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Where NAR spends its multimillions in lobbying

We took a close look at political candidates and causes that get the most money from the real estate trade group and found some surprises

BY **ANDREA V. BRAMBILA** ★

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Key Takeaways

- NAR is one of the most powerful lobbying organizations in the country and puts its money where its mouth is in Washington.
- The trade group spent \$64.8 million on the 2015-2016 election cycle, more than nearly any other organization, advocating for tax relief, middle-class homeowners, housing finance reform and other real estate issues.
- NAR supports many federal candidates who are either pro-Realtor or Realtors themselves.
- Spending spans both Democratic and Republican parties, and NAR claims to be the "most bipartisan major PAC" but recent stats show slightly more went to GOP candidates.

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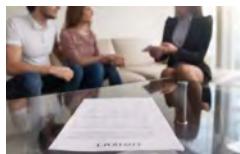
That increase, from about \$48 million to about \$78 million per year, may mean a dues hike for NAR's 1.3 million members, unless the nation's largest real estate trade group decides to shift money from elsewhere. Given the proposed increase and the fast-approaching 2018 U.S. midterm campaign season, it's worth asking: How is NAR spending its lobbying money now?

Inman took a look at the trade group's political spending on [OpenSecrets.org](#), a comprehensive resource for data on federal campaign contributions and lobbying from the nonpartisan, nonprofit organization Center for Responsive Politics.

Open Secrets separates types of spending into three buckets: lobbying, campaign contributions, and independent expenditures (money spent in support of candidates but not given directly to them).

Donations to the Realtor Political Action Committee (RPAC), which are voluntary, raised from individuals, and [considered "hard" money](#), are used to contribute directly to candidates' campaigns.

RPAC also has a [Political Advocacy Fund](#) that is considered "soft" money raised from organizations and can be used for state and local candidates in some states, for RPAC's operations, and for some grassroots political programs.



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The \$40 from each NAR member's annual dues that goes to the trade group's political advocacy arm, the Realtor Party, is considered "soft" money and is used for lobbying and independent expenditures.

Here are five takeaways from the Open Secrets data for the 2015-2016 election cycle:

NAR lobbying spend has skyrocketed in recent years and the trade group outspent nearly every other organization in the 2015-2016 cycle

[NAR spent \\$64.8 million on lobbying in the 2015-2016 election cycle](#), second only to the U.S. Chamber of Commerce (which spent nearly \$104 million) out of 3,766 organizations, according to Open Secrets. This is more than seven times as much as NAR spent on lobbying in 2000 (\$9.04 million).

NAR ramped up its lobbying spend in 2012 after it instituted a [\\$40 dues increase](#) for political advocacy in the wake of the Supreme Court's 2010 Citizens United ruling. In 2012, NAR spent \$41

NAR reports its total lobbying expenditures at the national, state and local level, according to NAR spokesperson Sara Wiskerchen. This includes direct lobbying and grassroots lobbying (when the trade group asks members of the public to contact their legislators).

Although NAR doesn't lobby local governments itself, "[m]ore than 45 percent of NAR's lobbying and political expenditures in the 2015-16 cycle went to local and state Realtor associations in support of local candidates, issue campaigns and for other advocacy needs," Wiskerchen told Inman via email.

Those local and state **funds are used** toward grants, education, member engagement tools and political fundraising resources, she said.

"The remaining 55 percent of the spending is done at the federal level lobbying for issues in more than 75 different legislative and regulatory policy categories, educating the public about federal policy initiatives, and independent expenditures in support of candidates with strong records of support for property ownership," Wiskerchen said.

She said NAR anticipates similar levels of spending for the 2018 and 2020 election cycles. It's "too early" to identify the trade group's lobbying priorities in 2020, she said, but NAR will advocate for these issues this year:

- A multiyear reauthorization of **the National Flood Insurance Program**
- Ways to protect middle-class homeowners by improving **the new tax law**
- Responsible housing finance reform and the future of **the government-sponsored enterprises**
- Resolution of the **Federal Communication Commission's repeal of net neutrality**
- Inclusion of self-employed individuals in **association health plans**
- The **extension of important real estate tax relief extensions**, such as mortgage debt cancellation relief



Daniel Fishel/Inman

This is the bill that NAR lobbied so hard to get passed

The bill that appears most often in the quarterly lobbying reports filed by NAR lobbyists (including in-house and outside lobbyists) in the 2015-2016 election cycle is the [Housing Opportunity Through Modernization Act](#).

