREPAC or provides information on how to contribute to TREPAC (e.g., providing an address to which a contribution may be sent or a link to where an investor may contribute online).

This issue about what constitutes a solicitation most often arises when an organization publishes articles about its PAC or reproduces investment forms in the organization’s newsletter, magazines, or other periodicals, some of which may go to individuals not in the solicitable class. The question can also arise when items such as PAC jackets, posters, coffee mugs, caps, or other items are displayed and offered for sale to benefit a PAC at conventions or meetings where individuals who cannot be solicited are present.

As noted earlier, your local association may only solicit investments from certain people. This includes solicitations for TREPAC funds or for a donation of fundraiser event items (e.g., food for event, auction items). To stay clear of improper solicitation, your local association should not publish TREPAC articles in media that will be distributed to persons outside the solicitable class. Additionally, your local association should be cautious of TREPAC promotion in the presence of persons outside the solicitable class.

Information about a PAC fundraising event does not constitute a solicitation and can be publically available if it consists of nothing more than details about when or where the event will be held. However, information that expressly encourages attendance and/or TREPAC investments at such an event, or information about where to send a TREPAC investment, constitutes a solicitation.

4. Solicitation and social media

Many REALTOR® associations are embracing social media tools such as Facebook, Twitter, and YouTube, and integrating these tools into their day-to-day activities. In some cases, this includes using those tools in connection with TREPAC activities. The following discussion serves to remind association members and staff that TREPAC-related pages on social media sites are subject to both federal and state election laws, and may require the association to regulate access to certain portions of the site.

The following Q&A outlines some of the issues raised by associations' use of social media for TREPAC activities and some suggestions on how associations may address these issues.

Can my local association use social media sites for TREPAC?

Subject to the restrictions noted in the following section, yes. The association may make certain TREPAC informational pages available to the public, such as posting meeting times and basic information about TREPAC. However, because TREPAC investments may only be solicited from the solicitable class, encouraging support for TREPAC or asking for a TREPAC investment can occur only behind a password-protected website.

What TREPAC information can be placed on a local association's social media public pages?

- General information about TREPAC, such as staff contact information
- General information about TREPAC activities, such as a calendar of TREPAC events
- TREPAC financial information, such as how much had been contributed or the number of contributors to TREPAC in a given period
- A description of the restrictions under which TREPAC operates, such as that only members of the solicitable class may contribute to TREPAC or who determines which candidates will receive TREPAC support
- Copies of the campaign finance reports filed with regulators like the Federal Election Commission or its state counterpart, setting forth the contributions received or disbursements made by TREPAC
- Information about TREPAC's legislative priorities and accomplishments.

Associations must carefully monitor the content of their site if it includes TREPAC information that goes beyond simply providing factual information and constitutes a solicitation for TREPAC investments. For example, the FEC has determined that a PAC communication constituted a solicitation when the chairman of the PAC commended the enthusiasm of employees who participated in the PAC by making investments because the communication indicated their awareness of the connection between their welfare and government policies toward the business.

Messages that encourage investments to TREPAC may only be placed behind a members-only access page and password-protected portion of the site. Such a message would include, for example, posting the names of contributors and the amounts contributed, particularly if those having made such investments are favorably commended.



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You can't ask for money when posting a fundraiser on social media sites.



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Remember to use the PAC disclaimer for all fundraising activity invitations and mailers.

What type of disclaimer must we use when posting general information about TREPAC or a TREPAC fundraiser event on our social media site?

Federal and state laws limit the association's ability to solicit investments outside of the solicitable class. In acknowledgment of this limitation, the following disclaimer should be used when posting general information about TREPAC or TREPAC fundraising activities on the social media site of a local association:

Disclaimer: Information disseminated in the public domain about TREPAC might be considered a solicitation, therefore contributions received from persons that are not members of the Texas Association of REALTORS® through this posting will be returned.

What information needs to be behind member-access only password protection?

All communications that constitute a "solicitation" need to be password protected.

What other issues should local associations consider when using their social media sites for TREPAC?

Your local association must ensure that there is a member-only, password protected feature on the sections of the social media site that may include a TREPAC solicitation. Additionally, the site administrator must devise and implement a process to terminate a member's access once that person is no longer a member of TAR.

The association must decide whether to allow others to post messages in the public area of its social media site, and if so, must ensure that messages from others do not contain solicitations for TREPAC investments.

If an association allows such postings, it should include a disclaimer on the public page reminding members that any TREPAC-related messages may only contain general information, and may not solicit TREPAC investments or provide information about making or encouraging contributions to the PAC.

5. Required disclaimer

Political action committees such as TREPAC are prohibited from obtaining investments through physical force, job discrimination, financial reprisals, or from dues, fees, or other monies required as a condition of membership in the sponsoring organization. TREPAC investments are voluntary.

To ensure that no type of pressure or duress is used in soliciting and collecting TREPAC investments, federal law requires that all TREPAC solicitation materials include a notice that informs those solicited of the political purpose of TREPAC. TAR requires that the following disclaimer be used in all solicitation materials:

“Contributions are not deductible for federal income tax purposes. Contributions to the Texas Association of REALTORS® Political Action Committee (TREPAC) and the Texas Association of REALTORS® Federal Political Action Committee (TAR FedPAC)—which makes contributions to the REALTORS® Political Action Committee (RPAC)—are voluntary and may be used for political purposes. The amount indicated is merely a guideline, and you may contribute more or less than the suggested amount. You may refuse to contribute without reprisal, and the National Association of REALTORS®, the Texas Association of REALTORS® (TAR), and its local associations will not favor or disadvantage anyone because of the amount contributed. Until the RPAC annual goal is met, 70% of an individual’s contribution goes to TREPAC and may be used to support state and local candidates; the remaining 30% is sent to TAR FedPAC to support federal candidates and is charged against your limits under 52 U.S.C. 30116. (Exception: 100% of an individual’s contribution goes to TREPAC if the individual is an employee of an affiliate member of TAR.) After the RPAC annual goal is met, 100% of an individual’s contribution goes to TREPAC and may be used to support state and local candidates. You may contact the TAR political committee administrator at 800-873-9155 to obtain information about your contributions.”

6. Prohibited investments

Everyone involved in fundraising should be aware that several types of investments are prohibited by federal or state laws. These are:

a. Investments from corporations for non-corporate purposes

Federal law prohibits corporate contributions to federal candidates. Therefore, no percentage of investments received by TREPAC from corporate entities is sent to RPAC. Rather, the amount that would have gone to RPAC is sent to the National Association of REALTORS® Political Advocacy Fund, where NAR may use it for independent expenditures or other lawful purposes. An independent expenditure is an expenditure expressly advocating the election or defeat of a candidate that is not made in concert or cooperation with, or at the suggestion of a candidate, a candidate’s PAC, or a political party’s PAC.

Under state law, corporate funds may only be used to pay for the administrative costs associated with running TREPAC’s operations and solicitation costs concerning the solicitable class. Therefore, TREPAC is careful only to use corporate funds for these lawful purposes and not for campaign contributions to state or local candidates.

b. Investments made in the name of another

Federal law explicitly prohibits the making of an investment to a political action committee in the name of another. It is also against the law for anyone to knowingly permit his or her name to be used in the making of such an investment, or to knowingly accept investments made by one person in the name of another. The purpose of this law is to ensure that the actual source of every investment in a federal campaign can be determined, and that money is not “laundered” from one person through another.



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Local REALTOR® associations may not use their corporate money to coordinate with candidates or TREPAC.

Example of prohibited investments made in the name of another:

Salesperson Mary is prohibited from investing \$35 in TREPAC and claiming it is actually from Salesperson Sam, who was hindering fulfillment of a firm's "100% participation" pledge by refusing to invest in TREPAC.

c. Cash investments

Cash investments can be accepted by TREPAC, but only up to a total of \$100 from any member at one time. Any part of a cash investment over \$100 must be returned. All cash investments must be converted to a cashier's check or money order at the local level before being transmitted to the state. Check with TREPAC staff or local legal counsel to determine how best to handle excess cash investments.

Example of prohibited cash investment over \$100:

A member attending a TREPAC breakfast may not give the local chairman \$150 in cash. Only \$100 of that investment may be accepted. The remaining \$50 must be either returned to the investor or disposed of in a manner consistent with federal and state law.

d. Anonymous investments

Although federal election law allows some anonymous investments in limited circumstances, it is the policy of TREPAC trustees not to accept any anonymous investments in the fundraising process. Anonymous investments received during fundraising must be disposed of in a manner consistent with federal and state law. Check with TREPAC staff or local legal counsel to determine how to dispose of anonymous investments.

Example of prohibited anonymous investment:

It is a prohibited anonymous investment for an unidentified member to leave any cash amount in a collection plate or hat passed around a local association meeting to collect TREPAC investments.

e. Investments from minors

TREPAC policy prohibits investments from minors under the age of 18; therefore TREPAC should not accept investments from these individuals.

f. Investments from federal contractors

Individuals and entities under contract with the federal government to provide goods and services, including the leasing or selling of land or other real property or interests in real property, are prohibited from investing in TREPAC during both the negotiation phase and the term of the contract.

An individual associated with a separate legal entity can still make an investment from personal funds if it is the entity, rather than the individual, under contract with the federal government. For instance, a partner could invest her own personal funds in TREPAC even though her partnership holds contracts with the federal government.

A member who owns a sole proprietorship with federal contracts would be prohibited from making an investment from either personal or business funds, as a sole proprietorship is not considered a separate legal entity apart from the individual. However, that member's spouse could invest from family funds.



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Cash investments over \$100 are prohibited.

Example of prohibited investments from federal contractors:

Smith & Davidson Realty, a partnership with property leased to the Federal Bureau of Land Management, is prohibited from making an investment from partnership funds.

REALTOR® Bob Jones, a sole proprietor with a contract to sell an old post office owned by the federal government, is prohibited from investing using either personal or business funds.

g. Investments from foreign nationals

Under federal law, no person can solicit, accept, or receive, either directly or through any other person, an investment from a foreign national in connection with a campaign for any federal, state, or local public office. A foreign national is a person who is not a U.S. citizen and is not lawfully admitted for permanent residence. Noncitizens who have been granted permanent residence status are not foreign and may invest.

Examples of prohibited corporate investments from foreign nationals:

A Mexican citizen with large U.S. land holdings, even though he does business with REALTORS® in this country, is prohibited from making an investment.

A member of an international affiliate of the National Association of REALTORS® from Ottawa, Canada, attending a state association convention as guest speaker, is prohibited from bidding for and buying an item at an auction.

7. Investment limitation for federal candidates

Under FECA, an individual may invest no more than \$5,000 per year in a multi-candidate federal PAC such as RPAC. Persons in the solicitable class for purposes of RPAC fundraising may therefore invest up to \$5,000 in RPAC in any one calendar year.

Note: This limitation applies only to the portion of the investment that is provided to TAR FedPAC (which later makes contributions to RPAC). There is not an investment limit for state or local candidates.

Reminder: This is for individuals only—local associations are prohibited from sending money directly to RPAC.

8. Investor information required

Federal and state law requires that certain information be gathered about PAC investors. To comply with this, TREPAC keeps a record of each investment (i.e., date and amount; the investor's full name, including first name, middle name or initial, and last name; mailing address; occupation; and employer).

Solicitors need to gather all of this required information when they collect investments from anyone. An investment should not be accepted if any of this required information is missing.

9. Legal time limits for transmitting TREPAC investments

There are specific time limits under federal law in which investments must be transmitted by a collecting agent to a federal PAC.

Investments more than \$50 must be transmitted to the federal PAC within 10 days of the date of receipt.



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Investments of more than \$50 must be submitted to TAR within 10 days of receipt.



You should always collect every investor's full name, mailing address, occupation, and employer for federal and state reporting purposes.

Investments \$50 or less must be transmitted to the federal PAC within 30 days of the date of receipt.

For this purpose, a local association is a collecting agent for TAR FedPAC. Since a portion of each investment goes to TAR FedPAC until TREPAC meets its annual RPAC quota, local associations must comply with these time limits for transmitting investments.

10. Use of corporate funds by a local association in a campaign

Under federal and state law, it is illegal for any corporation to make campaign contributions to candidates. This means that incorporated local associations may not issue checks to federal, statewide, or local candidates from corporate funds. Furthermore, incorporated local associations may not use their corporate funds or corporate resources to coordinate with any candidate for or against a candidate's campaign.

Examples of prohibited coordination include: offering a candidate's official campaign materials (e.g., signs, T-shirts, etc. from the candidate's PAC) at the local association; purchasing political advertising in support of a candidate at the request of that candidate; and hosting a local association event to support the election of a candidate where the candidate attends the event.

However, there are limited political expenditures by corporations that are legal. The U.S. Supreme Court decided in the Citizens United case that a corporation may legally make independent expenditures from corporate funds.

An independent expenditure (similar to a "direct campaign expenditure" under Texas law) is an expenditure expressly advocating the election or defeat of a candidate that is not made in concert or cooperation with, or at the suggestion of, a candidate, a candidate's PAC, or a political party's PAC.

An example of an independent expenditure might include a local association designing fliers in support of a local candidate that are made available at the association, provided that the flier was not created or offered in cooperation with, or at the suggestion of, the candidate, the candidate's PAC, or a political party.

It is strongly recommended that you check with your local counsel to ensure legal compliance before pursuing such expenditures.

Note: A local association that makes independent expenditures can trigger reporting requirements with the Texas Ethics Commission.

