

Kansas REALTORS® Political Action Committee Bylaws

ARTICLE I – Name and Definition

Section 1: Name of the Committee: The name of this Committee is the Kansas REALTORS® POLITICAL ACTION COMMITTEE, hereinafter Kansas RPAC. It is a committee of the Kansas Association of REALTORS®.

Article II – Purposes

Section 1: Purpose of the Committee: Kansas RPAC shall be organized and operated exclusively for the purpose of collecting contributions as the term “political contribution” is defined in Section 24(c)(1)(B) of the Internal Revenue Code, and all amendments thereto, including the expenditure of such funds to further the candidacy of individuals for the nomination or election to any federal, state or local elective public office, and to do any and all things necessary to accomplish such purposes, all as authorized by local, state and federal Campaign Laws.

ARTICLE III – Membership and Contributions

Section 1: Members. Membership shall be available to any individual or organization that makes a contribution to Kansas RPAC. Contributions shall be solicited only from individual or organizational members of the Kansas Association of REALTORS®. Members of the Kansas Association of REALTORS® shall have the meaning as set forth in the Articles of Incorporation and Bylaws of the Kansas Association of REALTORS®.

Section 2: Candidates for Membership. The Board of Trustees may reject candidates for membership.

Section 3: Direct Contributions to Kansas RPAC. Although membership in Kansas RPAC shall be available to any eligible individual or organization that makes a contribution to Kansas RPAC, the Board of Trustees shall establish policies to recognize individuals and organizations at the following contribution levels:

<u>Category Name</u>	<u>Initial Contribution</u>	<u>Sustaining Contributions Following Initial Year</u>
Fair Share	\$20	\$20
99 Club	\$99	\$99
Capitol Club	\$250	\$250
Governor’s Club	\$500	\$500
Sterling R	\$1,000	\$1,000
Crystal R	\$2,500	\$1,500
Golden R	\$5,000	\$1,000 (If initial contribution prior to December 31, 2001) \$2,000 (If initial contribution after December 31, 2001)
Platinum R	\$10,000	\$5,000

Section 4: Contributions, Disbursements and Expenditures: The Board of Trustees shall approve all contributions, disbursements and expenditures in accordance with all applicable state, federal and local laws and regulations governing contributions, disbursements and expenditures by political action committees.

ARTICLE IV – BOARD OF TRUSTEES

Section 1: Composition. The Board of Trustees shall consist of twenty-one (21) voting REALTORS® and one (1) non- voting REALTOR®. The Trustees shall nominate a minimum of two and a maximum of four REALTORS® for each vacancy as it occurs from which the current President of the Kansas Association of REALTORS® will select one REALTOR® for each vacant position.

Section 2: Leadership of the Board of Trustees. The Board of Trustees shall nominate and recommend a Trustee for the positions of Chair and Vice Chair of the Board of Trustees, subject to the confirmation of the President of the Kansas Association of REALTORS®. Once the recommendation is confirmed by the President of the Kansas Association of REALTORS®, the Chair and Vice Chair shall each serve a two-year term beginning in an odd- numbered year and ending in an even-numbered year.

Section 3: Life Member Status on the Board of Trustees. Prior to January 1, 2017, any REALTOR® who makes a “Sterling R” investment in Kansas RPAC in a minimum of five calendar years may make a written request to become a Life Member of the Board of Trustees. Upon receipt of a written request under this section, the Board of Trustees shall approve the appointment of the REALTOR® as a Life Member of the Board of Trustees.

On and after January 1, 2017, any REALTOR® who makes a “Sterling R” investment in Kansas RPAC in a minimum of five calendar years and a \$2,000 contribution to the President’s Circle program in at least one calendar year during the five-year period may make a written request to become a Life Member of the Board of Trustees. Upon receipt of a written request under this section, the Board of Trustees shall approve the appointment of the REALTOR® as a Life Member of the Board of Trustees. For the purposes of this section, President’s Circle contributions are contributions made by individual members of the Kansas Association of REALTORS® to the President’s Circle Program established and operated by the National Association of REALTORS®.

Once approved, any Life Member must meet the following requirements on an annual basis to continue as a Life Member of the Board of Trustees:

- (1) Be an active member in good standing of the Kansas Association of REALTORS®; and
- (2) Demonstrate a significant financial commitment to Kansas RPAC by making a minimum annual contribution of \$1,000 to Kansas RPAC.