That bill was signed into law by President Obama on July 29, 2016 and modified rental assistance and public housing programs. But the primary reason NAR supported the bill was because it reformed Federal Housing Administration restrictions on condominium financing, making condos more available to homebuyers in need of an FHA-backed mortgage to purchase a new home.

“Specifically, it made FHA’s condo building recertification process less burdensome and costly, lowered FHA’s owner-occupancy requirement from 50 percent to 35 percent, and required FHA to replace their policy on transfer fees with the Federal Housing Finance Agency’s less-restrictive model,” Wiskerchen said.

rule has not yet been finalized by HUD, but we continue to work with them closely."

Other bills that NAR lobbied hard for were the Housing America's Workforce Act of 2015 (stalled in committee), Flood Insurance Market Parity and Modernization Act (stalled in committee), and the Driver Privacy Act of 2015 (signed by President Obama Dec. 4, 2015), among others.



Daniel Fishel/Inman

NAR spending tends to favor the GOP, but trade group aims to be 'as bipartisan as possible'

NAR contributes to candidates in both the Republican and Democratic parties, but according to Open Secrets' data, NAR spending tends to favor the Republican Party.

cycle, NAR contributed \$2.2 million to Democrats and \$3 million to Republicans. Of that money, \$1.7 million went to Democratic congressional candidates and \$2.3 million went to Republican congressional candidates. Incumbents got \$3.6 million and non-incumbents got \$402,850.

NAR spent \$10 million in independent expenditures in the 2015-2016 election cycle, \$6 million to Republicans and \$4 million to Democrats. Open Secrets gives NAR's outside spending a pretty high success rate: 82.4 percent by candidate.

In the 2016 cycle, NAR's political action committee, RPAC, raised \$10.2 million and spent \$6.9 million. Of the latter, \$4 million went to federal candidates (42 percent Democrats and 58 percent Republicans).

"The Realtor Party supports candidates of both parties and aims to be as bipartisan as possible, but a perfect 50/50 split isn't always achievable as we identify candidates who will work with Realtors to promote and protect property ownership," Wiskerchen said.

"That being said, we are still the most bipartisan major PAC in the country."



Daniel Fishel/Inman

These are the politicians who got the most from NAR in 2016

NAR contributed directly to 567 federal candidates in the 2016 cycle. The one that got the most was Darin LaHood (R-Illinois) in the House, who got \$17,000. "This is because LaHood had a special election and then a regular election," Wiskerchen said.

Of the top 10 federal candidates in terms of direct NAR contributions, nine were Republicans. The 10th was a Democrat: Carolyn B. Maloney of New York, who got \$12,000. "Many candidates on both sides received the maximum legal \$10,000 direct contribution," Wiskerchen said.

But NAR shells out the most money on candidates in the form of independent expenditures. Of the \$10 million in these indirect contributions NAR spent in the 2016 cycle, \$1.9 million was for Josh Gottheimer (D-New Jersey) in the House, followed by \$1.6 million for Johnny Isakson (R-Georgia) in the Senate. They both won their races.

But the candidate NAR spent its third-largest amount of money on (\$1.5 million) lost his race: Joe Heck (R-Nevada), running for the Senate.

Among the top 10 recipients, six were Republicans and seven won. All but one were male. At least four are licensed real estate professionals and current or former Realtors themselves.

These top 10 recipients got exponentially more funding from NAR than the other 17 federal candidates that received independent expenditures from the trade group. For instance, the candidate that got the 10th most in independent expenditures got \$326,532; the one that got the 11th most got \$39,008.

Here are the top 10 recipients:

- Josh Gottheimer for House (D-NJ): \$1.9 million (won)
- Johnny Isakson for Senate (R-GA): \$1.6 million (won)
- Joe Heck for Senate (R-NV): \$1.5 million (lost)
- Rob Portman for Senate (R-OH): \$987,095 (won)
- Chris Van Hollen for Senate (D-MD): \$926,062 (won)
- Mike Coffman for House (R-CO): \$813,227 (won)
- Bob Dold for House (R-IL): \$786,117 (lost)
- Rick Nolan for House (D-MN): \$723,146 (won)
- Lou Correa for House (D-CA): \$ 333,191 (won)
- Julia Howard for House (R-NC): \$326,532 (lost in primary)

advocates for real estate issues. NAR provided greater financial support for pro-Realtor candidates in tight races.”

