

REALTOR® Action Assessment (RAA) Overview

What is the REALTOR Action Assessment (RAA)?

The REALTOR® Action Assessment is a mandatory annual assessment paid by every C.A.R. member. It funds advocacy efforts at the state, local, and national levels that protect property rights, housing opportunities, and the REALTOR® business model.

The strength of C.A.R.'s advocacy comes from its members, and the REALTOR® Action Assessment is a key source of funding that helps address issues affecting housing and Real Estate in California.

The RAA is an assessment paid by all members at dues billing. The current RAA assessment is \$69 and funds C.A.R.'s three political action committees (PACs) and three sub accounts for Local AOR use. The state PACs are 1) California Real Estate Political Action Committee (CREPAC), which is the state PAC for candidate spending, 2) California Real Estate Independent Expenditure Committee (CREIEC), which is for state and local independent expenditures, and 3) Issues Mobilization Political Action Committee (IMPAC), which is for state and local issues advocacy. Additionally, a portion of RAA money is put into three sub accounts for Local AORs, managed by the state, at the percentages they designate. There are three sub accounts local associations may choose from: 1) Local Candidate Recommendation Committee (LCRC), which is for local candidate spending, 2) Local IMPAC, which is for local issues advocacy, and 3) Advocacy Local Funds (ALF), which is for general advocacy expenses.

BACKGROUND

The RAA was adopted by the C.A.R. Board of Directors in 2010 as a mandatory assessment to provide funding for C.A.R.'s Political Action Committees (PACs). Members may “opt-over” from the PAC contribution but not decrease the amount paid; An “opt-over” allows a member to make a request to their contribution so that it is not contributed to the PACs and instead it is allocated for program costs. Adoption of the RAA made C.A.R.'s PACs the top business PACs in California.

How are RAA Funds Allocated?

First, the RAA provides funding to C.A.R. program budgets, then the local AORs receive their allocation, thereafter the remaining revenue is deposited into the PACs: CREPAC-State 20%, CREIEC 40% and IMPAC State 40% (for 2026). Local Allocation is based on a formula tied to RAF participation. Local AORs may choose to allocate their funds between LCRC, IMPAC and ALF. See RAA Allocation chart on the following page.

What does the RAA fund?

The RAA funds C.A.R.'s political action committees, issue campaigns, and local advocacy efforts, at the local and state level, that defend homeownership, support REALTOR® interests, and ensure a fair and thriving Real Estate environment.

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RAA Advocacy:

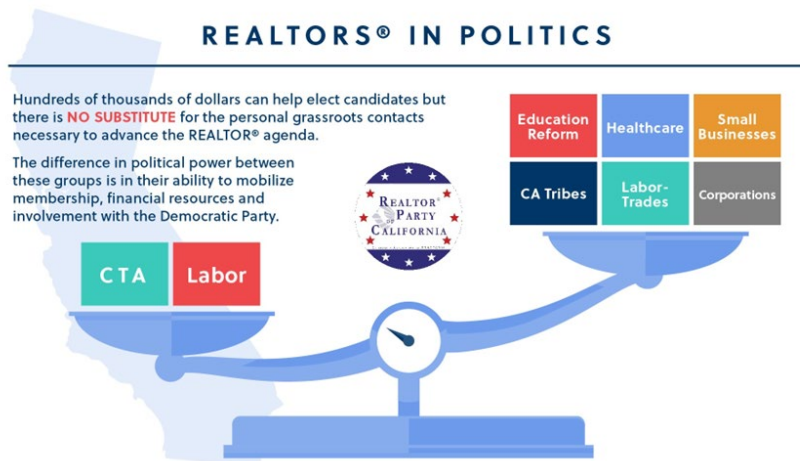
- Stop numerous attempts to pass rent control and dismantle Costa-Hawkins in 2018, 2022, 2023, 2024, and 2025
- Defeat multiple attempts to repeal or weaken the Ellis Act in 2021 and 2022
- Prevent multiple attempts to raise fees and taxes on homeowners and housing providers in 2021, 2022, 2023, 2024, and 2025
- Protect the Mortgage Interest Deduction in 2021 and 2024
- Secure funding for California's Dream for All Program in 2023 and 2024
- Maintain independent contractor status in 2019

RAA Funding supports local and state issues that impact the REAL ESTATE industry and homeownership. A portion of the RAA funds are also allocated for local associations to use for their advocacy efforts.