11. Political advertising

Under Texas law, political advertising is any communication that supports or opposes a candidate or a measure on a ballot that:

- Appears in pamphlets, circulars, fliers, billboards or other signs, bumper stickers, or similar forms of written communication
- Is published in newspapers, magazines, or other periodicals in return for consideration
- Is broadcast by radio or television in return for consideration or
- Appears on the Internet.

Multiple legal requirements apply to political advertising, including the requirement that, absent an exception, all political advertising must have a disclaimer statement that tells the viewer that it is political advertising and the full name of one of the following:

- The person who paid for the ad (e.g., Political advertising by John Smith)

- The committee that authorized the ad (e.g., Political advertising by TREPAC/Texas Association of REALTORS® Political Action Committee) or
- The candidate, if the ad is authorized by the candidate (e.g., Political advertising by John Smith for Congress).

TREPAC is very careful to ensure that its political advertising meets these and other legal requirements. An association should check with TREPAC staff before issuing political advertising referencing TREPAC. It is strongly recommended that you work with your local counsel regarding any political advertising issued by the local association.

12. Hosting meet-and-greet events

During election season, some local associations choose to conduct meet-and-greet events for supported candidates. These events give candidates a chance to speak to local Texas REALTORS®.

Use your TREPAC non-corporate funds

If your association would like to bring in a supported candidate to speak to members, it is strongly recommended that your association use TREPAC non-corporate funds.

- You may invite supported candidates to speak about their campaigns if, and only if, the entire event (food, venue, etc.) is paid for with non-corporate TREPAC dollars. With this method, the candidate may speak freely about the campaign, ask for votes, and bring campaign materials.
- Contact TREPAC staff or your field rep to discuss available TREPAC dollars.

The field reps will help coordinate the event and Ethics Commission reporting requirements.

Use your local association's corporate funds

There are strict limitations if your association decides to host a meet-and-greet event using corporate funds. Careful planning with local counsel will be necessary to help your association avoid prohibited expenditures. With that in mind, please note the following guidelines regarding the use of corporate funds to host a meet-and-greet event.

- If you invite only one candidate: The candidate may not discuss the campaign, bring campaign materials to the meeting, or ask for support or votes. The candidate would be free to discuss how important real estate is, their connections to the real estate industry, or current issues that affect the industry. If they are an incumbent, then the candidate could also discuss his position and issues that relate to it. This approach carries significant legal risk as a local board paying to give others an opportunity to listen to and meet a particular candidate during election season creates the perception of a prohibited campaign contribution to the candidate.

- If you invite all the candidates running for a particular office and host a candidate forum: The candidates may discuss the campaign, bring campaign materials to the meeting, and ask for support or votes, provided that all candidates are given similar opportunity to do so. This may be helpful if your association hasn't made a decision on whom to endorse or if your association isn't planning to make an endorsement in the campaign. If your association has endorsed a particular candidate, it is not advisable to go this route, given the risk of putting the opposition in front of your members. It is strongly recommended that you work with local counsel to ensure legal compliance when using your association's corporate funds—i.e., local association budget—to host a meet-and-greet event for local candidates. Additionally, contact your field rep or TREPAC staff beforehand to notify them of the event.

Note: TREPAC corporate funds are not available to cover meet-and-greet events. Such funds may only be used for fundraising and the administration of the PAC.

Now that you have read over and studied everything you need to know about building a strong PAC, it's time to ask ourselves, what can we do differently to advance our PAC?

A. Reaching New Heights

Raising the bar and going from a good PAC to a great PAC means:

- Ensuring all Texas REALTORS® are investing in their business, not just the 51% who are carrying the load
- Enhanced communication efforts that allow us to connect through mobile texting, social media, and other channels
- Using every touch as an opportunity to educate others on legislative issues impacting the real estate industry
- Helping REALTORS® connect the dots between buying and selling real estate and TREPAC
- Building a PAC culture to survive any economic downturn in our industry
- Enhancing our political advocacy efforts to include consumers.

There are many changes happening in all aspects of our lives—changes in our political landscape, public policies, how we conduct business, and how we communicate with others both personally and professionally.

In 2010, the U.S. Supreme Court ruling on *Citizens United v. Federal Election Commission* changed the political landscape. That decision created a new arena for political advocacy—one that the REALTOR® Party must be involved in. It enables organizations like banks, trade groups, and corporations to use whatever funds they're willing to spend on supporting political candidates.

In this new era, REALTORS®s must step up their PAC and advocacy efforts in order to remain strong players in the political process and fend off changes harmful to mortgage financing and housing affordability.

By working together, we can reach new heights for TREPAC in 2019!

B. TREPAC and Advocacy

The Governmental Affairs Department recently implemented a long-term, member-driven plan called Breaking New Ground. This in-depth planning program built on the Good to Great model of success and expanded the Governmental Affairs operation to achieve new outlined goals.

While this review started with a clean slate of objective thinking, the overriding Good to Great principles were always maintained: All policies adopted for future Governmental Affairs activities must be member-driven and REALTOR® involvement is paramount to the continued long-term success of the department and the association.

C. Connecting the Dots

TREPAC supports candidates and officeholders who support Texas real estate. That's why we say TREPAC is directly involved in ...

- REALTORS®' ability to help clients buy, sell, and lease real estate,
- Brokers as small-business owners,
- Private-property rights and homeownership,
- A viable economy, and
- Success in the real estate industry.

It's critical to elect TREPAC-supported candidates at all levels of government—local, state, and federal—because they will ensure our interests are protected when creating public policies related to these issues.

But first we have to vote for them!

The best way to see the TREPAC-supported candidates on your ballot is to visit TexasRealtorsSupport.com.

Territorial Jurisdiction

In 2018, the National Association of REALTORS® and Texas Association of REALTORS® implemented policies regarding local advocacy efforts that cross associations' territorial jurisdictions.

The policies address how a local association should proceed when it wishes to engage in local advocacy (i.e., candidate support, ballot measure, Issues Mobilization campaign, etc.) if those efforts would impact the territorial jurisdiction of another local association.

For example ...

Consider that some political districts cover the jurisdictions of multiple local associations. The new policies also apply to an association that wants to engage in advocacy outside of its official jurisdiction.

The Smithton Board of REALTORS® wants to use local and state Issues Mobilization funds to oppose an upcoming ballot measure that would create a new hospital district in the city. But the city's boundaries cross over county lines, and into the Arbor Lakes Association of REALTORS®'s territory.

The Smithton Board must give notice of their campaign plans to the Arbor Lakes Association and allow them five business days to respond with any objections.

In another example, the Cityville Association of REALTORS® wishes to engage in an opportunity race for a candidate for a Texas Senate district that covers two other local board's jurisdictions.

This policy requires the Cityville Association of REALTORS® to provide notice to the other local associations with jurisdiction in that Senate district and allow them at least five business days to object.

Working together

The goal of the policy is to encourage cooperation among local associations.

The new policy also creates a dispute resolution process if a local association objects to the planned advocacy of another association.

However, we have a strong history of cooperation and communication in our state, so we don't anticipate any negative impact to local advocacy in Texas.



See TAR's Territorial
Jurisdiction
Advocacy Policy at
[TexasRealEstate.com/
jurisdiction](https://www.texasrealestate.com/jurisdiction)

A. Award Levels

1. Member

Any Texas REALTOR® investing \$35 to \$109 is considered a member of TREPAC. Each investor should be thanked in the local newsletter, magazine, or via public presentation.



2. 110 Club Level

A Texas REALTOR® investing \$110 to \$249 in one year will receive a 110 Club certificate.



3. Lone Star Statesman

A Texas REALTOR® investing \$250 to \$499 in one year becomes a Lone Star Statesman and will receive a TREPAC Lone Star Statesman lapel pin for each year of investment at this level.



4. Capitol Club

A Texas REALTOR® investing \$500 to \$999 in one year becomes a Capitol Club member. The member will receive a commemorative Texas Capitol ornament.

5. RPAC Major Investor Program

RPAC's Major Investor program consists of an elite and passionate group of REALTOR® investors who help shape the political future of the real estate industry. Members of the Major Investor program will receive a lapel pin directly from NAR and a Major Investor jacket from TREPAC each year they invest a minimum of \$1,000. The RPAC Major Investor levels are listed below.



Sterling R – \$1,000 to \$2,499. Members will receive a Major Investor jacket and a new lapel pin each year that designates the current number of years as a Sterling R investor



Crystal R – \$2,500 to \$4,999. Members can sustain their Crystal R status with an annual investment of \$1,500 and will receive a Major Investor jacket and a new lapel pin that designates the current number of years as a Crystal R investor



Golden R – \$5,000 to \$9,999. Members can sustain their Golden R status with an annual investment of \$2,000 and will receive a Major Investor jacket and a new lapel pin that designates the current number of years as a Golden R investor



Platinum R – \$10,000 or more. Members can sustain their Platinum R status with an annual investment of \$5,000 and will receive a Major Investor jacket and a new lapel pin that designates the current number of years as a Platinum R investor

See appendix B for other investment benefits.

B. RPAC President's Circle

What is the President's Circle?

A political action committee like RPAC can legally give only up to \$10,000 per election cycle to candidates. The President's Circle program allows REALTORS® to reach beyond our PAC limits and have a much greater effect in the political arena.

How do I benefit from joining the President's Circle?

- You will receive invitations to legislative briefings at conferences and private receptions at NAR national meetings
- You will receive recognition in NAR electronic communications
- You will have access to a President's Circle bar at private receptions
- Your President's Circle investment will count toward entry into the RPAC Hall of Fame
- You play a significant role in giving all REALTORS® a greater voice in the federal legislative process
- Plus, you receive all other benefits from being an RPAC Sterling R, Crystal R, Golden R or Platinum R.

How does it work?

- You must already be an RPAC Major Investor (\$1,000 or more per year)
- You must agree to invest \$2,000 per year in addition to your RPAC Major Investor amount
- Your President's Circle investment goes directly to REALTORS®-approved candidates
- All investments for 2019 must be made by Sept. 30, 2019

- TREPAC investments cannot be applied toward your President's Circle investment. Your President's Circle investment goes directly to the candidate or party's committee.
- Neither TREPAC nor RPAC receives any portion of your President's Circle investment

C. Individual Awards

Any member who invests \$110 - \$999 in a single fundraising year is eligible for the TREPAC Individual Awards Program. These awards are given out to TREPAC investors through their local association or sent directly to the individual by TREPAC. The fundraising cycle in which investments may be applied runs from Oct. 1 of one year to Sept. 30 of the following year.

D. Local Association Awards

All local associations are split into seven categories based upon the size of their membership. There are five awards handed out in each category:

- two based on quota obtained,
- two on membership participation, and
- one for the most dollars raised.

The competition ends on Sept. 30, and awards are presented at the Texas Association of REALTORS® Winter Meeting in February.

E. RPAC

1. Statement of Relationships

When we speak of the REALTORS® Political Action Committee, we are not talking about a single committee. RPAC is composed of:

- The national REALTORS® Political Action Committee,

- State REALTOR® political action committees in the 50 states and the District of Columbia (the Texas committee is known as TREPAC/ Texas Association of REALTORS® Political Action Committee), and
- REALTOR® political action committees in local associations that make up the National Association of REALTORS®.

While differing somewhat in their responsibilities, RPAC units at the national, state, and local levels work together in a cooperative effort to raise voluntary investments from NAR members and to decide which candidates receive support.

Through our cooperative agreement with RPAC, state PACs are responsible for:

- Collecting voluntary RPAC investments from NAR members within that state and transmitting to national RPAC its share of such investments
- Making recommendations to the national RPAC trustees as to which federal candidates running within the state deserve RPAC support
- Determining which state and local candidates receive RPAC support from the state's share of RPAC collections.

Although state and local PACs carry the primary responsibility of raising funds, RPAC has important responsibilities in assisting state and local associations in their fundraising efforts and in making RPAC investments to candidates at the federal level.

The RPAC trustees, appointed by the president of NAR, are solely responsible for making all investment decisions regarding federal candidates. The national trustees ask state RPAC trustee boards to make recommendations about which federal candidates running in their state deserve support.

National trustee decisions regarding federal candidate support are based primarily on:

- Recommendations from state PACs
- NAR congressional voting records and "report cards" on incumbent U.S. Senators and Representatives
- Campaign intelligence reports provided by the NAR Political Affairs Division field staff.

F. REALTOR® Party

Celebrating over 15 years of the REALTOR® Party – Texas Style

Did you know the term REALTOR® Party was created right here in Texas? That's right. In 2004, the TAR Governmental Affairs Department unveiled the first-ever REALTOR® Party bumper stickers and sent them to over 40,000 TREPAC investors. And so the term "REALTOR® Party" was born.

The REALTOR® Party is a powerful alliance of REALTORS® and REALTOR® associations working to protect and promote homeownership and property investment. The REALTOR® Party speaks with one voice to advance candidates and public policies that build strong communities and promote a vibrant business environment.

Now is a critical time for REALTORS® to join together to protect the real estate industry's future. From city hall to the state house to the U.S. Capitol, our elected officials are making decisions that affect your clients and your business. The REALTOR® Party represents your interests through the support of REALTORS® like you.

Visit realtorparty.realtor to learn more.