If a Life Member fails to meet the requirements for continuing as a Life Member contained in this section in a given calendar year, the Life Member status of the REALTOR® shall be revoked on the first day of January immediately following the calendar year for which the requirements were not met. Once revoked, the REALTOR® shall be prohibited from making another request to become a Life Member of the Board of Trustees.

Section 4: Duties. The Board of Trustees shall have general supervision and control over all the affairs and funds of the committee and shall establish and carry out all policies and activities of the committee. The Trustees shall serve without compensation.

Section 5: Composition of the Board of Trustees. The Board of Trustees shall be composed of twenty-two (22) REALTORS® selected on the following basis:

- (1) One REALTOR® from each of the five (5) largest Local Boards;
- (2) One REALTOR® from each of the zones (who may also be from one of the five largest Local Boards);
- (3) Seven (7) REALTORS® selected at large (who may also be from one of the five largest Local Boards);
- (4) Chair of the Kansas Association of REALTORS® Governmental Affairs Committee;
- (5) Vice Chair of the Kansas Association of REALTORS® Governmental Affairs Committee;
- (6) Treasurer of the Kansas Association of REALTORS®;
- (7) Immediate Past President of the Kansas Association of REALTORS®; and
- (8) Chief Executive Officer of the Kansas Association of REALTORS®, who will be a non-voting Trustee.

Section 6: Terms of the Board of Trustees. The Chair of the Kansas Association of REALTORS® Governmental Affairs Committee, Vice Chair of the Kansas Association of REALTORS® Governmental Affairs Committee, Treasurer of the Kansas Association of REALTORS® and Immediate Past President of the Kansas Association of REALTORS® shall each serve for a one-year term that coincides with the year during which they serve in their respective offices.

The remaining members of the Board of Trustees shall serve for a term of four calendar years. No Trustee shall serve on the Board of Trustees for more than two successive four-year terms, with the exception of the Trustees serving as Chair and Vice Chair of the Board of Trustees, whose term on the Board of Trustees shall be extended coincident with the completion of their respective terms as Chair and Vice Chair. A Trustee may serve a third successive four-year term on the Board of Trustees if there are no other qualified and willing candidates for the appropriate position.

Section 7: Quorum of the Board of Trustees. Eleven (11) members of the Board of Trustees shall constitute a quorum. The affirmative vote of a majority of the members of the Board of Trustees in attendance at any meeting at which there is a quorum shall constitute the action of the Board of Trustees.

Section 8: Regular Meetings of the Board of Trustees. The Board of Trustees meetings shall hold an in-person meeting during each regularly scheduled meeting of the Kansas Association of REALTORS®, unless a majority of the

Trustees vote to not hold a meeting.

Section 9: Special Meetings and Interim Business of the Board of Trustees. At any time, the Chair of the Board of Trustees may call a special meeting of the Board of the Trustees to take place either in-person or remotely through a conference call, webinar or video conferencing system. A special meeting of the Board of Trustees may also be called upon the written request of six (6) members of the Board of Trustees.

In addition, the Chair of the Board of Trustees may authorize the Secretary of the Board of Trustees to transact the affairs of the Board of Trustees through electronic mail. For the purposes of any vote of the Board of the Trustees held through electronic mail, a quorum of the Board of Trustees shall be eleven (11) responses to an electronic mail message addressed to the full membership of the Board of Trustees.

Section 10: Absences from Meetings of the Board of Trustees. Any member of the Board of Trustees who fails to attend any regular or special in-person meeting of the Board of Trustees shall be assigned one absence for each missed meeting. Any member of the Board of Trustees who has two absences in a calendar year shall automatically be removed from the Board of Trustees, without any notice and not subject to any action by the Board of Trustees. The attendance requirement under this section shall not apply to Life Members of the Board of Trustees.

Section 11: Vacancies on the Board of Trustees. In the event that any member of the Board of Trustees shall die, become disabled, be removed or resign, the Board of Trustees shall nominate a minimum of two and a maximum of four REALTORS® for the vacancy from which the current President of the Kansas Association of REALTORS® will select one REALTOR® for each vacant position. Any REALTOR® appointed to fill a vacancy shall be eligible to serve two full four-year terms on the Board of Trustees in addition to any portion of the term left by the vacancy to which they are appointed.