State and local Realtor associations offer more details about why specific candidates received support.

For instance, in a [statement](#), New Jersey Realtors PAC Chair Erin Brown cited Gottheimer’s “solid knowledge of what it will take to responsibly reform the mortgage finance system to ensure affordable, long-term financing is available to homebuyers while protecting taxpayers” as a reason to support him.

Georgia Realtors feature Johnny Isakson, [an active associate broker](#) and a Realtor, in its [Hall of Fame](#). “Johnny has been a staunch supporter of the Code of Ethics and the role of the real estate professional in the real estate transaction,” the state association says on its website.

[Nevada Realtors noted](#) Heck’s backing of “growth and stability in the housing market, developing a stronger economy, lessening the regulations on homeowners and the tax burden on Nevada families, and standing for real estate issues,” as reasons behind the state association’s support.

The Cincinnati Area Board of Realtors [listed Portman](#) among 2016 candidates who “have demonstrated their commitment to and support of the real estate industry and private property rights.”

In a [press release](#), the Maryland Realtors PAC noted that “Van Hollen has been a staunch advocate of preserving incentives for homeownership such as the FHA program, which is essential for many Maryland’s homebuyers seeking safe, affordable financing, as well as a long-term flood insurance reauthorization to cover Maryland’s many Chesapeake Bay and coastal communities.”

The Colorado Association of Realtors applauded Coffman in 2016 for his introduction of a federal bill to create first-time homebuyer savings accounts. “This bill would help provide a very important financial savings resource for many people to achieve their dream of homeownership,” CAR Chairman Alan Lovitt [told The Gazette](#).

Dold was one of five “Opportunity Race” federal candidates in Illinois. “Opportunity Race candidates are those candidates in hotly contested races targeted for additional grassroots outreach efforts, in addition to direct contributions,” Illinois Realtors [says on its website](#).

“The candidates were identified by local associations and by the RPAC Trustees as Realtor Champions for their support of businesses, private property rights, economic growth and low taxes.”

Nolan was the only one of the top 10 candidates to respond to Inman’s request for comment for this story.

campaign manager, in an emailed statement.