Thank you Platinum Investors for your contributions for 2017-2018



Austin/Central Texas
Realty Information
Service ("ACTRIS")



Kimberly Howell



Michael Huff



Austin Board of
REALTORS®



Keller Williams Heritage



Mike Brodie



Keller Williams Realty
San Antonio Portfolio



Mary Frances
Burleson



Platinum Top 50



Alvin Collins



Sherry Smith



David Alan Cox



Mike Sumerlin



Chris Duff



Cameron Willmann



Bill Evans



Mark Woodroof

Appendix A

TREPAC Orientation Guide Checklist

- Pick your PAC chairman.*
- Assemble your PAC committee.*
- Attend TREPAC orientation.*
- Fill out business plan.*
- Collect dues billing with voluntary investments to TREPAC.*
- Educate, educate, educate.*
- Conduct TREPAC solicitations through special events, office visits, direct mail, and education.*
- Assess your business plan objectives throughout the year.*
- Do a last-minute push to increase participation before the end of the fundraising cycle.*
- Reward and recognize TREPAC investors.*
- Have fun!*

Appendix B

Incentives for investing in TREPAC



Benefits through the Texas Association of REALTORS®

	110 Club Member	Lone Star Statesman	Capitol Club	Sterling R	Crystal R	Golden R	Platinum R	Hall of Fame
Recognition of investment level on the TAR website	★	★	★	★	★	★	★	
Recognition at local board events	★	★	★	★	★	★	★	
Investor recognition applied to lanyard at TAR meetings	★	★	★	★	★	★	★	
Name in TREPAC awards brochure		★	★	★	★	★	★	
TREPAC 110 Club Member Certificate	★							
New TREPAC Lone Star lapel pin each year		★						
Capitol Club Award (current year Texas Capitol ornament)			★					
New Major Investor jacket				★	★	★	★	
Recognition in <i>Texas REALTOR</i> ® magazine				★	★	★	★	
Invitation to exclusive TREPAC Major Investor Reception at Winter Meeting				★	★	★	★	
Exclusive breakfast at Winter Meeting				★	★	★	★	
Name in annual Texas REALTORS® Conference program				★	★	★	★	
Major Investor lounge at the Texas REALTORS® Trade Expo during Conference				★	★	★	★	
Exclusive additional RPAC Major Investor benefits ¹				★	★	★	★	
Recognition at the Governmental Affairs Forum during Texas REALTORS® Winter Meeting (TREPAC Awards Breakfast and Major Investor Reception)							★	
Opportunity to speak for up to two minutes at the Texas REALTORS® Winter Meeting Awards Breakfast							★	
Recognition at the Governmental Affairs Forum during Texas REALTORS® Conference							★	
Opportunity to speak for up to two minutes at the TREPAC/Governmental Affairs Orientation							★	
Two free tickets to TREPAC social events during Texas REALTORS® annual meetings and TREPAC/Governmental Affairs Orientation							★	
Recognition at the annual TREPAC/Governmental Affairs Orientation							★	
Recognition in the annual TREPAC Orientation Guidebook							★	
Exclusive additional RPAC Platinum R benefits ²							★	
Custom made Texas TREPAC Boots								★
Invitation to Hall of Fame induction ceremony at NAR Midyear Meeting								★
Name on Hall of Fame wall commemorating installation								★
Lapel pin with Hall of Fame recognition banner								★

1. All benefits through NAR/RPAC for major investors (including new Major Investor lapel pin each year) can be found on page 51

Appendix C



2019 Business Plan

During TREPAC Orientation, you and your committee will use your business plan to develop your 2019 goals. Complete the following pages and insert the totals onto the summary shown on the last page. The education sessions held during Orientation will provide the tools needed to complete your business plan.

TREPAC Investment Quota (9/30/18 membership _____ x \$35 fair share)	
Local association	
Local board president	
Local association executive	
Local TREPAC chairperson	
Trustee	
Regional field representative	
Fundraising time period	Oct. 1, 2018, through Sept. 30, 2019

Step 2: Analyze past fundraising efforts

	2014	2015	2016	2017	2018
Total dollars raised @ 9/30/XX					
110 Club					
Lone Star Statesman					
Capitol Club					
Sterling R					
Crystal R					
Golden R					
Platinum R					

Appendix D



TEXAS REALTORS®

Calculate your savings due to TREPAC

CONSTITUTIONAL BAN ON TRANSFER TAX

A tax on the transfer of real property would discourage homeownership in Texas. According to a leading economist, that translates into a 7% reduction in sales volume. That's why we've fought hard to stop repeated attempts to pass this insidious tax and Texas is one of the few states in the union that do not have a real estate transfer tax.

Example:

$\$1,800,000$ (sales volume) \times 7% = $\$126,000$ (sales volume reduction)
 $\$126,000$ (reduction in sales) \times 3% = $\$3,780$

\$1,800,000 **\$3,780****

SALES VOLUME

YOUR SAVINGS



TAX ON SERVICES

We defeated another proposal to extend the state sales tax to professional services. Had it passed, your commissions would've been taxed at 8.25%.

Example:

$\$1,800,000$ (sales volume) \times 3% \times 8.25% = $\$4,455$



\$1,800,000 **\$4,455****

SALES VOLUME

YOUR SAVINGS

MIXED-USE VEHICLE TAX

Some county tax assessor-collectors were targeting Texas REALTORS® for an ad-valorem (property) tax on personal vehicles. If left unchecked, this new tax could've spread statewide to all Texas REALTORS® and other independent contractors.

Example:

$\$37,000$ (vehicle value) \times 2.75% = $\$1,018$

\$37,000 **\$1,018****

VEHICLE VALUE

YOUR SAVINGS



PROFESSIONAL FEES

Supported legislation to repeal the "occupations tax" that real estate brokers pay for their two-year license in Texas.

\$300**

YOUR SAVINGS

ADD UP YOUR TOTAL ANNUAL SAVINGS:

When you add it all up, TREPAC is an incredibly valuable pocketbook protector. But there's always someone, or some thing, trying to get into your pocketbook. By investing in TREPAC, you get to keep more of your hard-earned money.

***The numbers and calculations used here are only samples for informational purposes.*

\$9,553**



Contributions to the Texas Association of REALTORS® Political Action Committee (TREPAC), the Texas Association of REALTORS® Federal Political Action Committee (TAR FedPAC), and the REALTORS® Political Action Committee (RPAC) are not deductible for federal income tax purposes. Contributions to TREPAC, TAR FedPAC, and RPAC are voluntary and may be used for political purposes. The amount indicated is merely a guideline, and you may contribute more or less than the suggested amount. The Association will not favor or disadvantage anyone by reason of the amount of their contribution, and you may refuse to contribute without reprisal by the Association. Your contribution is split between TREPAC and TAR FedPAC. Contact the TREPAC administrator at 800.873.9155 for information about the percentages of your contribution provided to TREPAC and to TAR FedPAC. The TAR FedPAC portion is used to support federal candidates—via contributions by TAR FedPAC to RPAC—and is charged against your limits under 52 U.S.C. § 30116.

MORE EXAMPLES

Sales Volume	\$500,000	\$1,500,000	\$3,000,000	\$5,000,000	\$10,000,000
Loss from Transfer Tax*	\$1,050	\$3,150	\$6,300	\$10,500	\$21,000
Tax on Services*	\$1,238	\$3,713	\$7,425	\$12,375	\$24,750
Vehicle Tax (Value)	\$688 (\$25,000)	\$963 (\$35,000)	\$1,265 (\$46,000)	\$1,650 (\$60,000)	\$1,788 (\$65,000)
Professional Fees	\$300	\$300	\$300	\$300	\$300
Your Annual Savings	\$3,276	\$8,126	\$15,290	\$24,825	\$47,838

**based on 3% commission of sales volume*

Appendix E



Do your dues

While paying your REALTOR® association dues, take an important step toward ensuring your business success.

Invest in TREPAC

By investing in TREPAC, you take an active role in defeating policies that would threaten our industry and take money from your pocket.

You know how decisions made in Washington, Austin, and your local government can dramatically affect your business. Investing in TREPAC is your chance to shape your future. Don't let someone else call the shots.

Show your commitment to success by investing in TREPAC when you pay your association dues. There's no easier way to protect your livelihood. And there is no investment that will provide you a greater return.

**Do your dues. Invest early.
Invest in TREPAC!**

Appendix F

How TREPAC has helped you

2017

Linkage Fees

Supported legislation prohibiting cities from imposing fees on all new residential and commercial construction.

Seller's Disclosure

Supported a bill providing buyers with information about the impact of nearby military installations.

Annexation Reform

Required cities in populous counties that want to annex an area to receive voter approval in the area to be annexed.

2015

Transfer Tax/Homestead increase

Supported a constitutional ban on any tax on real estate transfers and a \$10,000 increase of the homestead exemption.

Occupations Tax

Repealed a fee that double-taxed brokers for their two year license.

Franchise Tax

Supported substantial business tax relief with a 25% reduction in the franchise tax rate.

Equal and Uniform

Required residential and commercial property appraisers adhere to "generally accepted appraisal methods and techniques" when using the equal and uniform provision for property valuation.

Transportation

Supported legislation for directing TxDOT planning, funding, and prioritization of future road projects, and ended diversions from the Texas Highway Fund to support the Department of Public Safety.

Required Texas Mobility Funds to be used to decrease debt and eventually pay for roads without the costs associated with borrowing through bonds.

Passed a measure to dedicate sales-tax revenue and allocate motor vehicle sales taxes to the

state highway fund.

Property Tax Transparency

Required a super majority vote and notification on the taxing unit's website before a local taxing jurisdiction may increase a property-tax rate.

Patent Trolls

Enacted protections against bad-faith claims of patent infringement against end users located in or doing business in Texas.

TWIA

Changed funding structure of the Texas Windstorm Insurance Association. Additionally, changed the composition of the board of directors and required a biennial study to promote private market participation.

2013

Infrastructure

Played a key role in addressing the state's long-term water and public education needs.

Property Tax Loans

Helped enact critical consumer-protection laws in the property-tax lending industry.

2011

Eminent Domain

Enacted strong consumer protections in eminent-domain proceedings.

Transfer Fees

Passed a measure that eliminates most private transfer fees on real estate transactions.

TREC

Helped the Texas Real Estate Commission attain a self-directed, semi-independent status, insulating the agency from future state-mandated budget cuts and enabling TREC to better serve licensees and consumers.

DTPA

Passed a revision to the Deceptive Trade Practices Act that effectively exempts real estate brokerage from liability under the act—as long as the broker or agent hasn't committed an unscrupulous or illegal act.

GET CONNECTED

Who uses Social Media?

68% of all U.S. adults use Facebook

76% of Facebook users visit the site daily

62% of online adults ages 65 and older now use Facebook

21% of all U.S. adults use Twitter

29% of Twitter users have college degrees

Social Media Update 2016, Nov. 11, 2016, © 2012 Pew Research Center.

No matter how you get your information, TREPAC is there:



Subscribe to the Legislative Liaison at TexasRealEstate.com/Liaison



Read Texas REALTOR® magazine at TexasRealEstate.com/Magazine



Follow @TexasTREPAC and @TAR_GA on Twitter



Visit TexasRealEstate.com/our-blogs



"Like" [Facebook.com/TREPAC](https://www.facebook.com/TREPAC)



Text TREPAC to 512-806-0316 for instant text message updates



Visit TREPAC.com/SpreadTheWord

Appendix H

Requesting and Receiving Campaign Checks



TREPAC is engaged at every level of government: federal, state, and local. However, the process for campaign contributions is different for each level. For local and state-level campaigns, all funding flows through TREPAC. At the federal level, funds are disbursed from the REALTORS® Political Action Committee (RPAC) and distributed by TREPAC.

Please note: Per election law, a local association cannot send its own funds to a candidate.



Federal contributions

- 1 TREPAC trustees make support recommendations to the RPAC trustees
- 2 RPAC trustees vote on recommendations
- 3 RPAC dispenses check to state association staff, who sends to the federal political coordinator (FPC)
- 4 An email is sent to the following individuals within the congressional district, notifying them that a check has been mailed to the FPC for that congress member: FPC, association executives (AEs), governmental affairs directors (GADs), trustees, Political Involvement Council (PIC) members, regional field representatives, PAC leadership, Texas REALTORS® Governmental Affairs staff
- 5 Upon email notification, local associations are asked to organize a check presentation with REALTOR® members and local-association leadership



State-level contributions

- 1 Local-association recommendations are submitted to TREPAC
- 2 TREPAC Trustees vote on support recommendations
- 3 TREPAC dispenses check to TREPAC trustee* for signature and delivery
- 4 Email is sent to the following individuals within the Texas House or Senate district, notifying them that a check has been mailed to the trustee: trustees, AEs, PIC members, GADs, Texas REALTORS® Governmental Affairs staff, regional field representatives, PAC leadership, House and Senate contact team
- 5 Upon email notification, local associations are asked to organize a check presentation with REALTOR® members and local-association leadership



Local contributions

- 1 Local associations contact TREPAC to verify non-corporate funds available
- 2 Local associations approve and request funds for local candidates from TREPAC
- 3 TREPAC dispenses check to the TREPAC trustee for signature and delivery
- 4 Email is sent to the following individuals in the local area, notifying them that a check has been mailed to the TREPAC trustee: AE, GAD, trustees, PIC members, TREPAC staff
- 5 Upon email notification, local associations are asked to organize a check presentation with REALTOR® members and local-association leadership.



*Some exceptions may apply

Appendix I

TREPAC Trustee and PAC Chair

The Trustee and local PAC Chair positions are vital to the success of TREPAC. The trustees and PAC chairs work together to accomplish the goals and objectives of TREPAC. This chart documents the main job duties for each position.

TREPAC Trustee

Voted in by the TREPAC body. Trustees may serve a two-year term.

