

# RPAC Frequently Asked Questions

## **What is a PAC?**

PACs have been around since 1944, when the Congress of Industrial Organizations (CIO) formed the first one to raise money for the re-election of President Franklin D. Roosevelt. A Political Action Committee (PAC) is a popular term for a political committee organized by like-minded people for the purpose of raising and spending money to elect and defeat candidates. The PAC's money must come from voluntary contributions from members rather than the member's dues treasury. PACs represent business, labor or ideological interests. PACs can contribute \$5,000 to a candidate committee per election (primary, general, run-off or special). They can also give up to \$15,000 annually to any national party committee, and \$5,000 annually to any other PAC. PACs may receive up to \$5,000 annually from any one individual.

## **How will my investment be used?**

100% of your RPAC investment is used to elect candidates at the local, state, and national levels who both understand and support REALTOR® issues. RPAC looks to build the future by putting dollars in places that will help advance the interests of REALTORS®. RPAC is the only political group in the country organized for REALTORS® and run by REALTORS®. RPAC exists solely to support issues important to REALTORS®. Candidates who receive support from RPAC are not selected based on their political party or ideology, but solely on their support of real estate issues. Our legislative allies are members of the REALTOR® Party. The REALTOR® Party supports the issues that are important to you as a REALTOR®, regardless of political party affiliation.

## **Who establishes and implements RPAC policy?**

Much of RPAC's success is due to the high degree of organization that characterizes the REALTORS® Political Action Committee at every level. Leading the National RPAC organization are the National RPAC Federal Disbursement and Fundraising Trustees Committees. The Trustees establish and implement RPAC policy in accordance with the RPAC bylaws and NAR policy as established by the NAR Board of Directors. The Trustees are made up of REALTOR® volunteers from around the nation who are appointed by NAR leadership.

## **How does RPAC establish fundraising goals?**

RPAC establishes its fundraising goals through various formulas and criteria. The National RPAC Fundraising Goal is derived from the aggregate total states/territories declare as the amount they intend to raise in voluntary hard and soft dollars annually at the local, state and national levels. Before a two-year election cycle begins, the Federal RPAC Disbursements Allocation is set by the RPAC Fundraising and Disbursements Trustees Committees during

the REALTORS® Legislative Meetings & Trade Expo, which is the amount NAR is requesting from states/territories in order to remain effective at the federal level and is based on membership size. The Major Investor, President's Circle and Participation Goals are all approved by the RPAC Fundraising Trustees in early January and based on membership counts and previous fundraising accomplishments for each state/territory. For more information on fundraising goals, please [click here](#).

### **Who may be solicited for RPAC contributions?**

According to Federal Election law, RPAC may solicit only individual members—i.e., non-corporate members of NAR and their families. The term “members” means all individuals who currently satisfy the requirements for membership in any one of the local, state, and/or the National Association and regularly pay dues.

Executive, administrative and management personnel of the local, state and/or national associations are also considered under the NAR constitution to be members of the association and may be solicited even though they may not pay association dues.

### **Are contributions to RPAC tax deductible?**

No. Contributions used for political purposes are not tax deductible on your federal income taxes.

### **Does National RPAC contribute to state or local candidates?**

No. Under the cooperative agreements in effect between National RPAC and the state association's Political Action Committees, the responsibility for making contributions to federal candidates is assigned to National RPAC, while state association's Political Action Committees decide which state and local candidates to support.

### **Can I earmark money to a party or particular candidate?**

No. Under Federal Election law, the earmarking of contributions is illegal.

### **What process do the National RPAC Federal Disbursement Trustees use when determining contributions to candidates?**

The RPAC Federal Disbursement Trustees' policy is to act only on requests sent from state associations and approved by the state trustees. Once the Trustees receive these requests, they have four options: Amend, Approve, Deny or Defer.

### **Upon what criteria does National RPAC base its decision to support federal candidates?**

1) Recommendations from State RPAC Trustees, 2) NAR congressional voting records and analyses of incumbent members of Congress, and 3) campaign intelligence reports provided by the NAR political and legislative staff.

### **Will the National RPAC Federal Disbursement Trustees contribute to both candidates in a race?**

No. The National RPAC Federal Disbursement Trustees' policy is to only contribute to one candidate in any given election. However, the use of In-State Reception funds and D.C. Reception Funds does not necessarily count as a dual contribution if a challenger is supported by the National RPAC. Again, these are relationship-building monies.

### **How much money stays with the state association and how much goes to National RPAC?**

National RPAC maintains voluntary cooperative agreements with the state association's Political Action Committees. Each state association decides how they want to raise money and when to send it to National. For example, a state association might choose to continue to split it 70/30 (keep 70 percent in the state and send 30 percent to National), or in some other way, until the Federal RPAC Disbursements Allocation is reached. A state association may also decide to send all of its RPAC receipts to National until it has reached the goal and then keep the rest for that year. However states decide to proceed, they must comply with state and federal law.

Regardless of how states choose to meet their goals, 30% of funds raised must be forwarded to National RPAC for Major Investor Recognition. Each dollar of this 30% that is forwarded to National RPAC counts toward that state's goal.

### **What is the difference between hard and soft money?**

Hard money has many restrictions on how it is raised and spent and must be fully reported to the Federal Election Commission. Hard money is raised from individuals, who can contribute up to \$2,400 directly to a federal candidate per election and \$5,000 to a Political Action Committee, like RPAC, per year. RPAC may contribute \$5,000 to a federal candidate per election. RPAC may only accept money from individuals. Soft money is raised from corporations, associations, unions and individuals. Federal candidates cannot accept soft money. There are no limitations on the amount of soft money a corporation or individual can contribute, nor is there any limitation on the amount of soft money an organization can spend. Unlike RPAC, NAR may accept corporate contributions through the Political Advocacy Fund or the Corporate Ally Program, which can then be used to communicate with our membership about a candidate through opportunity races or used for issue advocacy.