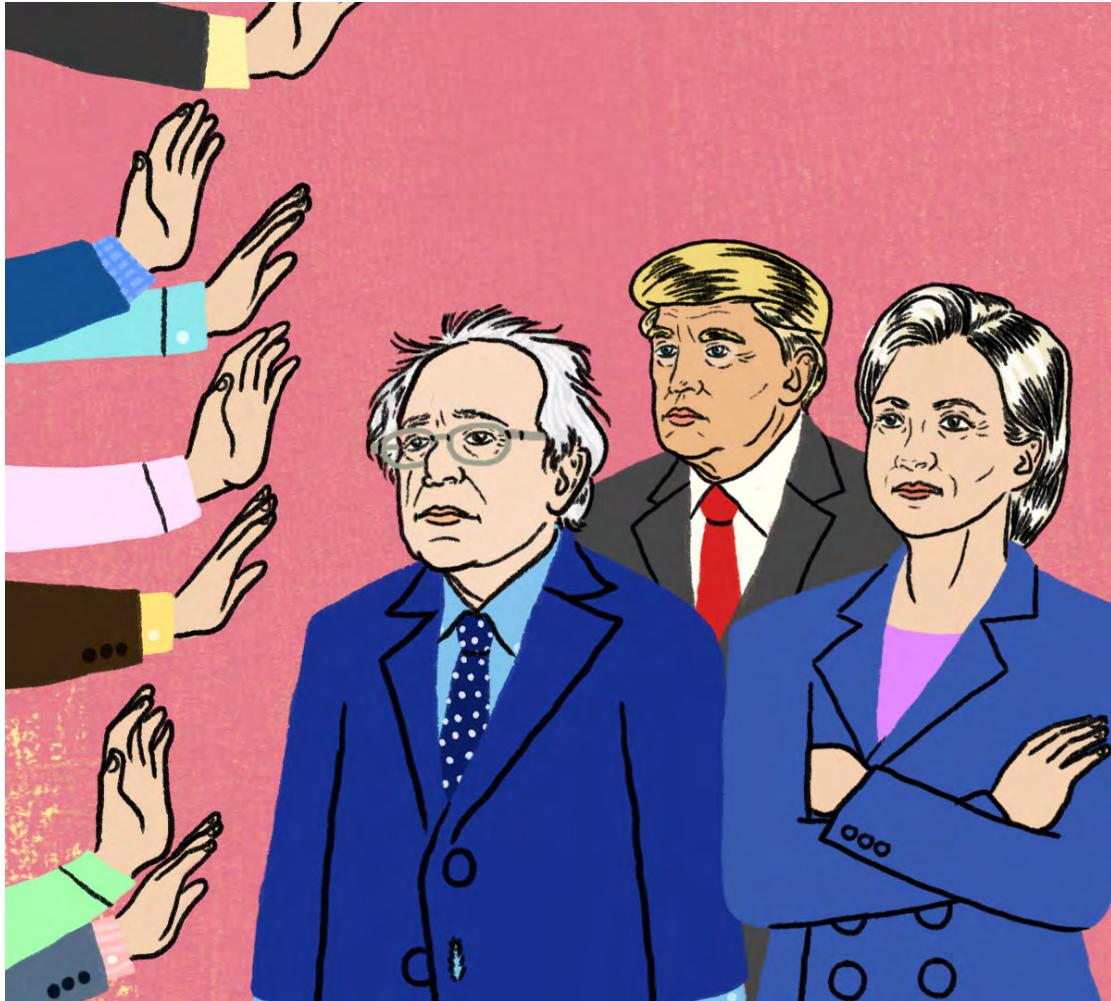
“So it’s no surprise that the National Association of Realtors would have supported him so strongly during the highly competitive and expensive 2016 election cycle.

“Moreover, because Congressman Nolan is a [licensed Realtor](#), he probably understands the issues pertaining to homeownership better than most. So that could well have been a major factor in these independent expenditures on his behalf.”

Correa is a [licensed real estate broker](#) and a former Realtor. [A Realtor Party mailer](#) in 2016 read: “Lou Correa is committed to maintaining a strong and stable market for the benefit of our entire community. He understands the importance of a robust housing market.”

Howard is also a [licensed real estate broker](#) and a current Realtor. She’s a [supporter of the mortgage interest deduction](#), but was also a [primary sponsor of HB2](#), North Carolina’s controversial “bathroom bill,” which required people visiting government facilities to use the bathroom that corresponds with the gender on their birth certificate.

Wiskerchen encouraged Realtors and local and state associations to provide feedback to help RPAC determine whether or not to support a candidate running for federal, state or local office.



Daniel Fishel/Inman

NAR claims it did not directly fund any of the 2016 presidential candidates

NAR does not endorse presidential candidates and contributed no money to either Donald Trump's, Hillary Clinton's, or Bernie Sanders' campaigns, Wiskerchen said.

However, [NAR did pay \\$225,000 for Clinton to speak](#) at a private event in front of Realtors in San Francisco back in 2013, before she declared her 2016 candidacy, according to leaked records online.

NAR has never confirmed Clinton's speaker fee, but told Inman that "[c]onference registration fees cover all costs for speakers and no member dues were paid to Clinton."

"NAR is nearly always precluded by confidentiality clauses in speaker agreements to publicize or share speaker fees," Wiskerchen added.

Open Secrets' website claims NAR gave Donald Trump's presidential campaign \$1,500, Hillary Clinton's presidential campaign \$5,304, and Bernie Sanders' Senate campaign \$2,661, but, according to Wiskerchen, these are reporting errors by Open Secrets.

Inman reached out to Open Secrets and a spokesperson said RPAC did not appear to have donated to either of the three candidates, but "we have many records from employees of NAR and its subsidiaries donating to these three candidates" so that is likely where the donations came from.

"Being an employee of NAR does not exclude someone from engaging in certain political activities, including making voluntary, personal contributions; however, staff are not representing NAR when they personally participate in any political process," Wiskerchen said.