- Oversee all TREPAC operations and financial disbursements
- Attend all mandatory state and national meetings
- Attend and speak at as many local TREPAC and GA events as possible
- Know their elected representatives at all levels of government and be knowledgeable about legislative issues
- Participate in local association's candidate-interview process
- Approve statewide TREPAC candidate contributions as well as sign and present checks to local candidates
- Submit monthly reports on activities taking place at their local associations
- Review fundraising plan of local associations throughout year to track progress toward TREPAC goals
- Develop a close working relationship with their PAC Chairs. PAC Chairs help the trustees meet their goals and responsibilities
- Educate, educate, educate.

PAC Chair

Appointed by the local AE or GAD, PAC Chairs serve as chair of their local TREPAC Committee.

- Promote the TREPAC mission and goals within the association membership
- Know the issues and be able to educate others about what's at stake
- Work with your AE and/or GAD and trustee to set fundraising goals for the year
- Oversee all TREPAC fundraising activities for their local association
- Track and monitor the fundraising plan throughout the year to assess progress toward TREPAC goals
- Recruit volunteers to help coordinate education and fundraising events to spread the TREPAC message and raise money
- Attend the annual TREPAC Orientation meeting, TAR Winter Meeting, Texas REALTORS® Conference, and REALTOR® Day at the Texas Capitol
- Develop a close working relationship with their TREPAC trustee. The trustee is a key resource for the PAC chair
- Work with local Governmental Affairs Committee to collaborate message.

Appendix J

Acronyms and terms

AE	Association Executive. An association's top staff member.		lobbying, advocacy, PAC fundraising, community outreach and/or REALTOR® Party initiatives.	PIC	Political Involvement Committee. Regionally-appointed executive committee of TAR's Grassroots Political Network.
Affiliate	A membership class for those in related industries (i.e. lenders, title attorneys, etc.)	Golden R	Investor at \$5,000 level (may include lower amounts in recurring years)	Platinum R	Investor at \$10,000 level (each year separate)
BOD	Board of directors. A group of individuals elected to act as representatives of the general membership to establish management and related polices and to make decisions on major company issues.	HoF	Hall of Fame. RPAC lifetime investors of \$25,000 or more.	RPAC	REALTORS® Political Action Committee
BOLC	Board Officers Leadership Conference, held annually in October in Austin	LMT	Legislative Management Team. Consists of chair and vice chair of the four governmental affairs committees, TAR leadership team, and key TAR staff	RPIC	REALTORS® Political Involvement Committee. NAR's grassroots contact system.
CCIM	Certified Commercial Investment Member. A designation awarded by the CCIM Institute.	LT	Leadership Team. Consists of TAR's chairman, chairman elect, secretary/treasurer, immediate past chairman, and CEO/president.	RPMA	REALTOR® Party Mobile Alerts. NAR's text program for REALTORS® to receive advocacy messages. Enroll by texting txrealtors to 30644.
CFA	Call for Action. An NAR/TAR program for sending pre-written messages to lawmakers on critical real estate issues	MBM	Multi-Board Management Program. Local associations that do not have their own association executive are provided membership and accounting services by the Texas Association of REALTORS® multi-board management program.	RVP	Regional Vice President
Crystal R	PAC investor at \$2,500 level (which may include lower amount in recurring year)	MI	Major Investor. A PAC investor of \$1,000 annually.	Sterling R	Investor at \$1,000 level (each year separate)
Delegate	Representative on NAR's Delegate Body. Casts votes by number of board members to change NAR constitution.	MIC	Major Investor Council. NAR committee tasked with increasing REALTOR® participation in all levels of the RPAC Major Investor Program.	TREC	Texas Real Estate Commission. State licensing and regulatory agency.
FPC	Federal political coordinator, a liaison to a member of Congress for NAR	NRDS	National REALTORS® Database System. A centralized membership clearinghouse.	TREPAC	Texas Association of REALTORS® Political Action Committee
GAD	Governmental affairs director. State/Local association staff member who provides guidance in the areas of government affairs, political affairs, legislative or regulatory affairs,	PAC	Political Action Committee	TRLP	Texas REALTORS® Leadership Program educates participants and shows them how to use their talents to make a difference in their professional and personal areas of interest.
		PC	President's Circle	WCR	Women's Council of REALTORS®, an affiliated entity of the National Association of REALTORS® that supports the advancement of women as professionals and leaders in business, the industry and the communities they serve.
				YPN	Young Professionals Network. Texas YPN is TAR's statewide chapter.

Appendix K

Before you say “cheers” ...

If your association is planning an auction to benefit TREPAC that includes alcoholic beverages (wine basket, cooler with beer, etc.), you need a permit.

The Texas Association of REALTORS® was instrumental in the passage of a law effective Sept. 1, 2017 that allows organizations—including political action committees—to include alcohol in their auctions as long as they hold a certain permit from the Texas Alcoholic Beverage Commission.

Here’s how to ensure your event is in compliance.

Step 1: Plan your auction

Review the “Legal Aspects” section of the Orientation Guide to ensure your event is legally compliant. Plan ahead—TREPAC must receive your request for approval at least 15 business days before the event.

Step 2: Collect donated auction items

Local board staff receives auction item(s) that include beer, wine, and/or spirits.

Step 3: Complete the paperwork

Complete the Request for Temporary Permit to Auction Alcohol at TexasRealEstate.com/tabc.

Note: Gift cards to a store specializing in the sale of beer, wine, and/or spirits do not need to be included in the inventory.

Step 4: Send form to TREPAC ASAP

Send the completed form, inventory, and other required documents to TREPAC staff at least 15 business days before the event to allow time for processing.

Step 5: TREPAC reviews form

TREPAC will review your documents and apply for a permit from your local Texas Alcoholic Beverage Commission (TABC) office. The permit fee will be deducted from your board’s available TREPAC-Corporate allocation.

Step 6: TABC issues permit

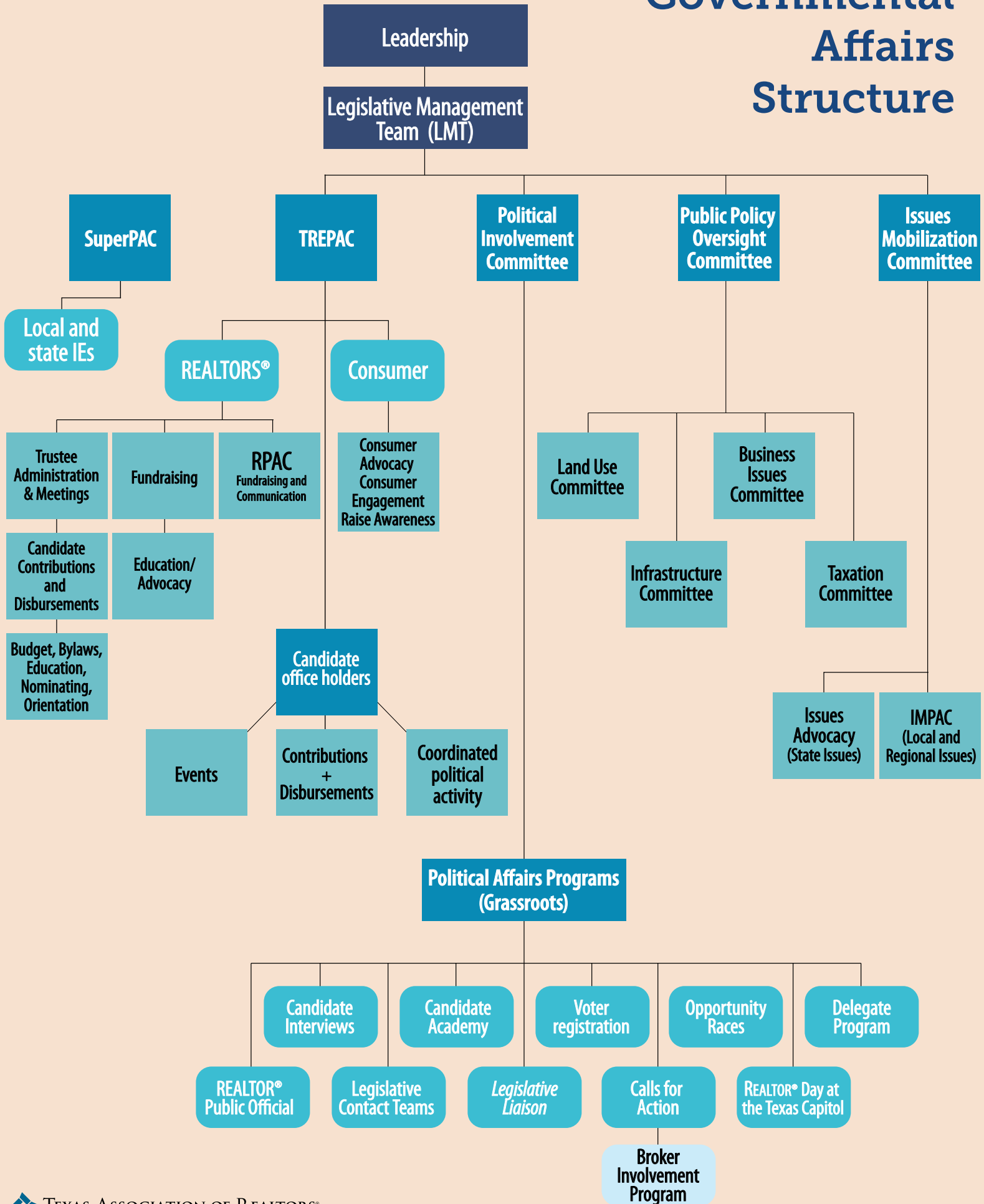
The local TABC office issues a Temporary Auction Permit for the planned TREPAC auction.

Step 7: Display permit

The Temporary Auction Permit should be displayed at the event along with any required signs.



Governmental Affairs Structure



Governmental Affairs Orientation



Save the Date

March 26, 2019

**REALTOR® Day at the
Texas Capitol**

**On March 26, 2019, Texas REALTORS®
from around the state will unite at the
Capitol to meet with their lawmakers,
talk real estate, and eat some
great barbecue.**

**Make plans now to attend the 2019
REALTOR® Day at the Texas Capitol
... you don't want to miss the most
important grassroots political event of
the year!**

(Did we mention the barbecue?)



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Welcome to Governmental Affairs Orientation

The Texas Association of REALTORS®' legislative success is due to a comprehensive, long-term strategy composed of four complementary units: Legislative Affairs, Political Affairs, TREPAC, and Issues Mobilization.

Legislative Affairs

The Texas Legislature makes laws that govern the way you do business. Having your interests represented at the Texas Capitol is the best way to ensure Texas remains a great place to buy, sell, own, and lease all kinds of real estate.

The Texas Association of REALTORS® is one of the most experienced, respected voices at the Texas Capitol.

Political Affairs

Like real estate, politics is a relationship business. The Texas Association of REALTORS® offers Political Affairs initiatives designed to build relationships with elected officials by developing mutual trust and open communication.

The programs also aim to create and maintain a culture of political activism among Texas REALTORS®.

TREPAC

Friendly faces at every level of government are an integral part of being successful in the political process.

The Texas Association of REALTORS® Political Action Committee, TREPAC, backs local, state, and national candidates and elected officials who have a proven track record of protecting private-property rights, preserving the dream of homeownership, and supporting the vitality of the real estate industry.

Issues Mobilization

Local governments create ordinances—like zoning restrictions, short-term rental regulations, or rental registrations—that can directly affect property rights and the way you earn a living.

But don't worry ... Issues Mobilization helps ensure that local leaders don't squash real estate by supporting local associations with a combination of political expertise, strategic guidance, research—and possibly marketing collateral and funding.

"If you're not at the table, you're probably on the menu."

Who's who?

Creating a Culture of Activism

Grassroots Political Network vs. PIC

The Grassroots Political Network is a large committee with no formal meetings. It's more of a grassroots army, standing by to help with opportunity races, ballot initiatives, issues mobilization campaigns, voter registration, calls for action, etc.

The Political Involvement Committee (PIC) is an elite, hand-selected group of Texas REALTORS® that serves as the executive council of the Grassroots Political Network. The PIC oversees the implementation of the association's grassroots programs. This group also approves opportunity races and discusses the ins and outs of state-level races (House, Senate, or statewide).

Think of the PIC as regional field captains for the entire Grassroots Political Network. See page 5 to meet the 2019 Political Involvement Committee members.



2019 Political Involvement Committee

Chairman

Marcus Phipps
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Harlingen
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Vice Chairman

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Political Affairs Programs

What are the Political Affairs programs? And what is the PIC's role?

Through the Grassroots Political Network, the PIC is charged with implementing and overseeing programs that maximize Texas REALTOR® political involvement and establish relationships with candidates and elected officials.

Learn more about each of these throughout the guide

- **REALTOR® Day at the Texas Capitol** – Attend REALTOR® Day at the Texas Capitol; take a leadership role as needed; encourage other Texas REALTORS® to attend.
- **Legislative Contact Teams** – Serve on Legislative Contact Teams and help identify other Texas REALTORS® to serve on Legislative Contact Teams, especially where there's already a personal relationship; help foster and develop relationships where none exist.
- **Legislative Liaison** – Recruit Texas REALTORS® to the *Legislative Liaison* e-newsletter that provides timely, relevant political and legislative information specific to Texas REALTORS®; share the newsletter with colleagues.
- **Calls for Action** – Respond to CFAs; promote CFAs to local associations and Texas REALTORS®; recruit brokers to participate in the Broker Involvement Program.
- **Candidate Academy** – Assist in identification of potential Candidate Academy participants; facilitate local association sponsorship of candidates, if applicable.
- **Candidate Interviews** – Ensure local associations conduct candidate interviews, at the very least for state candidates in contested races; encourage participation for local races; educate local associations on proper interview technique and the process for support. The candidate interview process establishes local REALTORS® as the go-to source for information on housing and homeownership policy and ensures accountability for votes.
- **Voter Registration Drive** – Assist local associations with efforts to increase the number of Texas REALTORS® and consumers who are registered to vote.
- **Opportunity Races** – Assist in identification of and intelligence-gathering on potential opportunity races; educate local Texas REALTORS® about the Opportunity Race Program and their role; take an active role in executing regional opportunity races.

