

Territorial Jurisdiction Advocacy Policy

I. PURPOSE

- A. The purpose of this Policy is:
- i. to address state advocacy;
 - ii. to encourage cooperation among local associations where proposed local advocacy would directly impact the territorial jurisdiction of another local association; and
 - iii. to establish procedures to identify and resolve disputes among local associations in such situations.

II. STATE ADVOCACY

- A. The bylaws and other policies of TAR and its affiliated PACs govern state advocacy determinations. This includes, but is not limited to, situations where local associations have contrary recommendations regarding state advocacy.

III. LOCAL ADVOCACY

- A. Notice and response. Before a local association may request or conduct in local advocacy that would directly impact the territorial jurisdiction of another local association, the local association must:
- i. Provide notice of the proposed local advocacy to each local association that would be directly impacted, excluding overlay boards; and
 - ii. Allow each local association that receives the notice at least 5 business days after the notice was provided to respond to the notice (hereafter “advocacy response period”).
- B. Cooperation. Local associations are encouraged to try to resolve any disputes concerning local advocacy before seeking dispute resolution under this Policy.
- C. Request for local advocacy. A local association that submits a request to TAR or one of its affiliated PACs for local advocacy that would directly impact the territorial jurisdiction of another local association:
- i. Must include any related responses received during the advocacy response period; and
 - ii. May not submit the request sooner than the earlier of:
 1. the date after the advocacy response period ends; or
 2. the date by which all local associations provided notice have sent a response.
- D. Dispute resolution. If any local association receiving notice under Section A sends a timely response (*i.e.*, during the advocacy response period) that the local association objects to the proposed local advocacy, the local advocacy may only proceed if:
- i. all such objections are all subsequently resolved and withdrawn;
 - ii. approved by a 2/3rds vote of the members of the decision-making body at a meeting; or
 - iii. if the vote is taken by other means, approved by a 2/3rds vote of all members of the decision-making body.

In scheduling a vote, the decision-making body shall make every effort to respect timelines regarding the proposed local advocacy (*e.g.*, a scheduled council vote on the local issue). The outcome of the vote is a final decision that cannot be appealed.

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E. Enforcement.

- i. *Written complaint.* The decision-making body will consider a complaint that a local association(s) has allegedly violated this Policy if a local association submits a written complaint to TAR that is signed by the local association's President or executive officer.
- ii. *Complaint process.* Upon receipt of a complaint satisfying the requirements in this Section, TAR will:
 1. Provide notice of the complaint to each local association that, according to the complaint, has allegedly violated this Policy (hereafter "respondent local association");
 2. Allow each respondent local association at least 5 business days after the notice was provided to respond to TAR regarding the notice (hereafter "complaint response period");
 3. Attempt to mediate the dispute to an agreeable resolution; and
 4. If an agreeable resolution is not reached within 5 business days after the last day of the complaint response period, arrange for the decision-making body to vote on whether the respondent local association(s) violated this Policy.
- iii. *Decision.* A respondent local association can only be found in violation of this Policy by:
 1. a 2/3rds vote of the members of the decision-making body at a meeting; or
 2. if the vote is taken by other means, a 2/3rds vote of all members of the decision-making body.

The outcome of the vote is a final decision that cannot be appealed.

- iv. *Sanctions.* If a respondent local association found in violation of this Policy, the following sanctions apply:
 1. **First violation:** A written warning by TAR to the local association.
 2. **Subsequent violations:** Notification by TAR to NAR that the local association has been found in violation under this Policy. The local association may then be subject to sanctions by NAR, including the loss of REALTOR® Party funding for a specific time or loss of other NAR advocacy resources for a specific time.

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DEFINITIONS

Territorial jurisdiction: The territorial jurisdiction of a local association as defined and approved by the NATIONAL ASSOCIATION OF REALTORS® (NAR).

State advocacy: Any activity that aims to influence decisions within political, economic, and social systems and institutions pertaining to the state government (e.g., Texas legislature), including, but not limited to:

- i. Political expenditures (e.g., TREPAC checks, independent expenditures) and in-kind contributions (e.g., TREPAC meet-and-greets) to support or oppose a state candidate/officeholder* or a state issue**;
- ii. Lobbying activities pertaining to the state government; and
- iii. Member advocacy outreach communications pertaining to the state government.

***State candidate/officeholder:** A statewide public official or a candidate seeking the office of a statewide public official (e.g., Governor, Lieutenant Governor), or a public official or a candidate seeking the office of a public official in the State of Texas that is elected to serve a defined district or region of the State of Texas (e.g., state senator, state representative).

****State issue:** An issue over which the state government has jurisdiction over, including, but not limited to, any constitutional ballot measures for the Texas Constitution or any matters voted on by the Texas Legislature.

Local advocacy: Any activity that aims to influence decisions within political, economic, and social systems and institutions pertaining to local government (e.g., city, county), including, but not limited to:

- iv. Political expenditures (e.g., TREPAC checks, independent expenditures) and in-kind contributions (e.g., TREPAC meet-and-greets) to support or oppose a local candidate/officeholder^ or a local issue^^;
- v. Lobbying activities pertaining to local government; and
- vi. Member advocacy outreach communications pertaining to local government.

^**Local candidate/officeholder:** A local public official or a candidate seeking the office of a local public official (e.g., mayor, city councilman). This term does not include the holder of, or a candidate seeking to hold, a public office in the State of Texas elected to serve a defined district or region of the State of Texas (e.g., state senator, state representative).

^^**Local issue:** An issue over which a local government has jurisdiction over, including, but not limited to, any ballot measures of the local government or any matters voted on by the governing body of the local government.

Directly impact:

- i. *For a local candidate/officeholder:* The territorial jurisdiction of a local association is directly impacted if the candidate/officeholder's district includes, in any part, the territorial jurisdiction of that local association.
- ii. *For a local issue:* The territorial jurisdiction of a local association is directly impacted if:
 - a. a local government within the territorial jurisdiction of that local association has jurisdiction over the local issue; or
 - b. the local issue has, or will have, a demonstrable impact on the territorial jurisdiction of the local association (e.g., a physical or economic impact due to a regional development plan, an environmental impact due to the actions of a nearby local government).
- iii. *For lobbying activities pertaining to local government:* Evaluate the underlying local issue to determine whether the lobbying activity directly impacts the territorial jurisdiction of another local association.
- iv. *For member advocacy outreach communications pertaining to local government:* Evaluate the underlying local candidate/officeholder or local issue to determine whether the member advocacy outreach communications directly impacts the territorial jurisdiction of another local association.

Decision-making body:

- i. *For advocacy by Texas Association of REALTORS® (TAR):* TAR's Leadership Team.
- ii. *For advocacy by TREPAC:* TREPAC's Board of Trustees.
- iii. *For advocacy by IMPAC:* IMPAC's Local Issues Committee.
- iv. *For advocacy by a local association (i.e., a local association using its own resources, such as local association staff and/or local corporate dollars, or NAR resources, such as REALTOR® Party Program funds):* TAR's Legislative Management Team.

Response: A written communication sent to the local association proposing the advocacy or to TAR in response that is submitted on the notice forms promulgated for such purpose.