



MEMORANDUM

TO: Texas REALTORS® Members

FROM: Lori Levy, Vice President of Legal Affairs

RE: Election Process to Fill Vacancy and Potential Vacancies in the 2023-24 Officer Positions

DATE: October 11, 2022

The resignation of David Alan Cox as an Officer of Texas REALTORS® has created a vacancy in the position of 2023 Texas REALTORS® Chairman-Elect and 2024 Chairman. Subsequent to that announcement, Texas REALTORS® received the following notices from the current Qualified Officer Candidates for election in 2023:

- Jef Conn's Notice of Intent to apply for the 2023 Chairman-Elect position, and his:
 - Conditional Notice of Intent to Vacate the 2023 Secretary Treasurer position in the event he is elected to fill the vacancy in the 2023 Chairman-Elect position; and
 - Conditional Notice of Intent to Withdraw as a Qualified Candidate for 2024 Chairman-Elect in the event he is elected to fill the vacancy in the 2023 Chairman-Elect position.
- Christy Gessler's Notice of Intent to apply for the 2023 Secretary Treasurer position in the event a vacancy is created in that position and her:
 - Conditional Notice of Intent to Withdraw as a Qualified Candidate for 2024 Secretary Treasurer in the event she is elected to serve as 2023 Secretary Treasurer, and
 - Notice of Intent to apply for the 2024 Chairman-Elect position.

This memo provides notice and explains the process for filling those vacancies and potential vacancies. A webinar will be held on Thursday, October 27th at 11am to answer additional questions. [Register here](#) for the webinar.

Notice:

Texas REALTORS® is now accepting applications for the following Officer positions which will be voted on in the order listed:

- **2023 Chairman-Elect:**

This election will be held at the February 2023 Board of Directors meeting. Texas REALTORS® will be accepting and considering additional applications at this time and all applicants deemed Qualified by the Nominating Committee will be placed on the ballot.

- **2023 Secretary Treasurer:**

This election will be held at the February 2023 Board of Directors meeting only in the event Jef Conn vacates this position for which he has already been elected and installed. Texas REALTORS® will be accepting and considering additional applications at this time, although additional candidates deemed Qualified by the Nominating Committee will be added to the ballot only in the event it's necessary to hold an election to fill a vacancy.

Persons applying to run for the 2023 Secretary Treasurer position should also apply at this time for the 2024 Chairman-Elect position if the person intends to move up in leadership in consecutive years. While these elections are generally one year apart, they will be held on the same day due to the potential special election that may be held for 2023 Secretary Treasurer if the current office holder vacates that position.

- **2024 Chairman-Elect:**

This election will be held as regularly scheduled at the February 2023 Board of Directors meeting. Jef Conn is currently the sole Qualified Candidate for this position. Texas REALTORS® will be accepting and considering additional applications at this time, although additional candidates deemed Qualified by the Nominating Committee will be added to the ballot only in the event Jef Conn withdraws his candidacy, thereby leaving the office with no candidates.

- **2024 Secretary Treasurer:**

This election will be held as regularly scheduled at the February 2023 Board of Directors meeting. Christy Gessler is currently the sole Qualified Candidate for this position. Texas REALTORS® will be accepting and considering additional applications at this time, although additional candidates deemed Qualified by the Nominating Committee will be added to the ballot only in the event Christy Gessler withdraws her candidacy, thereby leaving the office with no candidates.

Timeline:

The deadline to apply is 11:59pm, November 15, 2022. The Nominating Committee will work expeditiously to review applications in a timely manner.

Requirements:

All requirements in the current [Nominating Policy](#) other than deadlines remain in place. Some specific requirements are listed below.

Campaigning:

Per the Nominating Policy, a person may not announce their candidacy or distribute campaign materials until they have been deemed a Qualified Candidate for that office and posted as such on the Texas REALTORS® website. Qualified Candidates will be notified at that time. See the [Nominating Policy](#) for additional campaign requirements.

Eligibility:

A person seeking to be an Officer must complete an [application form](#) and provide all required information to [Maria Carvalho](#) no later than 11:59pm, November 15, 2022. Applicants should note the year for which they are applying to run. As part of a completed application form, the person must authorize Texas REALTORS®, at any time before or during any term of office, to conduct a financial audit, legal audit, and criminal background check.

Nomination:

To be deemed a Qualified Candidate and placed on the ballot for an Officer position, the [Nominating Policy](#) requires a person to:

- i. be an active REALTOR® member or Individual Member in good standing, as those terms are defined in Article II of the Texas REALTORS® Bylaws; and
- ii. be recommended by the Member Board in which the person has Primary REALTOR® Membership.