Find out more about these programs at [TexasRealEstate.com](https://www.texasrealestate.com) > For Texas REALTORS® Members > Governmental Affairs > Political Affairs.

- **REALTOR® Delegate Program** – Encourage Texas REALTORS® to serve as precinct chairs within the political parties, to serve as delegates, and to attend political party conventions and pass the American Dream Resolution.
- **REALTOR® Public Official** – Help identify Texas REALTORS® who serve as elected or appointed officials in any capacity.

These programs work!

When successfully implemented, these programs accomplish several goals:

- **Keep Texas REALTORS®** informed and engaged
- **Create and solidify** relationships with elected officials and candidates
- **Ensure candidates** and elected officials know Texas REALTORS® from their area are involved and paying attention—from the moment candidates announce their intentions to seek office until they place their final vote.

Strategic Initiatives

The Political Affairs Programs aim to support the legislative and political agenda of the Texas Association of REALTORS® by generating membership involvement.

Political affairs programs for legislative sessions

- Promote **REALTOR® Day at the Texas Capitol** participation locally
- Increase **Legislative Contact Team** membership
- Continue expansion and retention of the **Legislative Liaison** program
- Increase participation in and accelerate response to TAR and NAR **Calls for Action**—increase enrollment in Broker Involvement Program
- Update and encourage involvement by **REALTOR® Public Officials**

Political affairs programs for elections cycles

- Support **Texas REALTOR® Candidate Academy** participants with regional training on how to be an effective candidate and conduct a grassroots campaign
- Refine local and state candidate questionnaires
- Prepare candidate information and questionnaires for evaluation and possible approval of opportunity races by the **Political Involvement Committee**
- Promote the **candidate interview** process—educate and assist local associations with conducting interviews at all levels of elected office during the election cycle and recommend needed modifications
- Increase participation of all Texas REALTORS® in the electoral process, including **voter registration**
- Increase Texas REALTOR® and local association grassroots involvement in **opportunity races** and ballot initiatives
- Promote and increase participation in the **Delegate Program**



REALTOR® Day at the Texas Capitol



REALTOR® Day at the Texas Capitol, held during each legislative session, is a major component of the Texas Association of REALTORS® legislative effort. REALTOR® Day localizes, personalizes, and reinforces the association's legislative agenda, putting lawmakers face-to-face with their constituents.

Lawmakers care about their constituents' opinions, so there is no better way to get their attention than to have politically astute Texas REALTORS® from back home travel to Austin to discuss current legislation.

During REALTOR® Day at the Texas Capitol, Texas REALTORS® from across the state meet with their respective members of the Texas House and Senate. Led by their Legislative Contact Team leaders, participants receive up-to-the-minute briefings about the status of current legislation before arriving in Austin. The team leaders relay the information to representatives and senators with a goal of reinforcing the association's legislative position.

At the end of each year's REALTOR® Day at the Texas Capitol, team leaders complete evaluation forms to help the association determine which officials support the association's positions and who needs special attention.

The post-event barbecue at Texas Association of REALTORS® headquarters also enables contact teams and REALTOR® Day attendees to enjoy lunch with legislators, statewide officials, and Capitol staff. It helps that TAR's office is across the street from the Texas Capitol.

REALTOR® Day at the Texas Capitol during the 85th Texas Legislature

On April 4, 2017, more than 2,500 Texas REALTORS® converged on the state Capitol to discuss the association's legislative priorities. Association leadership also met with state officials.

To lawmakers, the message was clear: The Texas REALTOR® agenda is good for consumers of real property, private-property rights, and the future of the Lone Star State.

The 2017 REALTOR® Day at the Texas Capitol was one of the primary reasons Texas REALTORS® enjoyed such a high level of success in the 85th Texas Legislature.

See you in March

Make plans now to attend REALTOR® Day at the Texas Capitol on **March 26, 2019** during the 86th Texas Legislature. Coordinate with your local association to attend.

Use the best practices on page 10 to prepare for the next REALTOR® Day at the Texas Capitol.

Best Practices

FOR MEETING WITH TEXAS LEGISLATORS



Do these ...

Before the meeting

- Check out your lawmakers' website, social media sites
- Read recent news articles about the lawmaker and big issues at the Capitol
- Learn their committee assignments, specialties, and areas of interest
- Arrive early, start on time (call if you're running late)
- Be polite and well dressed—NO JEANS/T-shirts!
- Decide who will lead the meeting (if you're splitting the meeting, decide who will speak about what issue)
- Use real examples to communicate your point.

During the meeting

- Be conscientious of everyone's time—Spring is very busy at the Capitol
- Present your business card up front, sign their guest book
- Stick to REALTOR® issues and positions
- ALWAYS tell the truth
- Find a local angle
- Ask the representative's or senator's position and why
- Show knowledge of counterarguments and respond to them cordially.

End of the meeting

- Thank member/staffer for meeting with "the REALTORS®" during such a busy time
- Get the name and business card of any staff person who sits in on the meeting in case you need to follow up after the meeting
- Leave TAR-provided handouts.

After the meeting

- Complete your reporting form (this is very important)
- Write a thank you email or handwritten note to the legislator/staff you met; offer to be a resource on any real estate issues
- Follow through on any promises to lawmaker or staff.



Don't do these ...

- **Don't discount legislative staff. Many staffers look (and may be) young, but they carry tremendous influence and power.**
- **Don't bring too many issues—pick 3 or 4 only**
- **Don't be argumentative—the last thing you want is a confrontational meeting**
- **Don't be too wordy**
- **Don't expect legislators to be experts on everything. Most lawmakers and staffers are generalists (that's the nature of the job).**
- **Don't lose control of the meeting ... if the discussion veers off course, bring it back to the issue(s) at hand**
- **Don't make promises you can't deliver**
- **Don't discuss TREPAC or any past contributions**
- **Don't avoid lawmakers with "the opposite view." Disagreements happen all the time ... it's never personal**
- **Don't be afraid to say, "I don't know." Offer to follow up with them and let TAR staff know**
- **Don't be offended if you are asked to meet in a hallway or tight space. Where you meet does not matter; what you say and how you handle yourself does matter.**

Legislative Contact Teams

Legislative Contact Teams become a key extension of the association's lobbying effort by providing lawmakers the perspective from back home.

The Texas REALTOR® Legislative Contact Teams are vital to the success of the association's political and legislative advocacy, especially during legislative sessions.

There are at least 219 contact teams—one for each Texas lawmaker in the state and U.S. Capitols. The teams, composed of Texas REALTORS® from the lawmakers' home districts, are responsible for developing and maintaining relationships with their designated legislators and their staff.

Legislative Contact Teams are also the centerpiece of REALTOR® Day at the Texas Capitol. During this biennial event, team leaders usually present TAR's policy positions to their designated lawmakers. Then team leaders report lawmakers' responses back to TAR—a critical component of the association's legislative success.

Recent successes

In 2017, TAR's Legislative Contact Teams were instrumental in the success of delivering the local perspective on TAR's legislative priorities to the 181 members of the 85th Texas Legislature.

In 2015, Contact Teams promoted critical legislator-specific calls for action to encourage support for legislation that ultimately became statewide Proposition 1, the ban on real estate transfer taxes, which 86% of Texas voters approved in November 2015.

The work continues

Serving as a contact team member isn't over when the legislative session ends. It's imperative the teams continue their relationships with legislators and staff during non-session periods, as well. Contact teams who keep their legislators constantly informed on real estate issues and involved in local association activities are a vital part of the association's lobbying efforts. A well-timed "Happy Birthday" message never hurts, either.

If you know of Texas REALTORS® who already have relationships with state or federal elected officials, notify them of the opportunity to participate in the Legislative Contact Team Program.

Tell your TAR field representative if you're interested in serving on a Legislative Contact Team. See which field rep covers your region at TexasRealEstate.com/FieldReps.

Legislative Liaison

The Legislative Liaison is a political insider newsletter ... just for Texas REALTORS®

The *Legislative Liaison* is an easy-to-read email newsletter that examines public policy, politics, and regulatory changes from the Texas REALTOR® perspective. Subscribers receive weekly updates (usually late Friday) during Texas legislative sessions and periodically during interims.

The *Legislative Liaison* also provides insight about the legislative process and how the Texas Legislature works.

Other features include "Just Ask," a section that enables readers to submit questions to association staff and "Around the Web," a collection of links to news articles of interest to Texas REALTORS®.

While the major goal is to inform subscribers, the information in the *Legislative Liaison* should be shared with colleagues via email, during office meetings, or at business-networking events.

As of September 2018, there were more than 15,000 *Legislative Liaison* subscribers.

Subscribe to
Legislative Liaison
at [TexasRealEstate.com/Liaison](https://www.texasrealestate.com/Liaison).



Calls for Action

Delivering consistent, timely information to an elected official can be the difference between success and failure at city hall, in Austin, or in the nation's capital.

NAR and TAR will occasionally release calls for action (CFAs) to raise lawmakers' awareness of priority issues or if legislative action is necessary.

CFAs are a simple way to show support for (or opposition to) proposed legislation. With just two clicks, Texas REALTORS® can send a pre-written message directly to their legislators explaining the association's position on a given issue. And while the CFA system is an ideal messaging and targeting platform, a high response rate and quick turnaround is even more important.

Recent CFA success in D.C. ...

When the National Flood Insurance Program was at risk of expiring without renewal this summer, REALTORS® took action.

In the strongest response from any state, **16,398** Texas REALTORS®—that's **21.49%** of Texas Association of REALTORS® members—sent messages to Congress, urging lawmakers to renew the NFIP before it expired July 31, 2018.

The REALTOR® voice was heard loud and clear! Legislation passed by Congress and signed into law by the president extended the program to Nov. 30, 2018 ... so you'll likely see another call for action on NFIP later this year.

In the meantime, NAR continues to work with Congress to improve the program and ensure its long-term sustainability as reauthorization discussions continue.

Other recent national calls for action have also included preservation of the mortgage interest deduction and legislation designed to make homeownership more accessible for many low-income and first-time homebuyers.

CONTINUED ►



When a call for action launches, visit TexasRealEstate.com/action to respond.

... and success in Texas

During the 2017 legislative session, TAR used the call for action system so Texas REALTORS® could send messages targeted to certain lawmakers when state House and Senate committees were considering legislation relevant to real estate.

During the session, TAR also sent an all-member call for action targeting the entire Texas House of Representatives when a certain piece of legislation was up for a vote. **After only 36 hours, Texas REALTORS® sent more than 5,000 messages to the Texas House.**

Two more successful examples of statewide calls for action came in 2007. In one case, 6,200 Texas REALTORS® sent 12,000 emails against proposed legislation that would have resulted in a real estate transfer fee ... and that was over the Memorial Day weekend. In the other, more than 4,400 Texas REALTORS® emailed their lawmakers within seven hours to express concern about an attorney general opinion that had the potential to delay or halt real estate closings.

TAR can also target specific legislators (helpful when a close vote is looming), as well as city council members, county commissioners, or other local officials (useful for Issues Mobilization campaigns).

Broker Involvement Program

Another component of the Call for Action program is NAR's Broker Involvement Program, an initiative that provides eligible brokers and designated REALTORS® a quick and effective tool to rally agents on critical federal issues affecting our industry.

The program is based on a simple assumption: Agents open emails from their brokers immediately ... almost certainly faster and more often than they do messages from TAR or NAR. As such, the Broker Involvement Program sends call-for-action alerts to agents in their broker's name with their broker's logo.

The sign-up process for brokers is free, quick, and easy, and the results are positive: response rates are significantly higher for agents who receive notification through the Broker Involvement Program.

REALTOR® Party Mobile Alerts

The most common reason cited by Texas REALTORS® who don't respond to calls for action is, "I never saw the email."

NAR's REALTOR® Party Mobile Alerts program can help. This text-message notification system is dedicated to getting the word out when a call for action launches.

Sign up is simple: Texas REALTORS® can just text the word **txrealtors** to **30644** ... and you'll be signed up to receive important, timely alerts.

Encourage brokers to sign up for the Broker Involvement Program at RealtorParty.realtor.



Texas REALTOR® Candidate Academy

One of the best ways to ensure elected officials understand and defend private-property rights and the real estate industry is to elect Texas REALTORS® to public office.

Every year, Texas REALTORS® run for elected offices, including school boards, city councils, commissioners courts, and the state legislature.

In many cases, these races are their first political forays, and it can be easy to fall into the numerous pitfalls of running for office.

TAR offers the Texas REALTOR® Candidate Academy to give Texas REALTORS® the tools they need to run an effective campaign for local or state office.

The program, which is held at least once each year, is designed to turn a political novice into a strong candidate prepared for the challenges of the campaign trail.

The program focuses on developing an effective and strategic plan for winning a modern political campaign, including:

- Developing a campaign strategy
- Building a team
- Creating a budget and timeline
- Avoiding common pitfalls
- Identifying and communicating with your voters
- Organizing and executing an effective grassroots campaign
- Delivering an effective and articulate message
- Leveraging the media
- Using social media and the internet
- Understanding campaign finance
- Raising the financial resources to fund the campaign

Learn more at
[TexasRealEstate.com/academy](https://www.texasrealestate.com/academy).