Email Andrea Brambila

Article image credited to Daniel Fishel/Inman



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https://www.inman.com/2018/03/13/where-nar-spends-its-multimillions-in-lobbying/?utm_source=inbrief&utm_medium=email&utm_campaign=inbrief&utm_content=20180313_nar_lobbying

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[Sam DeBord](#) · Bellevue, Washington

Good research, Andrea. NAR will continue to support candidates who support homeowners, homeownership opportunities, and its members' businesses. We're not perfect, but we get a lot right.

In politics, "If you're not at the table, you're on the menu."

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[Andrea Brambila](#) · Works at Inman News



[Rich Jacobson](#) · Works at Fathom Realty West Sound

Well researched and informative, Andrea. Thank you for allowing your readers to draw conclusions themselves. I, for one, gladly continue to contribute my money to NAR, both through my dues, and my RPAC support, so that we can effectively lobby for the rights of property owners, and REALTOR® issues....

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[Andrea Brambila](#) · Works at Inman News

Thanks, Rich! That's what I was aiming for.

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[Kenneth Jenny](#)

Wow. Nice job Andrea. This was no easy research web to untangle. In some ways all of this sounds very impressive and in so many others it sounds very "swampy." As a bottom-line guy, I view lobbying as an intangible effort sold as a means to secure something tangible. If I were Goldberg, I would not increase the spend, I would cut the spending until something measurable - and bad - changed and then stop. I am not convinced that simply spending more to get more of the same will result in any better result. But then again, I am a results guy that has never been rated highly for my PCness.

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[Sam DeBord](#) · Bellevue, Washington

I highly doubt that "cut until we lose badly" is the optimal strategy.

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If you're getting desired results (and NAR should be counting it's lobbying as successful) then why would you stop? That has nothing to do with "PCness" but everything to do with smart business and discernment. Lobbying is filthy. It is absolutely putrid. So is cleaning a septic tank..., but they're both necessary and often for the same outcome..., to avoid crap backing up in your back yard..., or worse. When you represent 1.3 plus million individual's business objectives and you're collecting money then you better be willing to roll in the mud with the pigs if the mud is where the decision ma... [See More](#)

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[Andrea Brambila](#) · Works at Inman News

Thanks for reading, Ken!

Like · Reply · 1d



[John J Graff](#)

I'm a proud RPAC donor because of how conscientious NAR's political advocacy and lobbying work is performed. Especially in these incredibly polarizing times, it is nice to be involved with an organization that stays focused on the issues and brings people of all parties and political persuasions to the table. Our industry, our clients and the American housing market are all better off because of the stellar, bipartisan efforts of NAR and RPAC.

Like · Reply · 4 · 1d



[Teresa Fisher Boardman](#) · Broker/Owner Realtor® at Boardman realty



Andrea Brambila · Works at Inman News

Thanks, Teresa 😊

Like · Reply · 1d



Leigh Thomas Brown · Chair, RPAC Fundraising Trustees at National Association of REALTORS®

Thank you for acknowledging the depth of what the NAR works for on all three levels of government. The heart of what we work for is better policy for property owners everywhere. The fact that the money isn't a perfect 50/50 split reflects the fact that our job is to identify the right candidate, regardless of party. I've been proud to be part of in-depth discussions on who and how we place our monetary support and it's lined up with whether or not the candidate or official in question is with us on property issues. Also, note that we work hard to stay in our lane and out of other issues that are not property rights. It's one of the reasons we do have folks who listen to us. I couldn't be prouder of the organization or louder about my unflinching support for this work.

Like · Reply · 6 · 1d



Dan Hamilton · Greenville, South Carolina

No other group does as much to advocate for property rights than NAR. This article doesn't even mention that. I appreciate your work.

Like · Reply · 1 · 1d



Leigh Thomas Brown · Chair, RPAC Fundraising Trustees at National Association of REALTORS®

Dan Hamilton It's been said that we MUST support RPAC because there is no National Association of Property Owners. We are the only voice our clients have on the Hill. I sure hope more of our members will engage.

Like · Reply · 1 · 1d



Dan Hamilton · Greenville, South Carolina

Leigh Thomas Brown exactly right, I'm grateful for your leadership.

Like · Reply · 14h



Todd A. Shipman · Real estate broker at Lakes Sotheby's International Realty

Great work, Andrea! Really nice piece that spells out the work NAR does to serve and protect the member and the consumer. Now if the public could understand and appreciate the work we do to build and protect great places to live and work.