Every year local associations may submit a local allocation form to indicate how the association prefers to allocate their portion of RAA between their candidate funds (LCRC), issue funds (IMPAC Local), or advocacy funds (ALF). See below for more information on these funds. Local associations use LCRC funds to help support local candidates; IMPAC-Local resources are used to engage in local ballot measures; and ALF funds are utilized by local associations to pay for a variety of costs such as contract Government Affairs Directors, lobbying, advocacy events, member engagement, and educational events related to the advocacy goals of the organization.

CREPAC Overview

C.A.R. is the largest business trade association in California and C.A.R.'s candidate PACs make REALTORS® the most politically influential of the business groups. California labor unions are currently the most powerful political coalition based on their number of members; their organizing strength; their involvement in Democratic Party; and their financial resources. After labor, REALTORS® have a special place in California politics, as a political leader, that other business groups look to, to help guide their own political strategy. This is because REALTOR® resources make C.A.R. the most politically effective non-labor group. When REALTORS® make decisions aligned with labor unions, the coalition is unbeatable. However, when REALTORS® make bold decisions to oppose labor, other non-labor groups will be apt to join, creating enough momentum to compete successfully against labor-supported candidates. C.A.R. has always played a leading role in the political space by being one of the first organizations to run independent expenditure campaigns in the state. Below is a visual representation of the political power REALTORS® hold in California.



REALTORS® have a reputation for being politically powerful and victorious. Overall, REALTORS® win over 90% of the political races in which they engage. Not only do REALTORS® play to win, REALTORS® also make political moves to send messages to elected officials that do not share REALTOR® Party values.

CREIEC Overview

The California Real Estate Independent Expenditure Committee (CREIEC) is one of C.A.R.'s political action committees conducting expenditures to support, or oppose local, state or federal candidates designated by PAC Trustees. Unlike CREPAC-State, CREIEC does not have limits on contribution amounts and no restriction on who may contribute. Independent expenditures must not communicate, or collaborate with candidates, and its expenditures are paid communications to expressly advocate or defeat a candidate. While Independent expenditure committees may spend funds on ballot measures, or issues, historically CREIEC has been focused on candidates.

IMPAC-State Overview

IMPAC stands for the Issues Mobilization Political Action Committee. It is an issues-based political action fund maintained by C.A.R. The IMPAC board is comprised of 21 voting trustees and 6 non-voting alternative trustees from across the state who make funding decisions supporting REALTOR® policy priorities through issues advocacy.

Unlike CREPAC, which is to support REALTOR® friendly candidates, IMPAC is engages in issue advocacy at the local and state level.

IMPAC funds may cover a variety of issues advocacy expenses:

- Ballot Measure Campaigns for State or Local ballot initiatives
- Advocacy For or Against local rulemaking or decisions.
- Expenses may include payments to other issues-based, political action committees, or direct payments to vendors for expenses such as consultant fees, mailers, polling, etc.
- Dues & Contributions to coalitions or other interest groups working on real estate related issues.
- Policy Conferences, receptions or other events where real estate related policy will be presented, especially to decision makers.

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- Policy Education, Outreach & Advocacy programs intended to inform people and decision makers about real estate issues.
- Policy Research & Consulting by third party organizations that will assist local associations with their real estate related policy goals and/or contribute to an active local campaign.
- Up to \$7,500 for office equipment and electronics for NEW Government Affairs Directors.

State IMPAC also assists Local Associations to advance the REALTOR® public policy agenda at the local or regional level, often supplementing local and national resources. Local Associations who are in need of such assistance may make a formal request for funds to the IMPAC Trustees.

Also, some IMPAC funds are set aside for local associations to spend on local ballot measure campaigns. These expenditures do not require approval from the IMPAC Trustees. Instead, they are vetted and approved by C.A.R. staff and legal per the bylaws. The majority of Local IMPAC resources have been spent on ballot measure campaigns. For all other local advocacy expenses, local associations may access a third resource, called ALF (see below).

Advocacy Local Fund (ALF) Overview

In 2020 C.A.R. created a new fund called “ALF”. The fund was created to provide local associations with a flexible non-PAC resource. ALF provides resources to local associations for local advocacy expenses that do not fit within the guidelines of PAC expenditures. ALF is a popular resource and local associations use it to support a variety of advocacy programs and expenses including, membership in a local chamber of commerce, sponsoring or attending a policy conference, hiring a lobbyist on a local ordinance, local advertisements, and incidentals for members to participate in advocacy events.