Early Engagement

Due to the perpetual nature of modern political campaigns, it's in our best interest to support pro-real estate candidates early in the campaign cycle.

During early engagement, the TREPAC Trustees may vote to support an announced candidate ahead of the official filing period (November-December in odd-numbered years). The Trustees rely heavily on input from local associations and the Political Involvement Committee to help determine who deserves early support.

Therefore, the PIC is charged with ...

- Rating incumbent lawmakers using a combination of quantitative evaluation and qualitative analysis; and
- Working with local associations to accelerate the local timeline for TREPAC recommendations and Opportunity Races requests in certain legislative districts (a.k.a. "early engagement").

Candidate interviews remain an important part of the process, but local association leaders should use their discretion to determine if an interview is necessary.

Candidate ratings

The PIC uses the following category system for legislators and candidates to provide guidance to local boards and the TREPAC Trustees.

Candidate Categories

Office Holders

- **REALTOR® Champion**—a candidate with a demonstrated track record of significant support for REALTOR® Party positions; who has demonstrated REALTOR® support through other (non-voting) activity, such as carrying legislation; who may have notable leadership roles within the legislature or political parties; who has been receptive and responsive to TAR and REALTOR® constituents.
- **REALTOR® Friend**—a candidate with a demonstrated track record of support for REALTOR® Party positions; who has been receptive and responsive to TAR, REALTOR® constituents, and the local association.
- **Incumbent**—a candidate who currently holds the office for which he/she is seeking re-election.

Open seats

- **Friendly candidate**—a candidate with known support for REALTOR® Party positions; who has been receptive and responsive to TAR and REALTOR® constituents.
- **Unfriendly candidate**—a candidate with known opposition to REALTOR® Party positions; who has been unreceptive and unresponsive to TAR and REALTOR® constituents.

Contested seats

- **Friendly challenger** – a candidate with known support for REALTOR® Party positions; who has been receptive and responsive to TAR and REALTOR® constituents; running against an incumbent.
- **Unfriendly challenger** – a candidate with known opposition to REALTOR® Party positions; who has been unreceptive and unresponsive to TAR and REALTOR® constituents; running against an incumbent.

Candidate evaluation

Incumbents

Quantitative Evaluation

- Numerical grade based on TAR legislative priorities
- Considers all votes on all priority bills (including committee votes), as well as amendments

Qualitative (staff/PIC/local)

- Level of competitiveness
- Local intel
- Lobby team input
 - Behind the scenes
 - Legislator background
 - Committee assignments
 - Receptive/responsive

Challengers/Open seats

- Candidate questionnaire/interview
- Political experience
 - Elected/appointed positions
 - Employed by elected?
 - Community involvement
- Professional real estate experience
 - Relationship with local board/state, if any
 - Philosophical agreement with issues
- Viability of campaign
 - Community support
 - Fundraising
 - Campaign activity

What early engagement means for local boards

Recommendations for early engagement can come from the PIC or a local board. If your PIC member comes to you with an opportunity for early engagement, you have four options:

1

Approve a local recommendation for early engagement in a candidate's election. TREPAC will consider this race at its next opportunity using your local recommendation and PIC guidance.

2

Oppose a recommendation for early engagement in a candidate's election. TREPAC may still consider this race at its next opportunity, but will require a 2/3 vote to override your local position. If that vote is not taken or the 2/3 threshold is not met, you can submit a candidate recommendation on your own timeline.

3

Request additional time to process the recommendation on early engagement in a candidate's election. Contact TAR staff for assistance.

4

Take no action or remain neutral on early engagement in a candidate's election. TREPAC may still consider this race at its next opportunity.

Territorial Jurisdiction

In 2018, the National Association of REALTORS® and Texas Association of REALTORS® implemented policies regarding local advocacy efforts that cross associations' territorial jurisdictions.

The policies address how a local association should proceed when it wishes to engage in local advocacy (i.e., candidate support, ballot measure, Issues Mobilization campaign, etc.) if those efforts would impact the territorial jurisdiction of another local association.

For example ...

Consider that some political districts cover the jurisdictions of multiple local associations. The new policies also apply to an association that wants to engage in advocacy outside of its official jurisdiction.

The Smithton Board of REALTORS® wants to use local and state Issues Mobilization funds to oppose an upcoming ballot measure that would create a new hospital district in the city. But the city's boundaries cross over county lines, and into the Arbor Lakes Association of REALTORS®'s territory.

The Smithton Board must give notice of their campaign plans to the Arbor Lakes Association and allow them five business days to respond with any objections.

In another example, the Cityville Association of REALTORS® wishes to engage in an opportunity race for a candidate for a Texas Senate district that covers two other local board's jurisdictions.

This policy requires the Cityville Association of REALTORS® to provide notice to the other local associations with jurisdiction in that Senate district and allow them at least five business days to object.

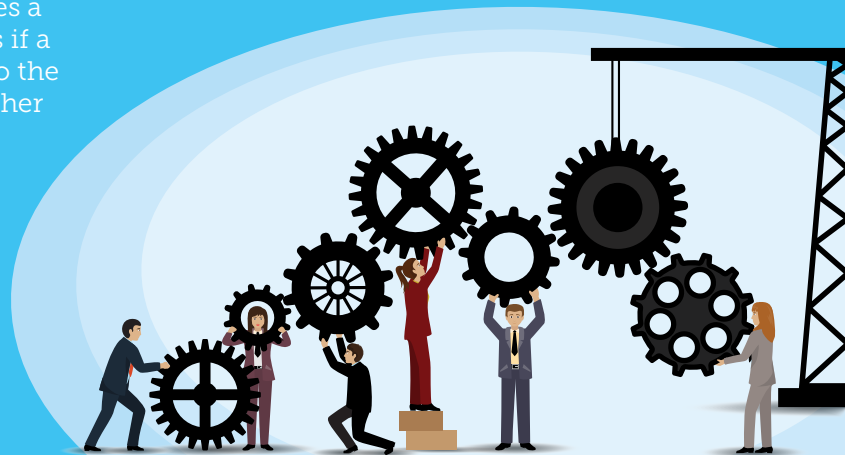
See TAR's
Territorial
Jurisdiction
Advocacy Policy at
[TexasRealEstate.com/jurisdiction](https://www.texasrealestate.com/jurisdiction)

Working together

The goal of the policy is to encourage cooperation among local associations.

The new policy also creates a dispute resolution process if a local association objects to the planned advocacy of another association.

However, we have a strong history of cooperation and communication in our state, so we don't anticipate any negative impact to local advocacy in Texas.



Candidate Interview Program

The Candidate Interview Program builds relationships, ensures accountability, and establishes Texas REALTORS® as experts.

As a leader in TAR Governmental Affairs, one of the most common questions you'll hear is, "How do TAR and TREPAC decide who to support?" The answer begins with the Candidate Interview Program.

Candidate Questionnaires and TAR Positions

TAR provides a state-level candidate questionnaire that is updated after each legislative session. These questionnaires should be distributed to all state House and Senate candidates.

We also provide the interview panel a separate PDF with the "TAR positions" and a little issue background ... so panel members are well-informed and present a unified policy statement for each issue.

Questionnaires are available as downloadable PDFs or online versions—both on [TexasRealEstate.com/CandidateInterviews](https://www.texasrealestate.com/CandidateInterviews).

Online questionnaires

When candidates complete the online questionnaire, the responses are sent to TAR Governmental Affairs staff for distribution to the proper local association.

The online questionnaires are useful in several ways:

- Gather more information from the candidates
- Simplify the candidates' experience
- Improve the legibility of candidates' answers
- Ensure the return of completed questionnaires to TAR
- Create searchable answers for TAR staff.

Visit [TexasRealEstate.com/CandidateInterviews](https://www.texasrealestate.com/CandidateInterviews) for all candidate interview resources.

The support process for state-level candidates

1. Local input – Candidate Interviews

During candidate interviews, a panel of local Texas REALTORS® use TAR-provided questionnaires to guide conversations with candidates for state senator and representative.

Based on the results of the interviews, local associations may choose to submit a recommendation for any race in their jurisdiction.

While candidate interviews are not required, they are strongly encouraged. The Political Involvement Committee and TREPAC Trustees rely heavily on local association recommendations to make informed decisions about candidates.

2. Staff recommendations

TAR staff also offers recommendations based on local political intelligence, existing relationships with lawmakers, voting records, and other factors.

3. PIC discussion

After local boards and TAR staff have submitted recommendations, the Political Involvement Committee discusses all races, adds commentary, and sends PIC representatives to the next TREPAC Trustees meeting.

4. TREPAC Trustees

When the TREPAC Trustees meet to discuss contributions to candidates, they also discuss every race and consider staff recommendations, local recommendations, and PIC input.

Note: There is not always a consensus. Sometimes, the PIC, staff, and local board recommendations are not the same ... and that's OK.

In such cases, representatives from the local board, staff, a group of Trustees, and PIC members explain their positions to the TREPAC Trustees. **Local board recommendations get priority status, requiring a 2/3 vote of the TREPAC trustees to overturn.**

Once the TREPAC Trustees have voted to support a candidate, that candidate has earned Texas REALTOR® support.

5. Executive Board

The TAR Executive Board may vote to endorse in statewide elections or ballot measures, if they choose.

Best Practices for Candidate Interviews

Selecting Interview Panelists

A screening panel of six to 10 Texas REALTORS® should be selected to interview candidates. It is strongly recommended that this panel include Texas REALTORS® who have served in leadership roles for Governmental Affairs or TREPAC committees. PIC members and TREPAC trustees are ideal interview panelists.

Support vs. Endorse

TREPAC trustees approve financial support for candidates, but only the Texas Association of REALTORS® Executive Board may endorse a candidate or measure.

Find candidate interview questionnaires, Opportunity Race request forms, TREPAC support forms, and more at TexasRealEstate.com/CandidateInterviews.

Panelists must commit to being non-partisan and should be articulate, astute, issues-oriented, and objective.

Members of the interview panel should also agree to disclose any personal or business ties with candidates, organized political activity, or work on political campaigns.

You can find a disclosure form on [TexasRealEstate.com/CandidateInterviews](https://www.texasrealestate.com/candidate-interviews).

Scheduling Interviews

Scheduling interviews can be tough, especially when timelines are compressed. Work with the campaigns, TAR field reps, and the local AE or GAD ... and consider the timing of local board of directors meetings and TAR's PIC/PAC meetings.

If the timeline is too tight, recommendations may be sent to TAR with a tag of "pending approval by the board of directors."

Note: In some instances, political districts overlap the jurisdictions of multiple local associations. Often, associations will run joint candidate screenings. It is not only easier, but also makes it more convenient for the candidates. See page 18 to learn more about territorial jurisdiction.

Did you know?

The Texas Association of REALTORS® also provides candidate questionnaires for local races.

Inviting Candidates

Make sure all candidates for a race have the opportunity to visit with the local board ... they may not all show up, or even respond to the outreach, but **every candidate should receive an invitation.**

Inform the campaigns that **the interview is the first step in securing REALTOR® support.** Get detailed contact information, send the candidate questionnaire, and provide a deadline for when the candidate needs to submit their completed questionnaire.

Knowing where each candidate stands before the interview will help the candidate and the interview panelists prepare to address any issues. Invite all candidates for a single office on one day, so all panelists can meet each candidate. Each interview should be 20 to 30 minutes, and the panel should keep to the schedule to respect all participants' time.

Preparing for the Interview

The Texas Association of REALTORS® offers a candidate-interview toolkit that contains a candidate questionnaire, relevant issues, candidate-interview timelines, and a guide for conducting a successful candidate-interview.

TAR field representatives can conduct a candidate-interview workshop for local associations. Content of this program includes interview techniques, best practices, mock screenings, and more.

Choose a moderator for the panel who will be responsible for keeping the scheduled appointment and controlling the interview—no filibusters!

Getting involved early

In many cases, races grow contentious long before TAR and TREPAC deadlines. Getting involved early gives REALTOR® Champions the best chance for success.

If candidate is supportive of REALTOR® issues or a logical choice, there's no need to wait until the deadline—feel free to **submit recommendations early!**

Learn more about early engagement on page 16.

Interviewing Incumbents

When interviewing incumbent officeholders, consider their voting records and relationships with the local association. The incumbent may have been through the screening process, or answered the questionnaire prior to a previous election, so the panel should use its judgment as to how the interview is conducted.

It is best not to ask an incumbent who has supported REALTOR® issues the same questions as a challenger, but rather thank them for the job they do and let them know what issues are currently of interest to the association.

Never interview a friendly incumbent at the same time as the challenger—in fact, **it's best not to interview multiple candidates at the same time.** One-on-one conversations are more candid and encourage more dialogue between the candidates and the screening panel ... plus, you can avoid "me, too" responses.

Interviewing for an Open Seat

For open seats, or when candidates have no voting record or relationship, determining support can be a bit trickier, so a thorough interview is advisable. Look for philosophical agreement with TAR positions, or consider the candidates' professions or outlook.

It's not an interrogation

Candidate interviews are the first step in building a relationship—they should be conversational, not confrontational. If the candidate doesn't answer "correctly" on the questionnaire or in person, use it for what it is—your chance to present the REALTOR® position (and possibly frame the issue in the candidate's mind).

Beyond the Questionnaire

In addition to the questionnaire, the panel should ask about the candidates' campaigns and funding. If they do not have strong campaign infrastructure and lack sufficient funds, they may not be able to win the election.

Other questions may include

- Why is the candidate running?
- Who are the campaign manager and fundraiser?
- How much money will it take to win this race?
- How much money has been raised to this point?
- Any chance the race will turn ugly? If so, what will those talking points be?
- Would the candidate accept TREPAC funds if they receive the association's support?