Like · Reply · 5 · 1d



Andrea Brambila · Works at Inman News

Thanks, Todd!

Like · Reply · 1d



Travis Wright · Executive Coach and Strategic Advisor for the Real Estate Transaction Process at Wright Strategy Advisors

Lobbying and lobbyists do good work for their constituencies. This is hard, delicate, important work. In the case of NAR lobbying, it seems that it is consumers to whom the lobbying benefits accrue.

But do consumers know what NAR does for them? How are individual Realtors to benefit from the halo effect of the lobbying results? Should some of the lobbying budget be spent on consumer

Individual Realtors foot the bill for lobbying, just as they foot the bill for creating and maintaining an electronic marketplace known as an MLS. Consumers, whether selling or buying benefit greatly from the marketplace, yet, do they realize it is the financial contributions of Realtors which makes the marketplace transparent and efficient? I think not.

So, lobby if you will; but figure a way for individual Realtors to get a pat on the back from marketplace consumers for their financial contributions to the NAR efforts and results.

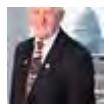
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[Leigh Thomas Brown](#) · Chair, RPAC Fundraising Trustees at National Association of REALTORS®

Great point. Taking it forward.

Like · Reply · 2 · 1d



[Ken Libby](#) · Freeport High School

Just a great article. I've always been proud of the fact taht we don't care what party the candidate belongs to as long as the beilef in our core principals and are willing to give us their ear. None of them agree with us all the time but it is extremely important, as Jerry G. says, to cultivate your friends BEFORE you need them.

Like · Reply · 2 · 1d



[Anne Meczywor](#) · Lenox, Massachusetts

So, according to your article, NAR is doing exactly what they always say they do: Supporting those in office who support NAR's positions. Since incumbents historically have been male, there is currently more financial support in that direction. However, from my own state, I can confidently say that when an incombant is defeated, ifvthe new person in office supports NAR issues, the new office holder receives support without hesitation.

Anyone who knows me at all knows how I lean politically. However, I can say without reservation that NAR sticks very clearly to REALTOR and Home Ownership iss... [See More](#)

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[Jim Weix](#) · President at The Real Estate Company, Inc.

Great article Andrea. I am a major RPAC investor, plus on our local association RPAC Committee. Your article will be of great value in encouraging other Realtors to at least give their fair share contribution.

Like · Reply · 1 · 1d



[Andrea Brambila](#) · Works at Inman News

Thanks for reading, Jim!

Like · Reply · 1d



[Anne Meczywor](#) · Lenox, Massachusetts

So, according to your article, NAR is doing exactly what they always say they do: Supporting those in office who support NAR's positions. Since incumbents historically have been male, there is currently more financial support in that direction. However, from my own state, I can confidently say that when an incombant is defeated, if the new person in office supports NAR issues, the new office holder receives support without hesitation.

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Jim Clouser · Associate Broker at Keller Williams Greater Athens

how about spending some of the money lobbying to getting us a group health plan

Like · Reply · 1d



John J Graff

The article you are commenting on literally mentions NAR's efforts to do just that. Here's another Inman story regarding NAR's position on that issue: <https://www.inman.com/.../nar-fights-for-rule-to.../>

Like · Reply · 3 · 1d · Edited



Sara Storch Lipnitz · Birmingham, Michigan

A very fair and well researched article. I am proud to support the efforts of NAR with my investment in RPAC and my time serving our members. For anyone reading this article who isn't currently investing, please consider this your call to action.

Like · Reply · 3 · 1d



JoAnn Kokindo · Instructor/Realtor at Long & Foster

Where the hell was NAR when the Trump tax plan was being discussed.

?? We charge members for everything.. but give politicians money. I fail to see what they are doing for me. A dues increase?? Count me out.

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Dan Hamilton · Greenville, South Carolina

NAR was very much at the table providing great insight during the tax reform debate.

Like · Reply · 14h



Rob Hahn · Owner at 7DS Associates

NAR does a lot of stuff I criticize, but government affairs is not one of them. Seriously, good stuff here.

The only thing I am wondering about is NAR's involvement with net neutrality, but I'll have to research that further and figure out why.

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