

2017-2021 MAR Dues Assessment Q&A

In support of the Private Property Protection Fund (PPPF)

Q. Why is there a dues assessment of \$10 on my billing statement?

A. In December 2015 the Massachusetts Association of Realtors® Board of Directors approved an immediate allocation of \$1 million from the General Fund to the Private Property Protection Fund (PPPF).

Additionally, the Board implemented a \$10 per member per year assessment for five years for the 2017-2021 dues billing cycles. The Board took this action to address the increasing expense of legislative advocacy, including ballot initiatives, amicus briefs, and other initiatives.



Q. What is the Private Property Protection Fund (PPPF)?

A. The Private Property Protection Fund was established to increase the Realtor® organization's ability to promote or oppose issues at the state and local level that affect the real estate industry and the private property rights of Massachusetts property owners. Money from the PPPF can be used for various advocacy issues including issues mobilization, campaigns to promote positions on public policy including proposed legislation and regulation, or amicus briefs on key appellate level court cases. Over the years, PPPF funds have been raised through various means including budget line items and investment revenue.

Q. How are funds from the PPPF disbursed?

A. Funds are disbursed upon the request of a member, local association or state association, and must be approved by the MAR Government Affairs Committee. Only requests to support activities that promote or oppose issues affecting the real estate industry or private property rights of Massachusetts property owners are considered. The MAR Government Affairs Committee may approve requests for funding up to \$25,000 per issue. Any expenditure over \$25,000 on a single issue must be approved by the MAR Executive Committee and Board of Directors.

Q. What are some examples of past PPPF expenditures?

A. Most recently, MAR used the PPPF to help protect homeowners from a government mandate that would have required an energy efficiency inspection and label before a home could be sold. The fund provided money for print, radio and digital ads that drew attention to the issue and helped in its defeat.

Additionally, MAR used the PPPF to protect the independent contractor option for the real estate industry. Realtors® used the funds to write the critically important amicus briefs in the case of *Monell v. Boston Pads, LLC*. This important case challenged the ability of agents to affiliate with brokers as independent contractors. Because of MAR's efforts, the court maintained the status quo and agents and salespeople can continue to affiliate as independent contractors rather than being forced to form an

employer/employee relationship. For more information on the case, visit:
<https://www.marealtor.com/members/legal-resources/monell-v-boston-pads-llc>

MAR has also participated in several important appeals court cases by submitting amicus briefs on various real estate issues. Examples include a 2012 case that impacted our state's disclosure laws (*DeWolfe v. Hingham Center RE*) and a 2015 case challenging onerous rental registration requirements in the City of Springfield.

Finally, MAR used the fund in 2010 to help preserve Chapter 40B, our state's affordable housing law.

Q. What are some possible future PPPF expenditures?

A. There are a number of ongoing legal and legislative issues that could impact private property rights and the ability of Realtors® to conduct business. Some examples include new taxes on home sales, rentals, and even service taxes on commissions; zoning reform and housing production issues; mandatory auditing and scoring of homes; and new burdensome disclosure or licensure related issues.

To help advocate our position on these and other issues, additional PPPF monies are needed. Expenditures could include ballot initiative campaigns; hosting educational forums for Realtors® or the public; drafting amicus curiae briefs; providing information on or educating Realtors®, public officials, the general public, and other relevant groups on issues; research and analysis of issues; local grassroots advocacy of issues; and media campaigns including television, radio, print, or other media campaigns.

The Fund is not used for activities that directly or indirectly endorse a candidate for public office or for annual operating expenses related to legal or government affairs activities.

Q. Do other states have a similar fund?

A. Yes. Nearly every state Realtor Association has a similar fund. These funds are primarily funded through an assessment or through dues.

Q. What is the REALTOR® Political Action Committee (RPAC) and how is it different from the PPPF?

A. RPAC is the grassroots political advocacy committee for Realtors® that makes direct contributions to Massachusetts political candidates. Contributions to RPAC are voluntary and made by members who are interested in actively and effectively protecting the real estate industry and the dream of homeownership by participating in government affairs at the local, state and federal levels. Since 1969, RPAC has promoted the election of pro-Realtor® candidates across the United States. The purpose of RPAC is clear: Realtors® raise and spend money to elect candidates who understand and support their interests. The money to accomplish this comes from voluntary personal contributions made by Realtors®.

Q. What is the NAR Political Action Fund (PAF)?

A. PAF Funds are earmarked solely to support the national political programs of the association such as the Opportunity Race Program or other political advocacy efforts to enhance NAR's effectiveness on Capitol Hill. There are no restrictions on collecting PAF monies. Contributions can come from individuals, companies, MLS, and state and local associations. Although Federal law prohibits RPAC from accepting corporate contributions for use in connection with Federal elections, it permits the NAR

to use PAF funds to help pay for the costs incurred in administering and promoting national RPAC, and for certain grassroots political programs.

Q. What is the Massachusetts REALTOR® Independent Expenditure Political Action Committee (MA RIEPAC)?

A. Organized in 2014, the MA RIEPAC is an independent expenditure PAC regulated by the state Office of Campaign and Political Finance. It is organized and operated exclusively for the purpose of collecting funds to make expenditures in support of candidates to any state elective office as authorized by Federal Election Law and Massachusetts General Laws. Individual members and corporations may contribute to RIEPAC without limitation.

RIEPAC Trustee discussions are private and may not be coordinated in any way with candidates or campaigns. Currently, MAR's IE support of state and local candidates is funded through the MA segment of NAR's IE program.

K://Committees/GovernmentAffairs/MARDuesAssessmentPPPFfor2017-2021/Q-PPPF