Scoring the Candidate

Many local associations prefer a qualitative method to choose the best candidate.

Under these circumstances, the panel should discuss the candidates after all interviews are complete and then vote to support one of the candidates. Moderators should only cast a vote in the case of a tie. In this situation, many panels choose to use a secret ballot to avoid controversy.

Panelists should only vote to support a candidate in a given race if they were present during all the interviews.

Caution: Voice votes can lead to difficult situations between panelists and are not recommended.

You'll also want to consider partisan makeup of the district. For example, a Republican may score very well with the panel, but be running in a 75% Democratic district. TAR staff, the PIC, and the TREPAC Trustees will all consider a candidate's ability to win when determining support.

In some cases, the interview panel may end up divided—perhaps multiple candidates scored well during the interview. Maybe two senate candidates have been very friendly as state representatives and your panel is divided. In situations like these, **it's completely fine to recommend staying out of the race.**

In primary season, avoid supporting one Democrat and one Republican for the same office. While it may seem like a good idea, it can lead to an uncomfortable conversation if they both win their primary elections.

Shhhhh!

Keep quiet about support and do not promise funding! Nothing is official until the TREPAC trustees and TAR Executive Board meet.

How to Recommend a Local Candidate

Upon approval by the local board of directors, the local association should contact TREPAC to determine the balance of their local allocation fund. The association should also submit a completed TREPAC Local Candidate Contribution Form with the candidate's name, address, position sought, and the amount requested.

How to Recommend a State Candidate

Upon approval by the local board of directors, the local association should send in the recommendation, signed by the association president, along with a copy of the candidate's answers to the questionnaire.

All local association recommendations will be considered by the TREPAC Trustees—and the Political Involvement Committee, if there's an opportunity race request—for final approval. The dollar amount is given based on funding criteria approved by the TREPAC Trustees.

Local association recommendations are the foundation of the support process, but they're not the final step. As such, results of candidate interviews and local-board recommendations **must remain confidential** until the appropriate bodies have approved financial support.

Important

Local associations may not announce support of a state-level candidate until the Texas Association of REALTORS® makes an announcement or TREPAC distributes a check.

4 Ways TAR and TREPAC engage

The Texas Association of REALTORS® and TREPAC have several methods for engaging in candidate elections.

TREPAC direct contribution – contributions of hard (non-corporate) dollars directly to a candidate or candidate’s campaign; Local boards may submit TREPAC request forms for state-level legislative races and local races.

Coordinated Political Activity – in-kind contributions using TREPAC non-corporate dollars done with or at the request of the candidate or the candidate’s campaign. For example, sending a direct mailer, buying yard signs, providing contract labor, sharing a poll, or hosting a meet-and-greet event.

Opportunity Race – a REALTOR®-facing campaign in support of a TREPAC-supported candidate using TAR corporate dollars. These races are requested by local boards and conducted in candidates’ districts from state association headquarters. The PIC, local REALTORS®, and TAR Field Reps concentrate on mobilizing REALTORS® in the district to vote for the supported candidate. Examples of mobilization include placing REALTORS® at the polls, member-to-member phone banking, direct mail, “REALTORS® For ...” webpages, and email to REALTORS®.

Independent Expenditure – Political communication funded by corporate dollars (TAR or Texas REALTORS® PAC) or non-corporate TREPAC dollars that expressly advocates for or against a candidate. The term “independent” is critical, as it signifies that the advocacy is not made in cooperation, consultation, in concert with, or at the request or suggestion of, a candidate, candidate’s PAC, or a political party (See page 30 for more info).

Legal note: Coordination between the corporate and non-corporate sides is illegal. TAR’s internal firewall is a complete communication blockade between the corporate side (TAR/Texas REALTORS® PAC) and the non-corporate side (TREPAC) regarding supported candidates, contribution amounts, and advocacy efforts. Publicly available information may freely be used.



Voter Registration

The first step in electing REALTOR® Champions is maximizing the number of Texas REALTORS® who can vote.

Why voter registration is so important

Voter turnout in Texas is abysmal—especially in primary, constitutional-amendment, local, and special elections.

The good news is that Texas REALTORS® turn out at a much higher rate than the general voting population ... and that's how you continue to influence the composition of local, state, and federal governing bodies.

Texas REALTORS® voter registration

Did you know that Texas REALTORS® vote at **more than twice** the rate of the general voting-age population?

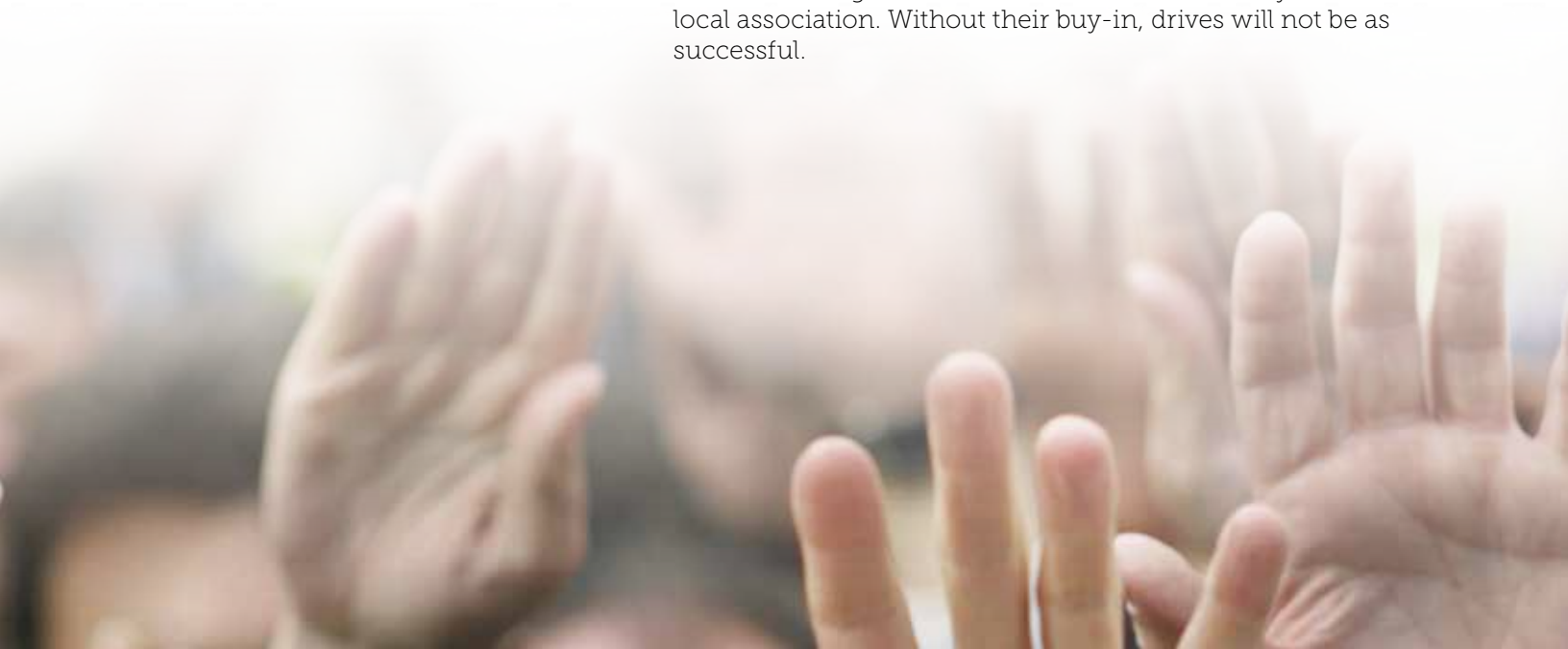
That's a great statistic, but you can't vote if you're not registered ... and that's why the Political Involvement Committee makes voter registration of Texas REALTORS® a top priority.

Each election season, TAR conducts a statewide, REALTOR®-facing voter-registration campaign. Districts where TAR is conducting an opportunity race get even more intensive voter-registration efforts.

The most important element of conducting a voter-registration drive is a strong commitment from the leaders of your local association. Without their buy-in, drives will not be as successful.

17.17%

Percentage of
registered Texas
voters who voted in
the 2018 primaries



Here are some methods for increasing participation in a voter-registration drive targeting REALTORS®:

- Designate “Voter Registration Week”
- Reach agents through their brokers
- Send notifications to colleagues
- Use social media to encourage registration
- Mention the effort in sales meetings
- Take voter-registration cards to networking events
- Distribute voter-registration cards in your office and closing packets
- Direct all questions to VoteTexas.gov.

Public voter registration

One of the best ways to increase the number of voters in your area is through a voter-registration drive. As active community members, Texas REALTORS® are ideal hosts for these events.

For public-facing efforts, many Texas REALTORS® include voter-registration cards in clients’ closing packets. Likewise, local associations can run a public-facing voter-registration drive ... a great public relations opportunity.

A great responsibility and a great service

Some Texas REALTORS® have become **deputy voter registrars**. Those REALTORS® have completed training that allows them to accept completed registration cards and submit them to their county’s voter registrar on the applicant’s behalf.

This is a great way to show your client service after the sale—after all, their recent move probably means they’ll need to update their registration information. Who better than you?

Contact your county’s voter registrar to learn how you can become a deputy voter registrar. They’ll provide you with information about training.



Opportunity Race Program

The Opportunity Race Program empowers Texas REALTORS® to elect pro-real estate candidates.

Opportunity races are REALTOR®-facing campaigns conducted on behalf of supported candidates.

Opportunity races are approved by TAR's Political Involvement Committee as collaborative efforts between the state and local associations.

These efforts may include the use of direct mail, polling, phone banking, websites, social media outreach, meet-and-greet events, and other efforts to encourage Texas REALTORS® to vote for the TREPAC-supported candidates on Election Day.

To request an opportunity race, a local board is required to submit a signed application (available at [TexasRealEstate.com/OR](https://www.texasrealestate.com/OR)), committing the association to assist in TAR's efforts to mobilize local REALTORS® in support of these candidates.

To see sample opportunity-race material, see page appendix 38.

Benefits of the Opportunity Race Program

- Result in significantly higher turnout among Texas REALTORS®, in some cases doubling or tripling the turnout rate of the general voting public
- Have a positive influence on the campaigns of candidates who support real estate interests and the rights of private-property owners in Texas
- Demonstrate the power of REALTOR® mobilization
- Enhance the political prestige of Texas REALTORS®, local associations, and TREPAC
- Increase Texas REALTOR® political participation on behalf of association-supported candidates
- Energize local associations' political and legislative committees and identify politically active Texas REALTORS® for future political efforts.

The Opportunity Race process

After a local association conducts candidate interviews, the board may choose to request an opportunity race on behalf of a select candidate.

Note: TAR will never conduct an opportunity race without buy-in and an official request from the local association.

Requests are submitted to TAR's director of political affairs and reviewed by TAR's Political Involvement Committee (PIC). The PIC submits a recommendation to TAR's Legislative Management Team, which gives the final approval.

If the opportunity race is approved, TAR and the local board will execute a campaign designed to engage and motivate Texas REALTORS® to volunteer and vote for the candidate of choice.

In the 2018 primaries, the Texas Association of REALTORS® engaged in 14 opportunity races.

Download the opportunity race application and notice at [TexasRealEstate.com/OR](https://www.texasrealestate.com/OR)

What makes an opportunity race?

The Political Involvement Committee (PIC) examines the following criteria in considering opportunity races:

- Has the candidate received TREPAC support (or a recommendation for TREPAC support)?
- Has the candidate been classified by the PIC as a REALTOR® Champion or REALTOR® Friend?
- Does the candidate face a hotly contested election?
- Does the candidate have the support of local REALTORS®?
- Will REALTOR® engagement impact the race?

Local boards can contact their regional PIC member or the TAR director of political affairs for more information.

Best practices: Steering Committee

Every opportunity race needs a local leader. TAR recommends using a member of the local board's Political or Governmental Affairs Committee to chair the "REALTORS® For [Candidate] Steering Committee" in support of the REALTOR®-facing campaign.

If this person is not available, the TAR Political Involvement Committee member, the TAR field representative, or the local association's Governmental Affairs Director may also serve as the steering committee chair. Another option may be a Texas REALTOR® who has a personal relationship with the candidate.

The steering committee chair should help coordinate:

- Block-walking or door-to-door efforts
- Phone banking
- Social media promotion
- Sign locations
- Special events (should be paid for with TREPAC non-corporate dollars)
- Election Day activities (poll watching, etc.)

**Consult your
TAR field
representative
to implement
opportunity races.**

Super PAC/Independent Expenditures

In its 2010 Citizens United decision, the U.S. Supreme Court ruled that corporations may expend unlimited resources on political speech, as long as that speech isn't in coordination with a candidate or a candidate's campaign.

Since that decision, independent expenditures (also known as direct campaign expenditures) have become an increasingly visible part of the modern political landscape.



What is the Texas REALTORS® PAC?

The Texas REALTORS® PAC is a Super PAC that enables TAR to use corporate dollars from a variety of sources to conduct independent expenditures. A board of Texas REALTORS® governs the Super PAC.

They may choose to engage in any race at the state or local level. Candidates are determined by the use of publicly available information, which can include social media, ethics reports, press releases, etc. to determine who to support.

To be clear, Texas REALTORS® PAC does not replace or compete with TREPAC. The two PACs have different roles.

To see sample independent expenditure material, see appendix 39.

To see the different ways TAR engages in political activity, see "4 Ways ..." on page 25 ...

Why you don't need to know

While independent expenditures are overseen by Texas REALTORS®, the fewer people who know about an IE, the better.