The Nominating Policy also states that the Nominating Committee will take additional factors into consideration. The policy states that the person should:

- i. Have done at least three (3) of the following: A. served as a Texas REALTORS® or NAR Committee Chair, B. graduated from the NAR Leadership Academy or the Texas REALTORS® Leadership Program, C. served as the President/Chairman of a Member Board, D. served as a Regional Vice President, E. served as the President/Chairman of a local, state, or national institute, society, or council in the real estate industry, or F. gained equivalent experience as determined by the Subcommittee.
- ii. Have a reputation for intelligence, strength of character, good judgment, and the highest personal and professional integrity;
- iii. Have experience working with basic financial statements and understand the financial issues that confront associations of REALTORS®;
- iv. Display knowledge of the Texas REALTORS® Strategic Plan issues and objectives;

- v. Pledge to spend the time and effort to serve in the position to the best of such person's ability, which includes, but is not limited to, committing to attend all meetings of the Texas REALTORS® Leadership Team, Texas REALTORS® Executive Board, Texas REALTORS® Board, and NAR Board of Directors;
- vi. Conduct his or her real estate business in the State of Texas;
- vii. Not have any bankruptcy or other financial or business judgment(s) within seven (7) years preceding the date of the election;
- viii. Not have received formal discipline from the Texas Real Estate Commission for a violation of Texas Real Estate License Act that falls under Section 535.191(d) or (e) of the Texas Real Estate Commission rules within seven (7) years preceding the date of the election;
- ix. Not have been found in violation of NAR's Code of Ethics within three (3) years preceding the date of the election;
- x. Not have been convicted of a felony within seven (7) years preceding the date of the election;
- xi. Not have any record of a foreclosure sale within the last seven (7) years on any real property owned;
- xii. Not have a credit score lesser than the baseline as currently defined by the Federal Housing Administration (FHA);
- xiii. Not have any open delinquencies on tax filings or payments;
- xiv. Not have any regulatory investigations (pending or otherwise);
- xv. Not have any pending litigation (personal or business);
- xvi. Not be working as a paid employee or contracted professional of any Member Board, Member Council, or multiple listing service (MLS); and
- xvii. Maintain all criteria listed above while campaigning and while serving as an Officer.

Terms:

For election to serve the remainder of a term for a 2023 Officer position, the term begins immediately upon election at the February 2023 Board of Directors meeting and ends November 30, 2023.

For election to serve in a 2024 Officer position, the term begins December 1, 2023, and ends November 30, 2024.

Questions:

1. How is the process to fill a vacancy determined?

The Texas REALTORS® Bylaws state that when a vacancy occurs, the Board of Directors may elect an eligible person to serve the unexpired term and that person may be installed immediately upon their election. The Nominating Policy requirements for eligibility to be

deemed a Qualified Candidate still apply. The bylaws and policy do not provide a deadline or separate process for filling the vacancy.

2. Is there a required deadline by which a vacancy has to be filled?

No. Texas REALTORS® Bylaws and Nominating Policy do not mandate a deadline. Robert's Rules only require notice be given to the members that will fill the vacancy. Legal Counsel has determined a month is sufficient for receiving applications and that conducting the election at the February 2023 Board of Directors Meeting provides adequate notice to directors and Nominating Committee time to process applicants.

3. Since we are operating under current bylaws, does this mean we could have members try to run from the floor at the Winter Meeting Board of Directors Meeting?

Potentially, as the current bylaws allow for a member to run from the floor. If bylaws amendments are approved on October 18, the ability to run from the floor is removed.

4. Does an Officer who is already installed and whose term begins December 1 have to step down from that office in order to run for a different office?

No. There is no requirement that a current Officer step down from an office in order to run for a different office.

5. On what basis can Texas REALTORS® re-open the application period for an Officer's current office if the Officer has only provided conditional notice to step down?

A vacancy in an Officer position does not occur until the current Officer steps down.

For example, a currently installed 2023 Officer could apply for the vacant office and give a conditional notice of stepping down from their current Officer position in the event they win the election to fill the vacant office. If that person wins the other election, a vacancy is created at that time and then can be filled. Because the Officer gave conditional notice of intent to vacate the current office if a certain condition is met, Texas REALTORS® may promote and accept applications for the potential vacancy so that the office is not left unfilled at the time of the election.

6. Does a member who has been deemed a Qualified Candidate for one Officer position have to withdraw from that race in order to run for a different Officer position?

No. Using the same reasoning used for an installed Officer, a Qualified Candidate for one office could give a conditional notice of withdrawal based on an election to fill a different office. If that person wins the other election, that person effectively withdraws from the race for which they were previously deemed Qualified. Because the candidate gave conditional notice of intent to withdraw, potentially leaving the association with no qualified candidates for that particular Officer position, Texas REALTORS® may promote and accept applications for the potential opening.

7. Are members prohibited from running for more than one Officer position?

No.

8. Can Texas REALTORS® preemptively open a new application period for 2024 Chairman-Elect or 2024 Secretary Treasurer applications in the event the current sole Qualified Candidate for one of those offices withdraws, leaving the association with no candidate?

Yes. Under Robert's Rules, an incomplete election occurs when an office is left unfilled. That wouldn't happen unless and until the sole Qualified Candidate withdraws. The notice can be given preemptively (and call for applications in case) but the Board of Directors doesn't have to address the issue until it happens.

9. Is a Nov. 15, 2022, deadline for applications enough time? Yes. 30 days is an appropriate amount of time to open the application period.

10. What if I have additional questions?

A virtual forum will be held via Zoom on Thursday, October 27th at 11am. You may also [email Lori Levy](#), Texas REALTORS® Vice President of Legal Affairs.