This is especially true in areas where local REALTORS® are volunteering with the campaign or helping to execute an Opportunity Race.

Independent expenditures must be executed separate and apart from TREPAC and without the candidate campaign's knowledge or help.

Legal note

Coordination between the corporate and non-corporate sides is illegal. TAR's internal firewall is a complete communication blockade between the corporate side (TAR/Texas REALTORS® PAC) and the non-corporate side (TREPAC) regarding supported candidates, contribution amounts, and advocacy efforts. Publicly available information may freely be used.

TexasRealtorsSupport.com

TAR hosts an interactive voting guide at TexasRealtorsSupport.com.

The site allows users to enter their address and then displays a list of the TREPAC-supported candidates on their ballot.

You'll also find a Hot List of the most contentious races, designated by their "spice factor."

TAR staff also use the system to send Texas REALTORS® slate mailers by email and direct mail that list all of the TREPAC-supported candidates on their ballots.

The site currently features the supported candidates running in the Nov. 6, 2018 general election.



TexasRealtorsSupport.com homepage.



Sample result page.

Texas REALTOR® Delegate Program

At every level of the convention process, delegates come in contact with elected officials and candidates. This is an excellent opportunity to promote real estate issues, showcase TAR involvement in the political process, and establish relationships with public officials.

The Texas REALTOR® Delegate Program encourages members to get involved by participating in their political party's convention process. This enables Texas REALTORS® to get pro-homeownership and pro-property-rights issues included on both major parties' official platforms.

The program offers resources to maximize this involvement for the benefit of the real estate industry.

Find the American
Dream Resolution at
[TexasRealEstate.com/
Delegate](http://TexasRealEstate.com/Delegate)

TEXAS ASSOCIATION OF REALTORS®

AMERICAN DREAM RESOLUTION

WHEREAS, the United States was built on the foundation that private property rights are a sacred cornerstone to democracy; and

WHEREAS, Texas was founded on the principle of protecting private property and it is important to preserve these rights and maintain constitutional protections against regulation and seizure of a homestead; and

WHEREAS, any new tax related to a real estate transaction would create even more barriers to homeownership; and

WHEREAS, more than 86% of Texas voters chose to prohibit the government from imposing a sales tax on real estate transactions; and

WHEREAS, any new tax system designed to address a state budget deficit should not increase the heavy burden property owners in Texas now bear; and

WHEREAS, any restructuring of the school-finance system shall not be offset by newly created property taxes; and

WHEREAS, the state's diverse economy, staunch consumer-protection standards in home-equity lending laws, and history of low taxes and fiscal responsibility have allowed the state to weather the current economic crisis; and

WHEREAS, it shall be a goal of this state to preserve the economic climate that favors attainable and sustainable homeownership.

BE IT THEREFORE RESOLVED, that the «PartyName» Party of Texas takes a stand for Texas property owners and repudiates any creation of a real estate transaction tax, and supports paving the way for more Texans to attain the American Dream of homeownership.

How it works

To be effective, involvement in the Texas REALTOR® Delegate Program must begin at the neighborhood level with precinct conventions. Precinct conventions, which usually take place at each polling location after the polls close during primary elections, are open to anyone who voted in that precinct in that election.

To participate, a prospective delegate should show up at the convention with a voter registration card that indicates he or she voted in that party's primary. The purpose of this convention is to elect delegates to the county/senatorial conventions and adopt resolutions, like TAR's, that will ultimately be used in the formulation of the party's platform.

If elected as a delegate or alternate to the county/senatorial convention, Texas REALTOR® delegates should secure passage of TAR's American Dream Resolution and attempt to be elected as a delegate or alternate to the state convention.

In 2018, nearly 400 Texas REALTORS® served as Republican or Democratic state delegates. These Texas REALTORS® were successful in securing language in both state parties' platforms that promote private-property rights and homeownership.

Texas REALTOR® Public Officials (RPOs)

The Texas REALTOR® Public Officials (RPO) Program identifies Texas REALTORS® who have been elected or appointed to serve as public officials at local, state, and federal levels.

The goal of the program is to maintain open lines of communication between the Texas Association of REALTORS® and RPO at every level of government.

Of course, an RPO may be a:

- United States senator or representative
- Texas senator or representative
- Mayor or city council member

But it doesn't stop there ... an RPO may also be a:

- Planning or zoning board member
- County commissioner or judge
- Justice of the Peace
- Member of an appraisal review board, school board, economic development commission, historical commission, MUD, water/land board, housing authority, transportation/mobility commission, etc.
- Gubernatorial appointee to a regulatory agency, board, or commission (TAR staff may be able to help Texas REALTORS® become gubernatorial appointees).

Who do you know?

There are probably hundreds of RPOs in Texas ... and TAR needs your help to identify them.

If you know of a Texas REALTOR® who is elected or appointed to an office, let the TAR staff know ... or better yet, add them to the RPO database at TexasRealEstate.com/RPO. Submissions should include members' company name, address, elected/appointed office, and telephone number.

**Add names of
REALTOR® Public
Officials to the
database at
[TexasRealEstate.
com/RPO](https://TexasRealEstate.com/RPO)**

The RPO advantage

RPOs' professional experience gives them a unique perspective on the legislative, regulatory, and political challenges that face the real estate industry.

Public Policy Overview

Under all is the land ...

In recent years, the association has expanded its legislative focus to include a wide range of public-policy issues that affect property owners, the real estate industry, and the state as a whole.

Issues can include water rights and conservation efforts, mineral interests, energy production, transportation, public education, real estate valuation and the property appraisal process, land development, regulatory oversight of free enterprise, private-property rights, taxation, and more.

How does TAR determine legislative priorities?

Throughout the year, TAR's policy committees have been meeting and discussing a wide variety of issues to make recommendations for TAR's 2019 legislative agenda.

TAR's Public Policy Oversight Committee oversees four issues-specific policy committees: Business Issues, Infrastructure, Land Use, and Taxation. Each committee is assigned interim subjects to explore, with the help of research and expert guest speakers, and ultimately recommend positions for the upcoming legislative session.

TAR's member-driven public policy process ensures our legislative priorities are responsive to issues facing Texas real estate.



Business Issues

- Considers policy proposals related to the real estate transaction, financing, and licensing, such as property management regulations, title insurance, home equity, licensing requirement, housing affordability and homeowner associations (HOAs).

Infrastructure

- Considers policy proposals related to the physical and organizational structures and facilities needed for the operation of communities and regions, such as schools, transportation, water, and energy usage.

Land Use

- Considers policy proposals related to the scientific, aesthetic, and orderly disposition of land, resources, and facilities necessary to the physical, economic and social development of communities, such as eminent domain, annexation, county rule-making, and municipal zoning regulations.

Taxation

- Considers policy proposals related to state and local tax collection and disbursement, such as local property taxes, public appraisal process, central appraisal districts, public school finance, franchise taxes, sales or transfer taxes on real estate transactions, and sales taxes on professional services.

Ultimately, these committees make recommendations to the Public Policy Oversight Committee, which will submit final recommendations to the association's Executive Board. Upon approval from the Executive Board, the Legislative Management Team prioritizes the issues and develops the association's legislative strategy. Staff is responsible for implementing the LMT's decisions during a legislative session.



Issues Mobilization

The Issues Mobilization Program is designed to help local REALTOR® associations identify and act on local issues that affect Texas REALTORS® or private-property owners.

Issues Mobilization refers to a fund dedicated to political battles in favor of or against proposed local ordinances, ballot measures, or other issues. The term may also refer to the committee that administers the fund.

What does Issues Mobilization do?

The Issues Mobilization Committee provides some combination of political expertise, strategic guidance, printed and/or multimedia marketing materials, and funding.

What *doesn't* Issue Mobilization do?

Issues Mobilization will not fund or support a campaign that puts one local association at an advantage over another, nor does it typically approve grants that only pay money to another entity or PAC. The committee also does not provide monetary support for bond issues—there are simply too many entities with bonding authority.

Things to know about Issues Mobilization

- **No job is too small.** The point is to tackle small problems before they get big. In fact, the smallest amount of monetary support in Issues Mobilization history was \$250 for a print ad in the local weekly paper in Dumas, Texas.
- **It's not just for big boards.** Local officials from communities of every size pass ordinances all the time—and many will affect the real estate industry. Plus, cities and counties are known for copying each other—meaning bad ideas spread.

See something? Say something!

If you hear about a local ordinance or proposal that could affect the real estate industry in your area, let your AE and TAR field representative know immediately!

- **It's a big hammer.** Issues Mobilization can raise public awareness, encouraging constituents to take action. Some Issues Mobilization campaigns have defeated ordinances simply because the governing body was so overwhelmed with feedback that it “tabled” the issue for a later date—and never discussed it again.
- **Experience counts.** The Issues Mobilization Committee is well-schooled in a wide variety of local issues, like mandatory retrofits, point-of-sale ordinances, property rights, rental registration, and growth ordinances.
- **Submit an application as soon as you see an issue looming.** The sooner the committee knows about the issue, the better. Campaigns take time to develop ... plus, nipping a proposal in the bud before it comes up for a vote is always the most cost-effective way to stifle an issue.
- **The program is very responsive.** Being on the Issues Mobilization Committee means being available to meet quickly. In some cases, the committee has discussed the application, funded the request, and begun developing a comprehensive strategy within two business days.

How it works

Any Texas REALTOR® can identify a local issue that could affect the real estate industry. However, all Issues Mobilization inquiries and applications must come through the local association. It's also advisable to consult with the TAR field representative in your area.

In many cases, TAR staff can provide enough guidance and expertise to get a satisfactory result without additional funding, but a request for a public-facing campaign needs to go before the full Issues Mobilization Committee.

In that case, the Issues Mobilization Committee meets via conference call or in person, and a representative of the local association presents the application.

After the presentation, the committee adjourns to executive session to further discuss the issue and vote to approve or deny the request.

Contact impac@texasrealtors.com or visit TexasRealEstate.com/issuesmob to learn more.



Opportunity Race material



Mailers for Sen. Joan Huffman (SD17) and Rep. Sarah Davis (HD 134) in the 2018 primaries



Email for Texas REALTOR® and HD 8 candidate Cody Harris in the 2018 primaries



REALTOR®-facing webpage supporting Rep. Sarah Davis in the 2018 primaries



Mailer for Rep. Cindy Burkett, candidate for SD 8 and Texas REALTOR®, in the 2018 primaries

Independent Expenditure material



Mailer (front) for Sen. José Menéndez, SD 26



Web video for Chairman Wayne Smith, HD 128

Paula, this is "caller name", and I'm calling to encourage you to help re-elect DeSoto Place 5 City Councilman Dick North.

Not only is Dick North a community leader, he is also a Marine Corps veteran, Justiceman, and family man. Dick is seeking re-election to the DeSoto City Council so he can continue his good work and keep DeSoto a great place to live.

Early voting is now open and continues through May 2 at Disciple Central Community Church, and Election Day is Saturday, May 7 and you can vote at the Bellline Conference Center.

Don't forget your photo ID and remember to vote for local leader Dick North for DeSoto City Council, place 5.

This call was paid for by the Texas Realtors PAC, 512-480-8200, and was not authorized by the candidate or the candidate's campaign.

Phone script for GOTV calls (voicemail) – Dick North, Texas REALTOR® for DeSoto City Council



Web ads for Jose Segarra, Texas REALTOR® and candidate for Mayor of Killeen



Alphabet soup

You hear a lot of acronyms and buzzwords in real estate ... here are a few of the most common in the Governmental Affairs world:

AE (or EO)	Association Executive (or Executive Officer). A local board's top staff member
GA	Governmental Affairs
GAD	Governmental Affairs Director (association staff)
IE (also DE or DCE)	Independent Expenditure (Direct Expenditure, Direct Campaign Expenditure). A political contribution made without the campaign's knowledge. May use corporate or non-corporate dollars.
IMPAC	TAR's Issues Mobilization Political Action Committee
Issues Mob (pronounced mobe)	May describe a fund, committee, or campaign; always related to local issues
LMT Legislative Management Team	A TAR committee that determines the direction the association takes when it comes to advocacy and governmental affairs. The LMT is composed of the chair and vice chair of the four governmental affairs committees, the TAR leadership team, and the VP of TAR's Governmental Affairs Division.
OR	Opportunity Race. A collaborative effort between TAR and local associations for select campaigns to encourage local Texas REALTORS® to vote for supported candidates.
PAC	Political Action Committee
PAC/BOLC	Texas Association of REALTORS® Political Action Committee/Board Officers Leadership Conference. Four days of meetings for next year's local association leaders, held in October at the beginning of the fundraising year. You may also hear it referred to as PAC/GA Orientation or just Orientation.
PIC	Political Involvement Committee. The hand-picked, regional leaders of TAR's Political Affairs Committee
TREPAC	The Texas Association of REALTORS® Political Action Committee

An interactive voting guide? Hey ... that's useful!



Candidate Lookup Tool

Find the TREPAC/RPAC supported candidates on your ballot.

Street Address:

City: , TX

ZIP Code:

This form uses the information from the Texas [Who Represents Me](#) project.

[Download the full list of supported candidates](#)

Political advertising by TREPAC/Texas Association of REALTORS® Political Action Committee

Election Day is
Tuesday, Nov. 6

Early voting is
Oct. 22 - Nov. 2

Most voting guides are an endless list of districts you don't live in and candidates you can't vote for ... but not this one

Visit

TexasRealtorsSupport.com

to find the TREPAC-supported candidates on *your* ballot.

Get your Texas Voter ribbon from the TREPAC booth!

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VACANT

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