Section 12: Cooperation with Other Committees. The Board of Trustees may cooperate with the National REALTORS® Political Action Committee, the REALTORS® Political Action Committees of other states, local REALTOR® Political Action Committees and all other REALTORS® Political Action Committees.

ARTICLE V – OFFICERS OF KANSAS RPAC

Section 1: Chair. The Chair shall be chief executive officer of the Committee and shall be an ex-officio member of all advisory groups and committees established by Kansas RPAC. The Chair shall preside at all regular and special meetings of the Board of Trustees. If the Chair shall die, become disabled, be removed from office or resign, the Vice Chair shall assume the office of Chair until the next meeting of the Board of Trustees, during which a new Chair shall be selected in accordance with Article IV, Section 2 of these Bylaws.

Section 2: Vice Chair of the Board of Trustees. When the Chair is absent or at the request of the Chair of the Board of Trustees, the Vice Chair shall preside at any regular or special meeting of the Board of Trustees. If the Vice Chair shall die, become disabled, be removed from office or resign, the Board of Trustees shall select a replacement in accordance with Article IV, Section 2 of these Bylaws.

Section 3: Treasurer. The Treasurer shall be the First Vice President of the Kansas Association of REALTORS®. In the absence of the Chair or Vice Chair, the Treasurer shall preside at any regular or special meeting of the Board of Trustees.

If the Treasurer shall die, become disabled, be removed from office or resign, the Board of Trustees shall request that the Kansas Association of REALTORS® designate another individual to serve as Treasurer for the remainder of the calendar year during which the Treasurer has died, become disabled, been removed or resigned.

As part of his or her official duties and responsibilities, the Treasurer shall:

- (1) Perform such duties as are customarily performed by the Treasurer of a committee or as shall be prescribed by the Board of Trustees;
- (2) Be the custodian of all funds of the Committee and supervise the collection of all contributions and other funds received by the Committee;

- (3) Supervise the disbursement of all funds of the Committee in accordance with the directions and instructions of the Board of Trustees;
- (4) Supervise the keeping of accurate and full accounts, presentation of financial statements, preparation and filing of all reports to governmental authorities required by law or directed to be filed by the Board of Trustees;
- (5) Preside at any regular or special meeting of the Board of Trustees in the absence of the Chair and Vice Chair; and
- (6) Ensure that the accounting and reporting of funds shall be made to comply with federal and state laws as required.

Section 4: Secretary. The Secretary shall be the Vice President of Governmental Affairs of the Kansas Association of REALTORS® and shall be a non-voting officer of the Committee. The Secretary shall ensure that an accurate and permanent record of each meeting is kept and that the members of the Board of Trustees receive minutes from each regular and special meeting of the Board of Trustees. The Secretary shall also be responsible for the notification of the Board of Trustees of each regular and special meeting of the Board of Trustees.

ARTICLE VI – ADVISORY GROUPS AND COMMITTEES OF THE BOARD OF TRUSTEES

Section 1: Establishment of Committees. Subject to the confirmation of the Board of Trustees, the Chair shall appoint such advisory groups and committees as are necessary for the purpose of carrying out the objectives and purposes of the Committee.

ARTICLE VII – BOOKS, FINANCES AND RECORDS OF THE COMMITTEE

Section 1: Books and Records of the Committee. The Committee shall keep accurate, complete and correct books and records of account. The Committee’s books of account shall be audited on an annual basis, unless the Board of Trustees waives the annual audit required by this section through a majority vote of the Board of Trustees.

Section 2: Fiscal Year of the Committee. The fiscal year of the Committee shall begin on the first day of January and end on the last day of December.

Section 3: Deposits of the Committee. The funds of the Committee shall be deposited to the credit of the Committee in such banks or other depositories as the Board of Trustees may designate.

ARTICLE VIII – LOCAL BOARD REBATE PROGRAM

Section 1: Purpose of the Local Board Rebate Program. In recognition of the importance of political involvement at all levels of government, the Local Board Rebate Program is designed to make Kansas RPAC funds available to local associations and boards of REALTORS® for use in local fundraising and political activities.

Section 2: Designation of Funding for Program. On an ongoing basis, Kansas RPAC shall designate 10% of all RPAC contributions received by Kansas RPAC from a member of a local association or board for use in local fundraising or political activities permitted under Article VIII, Section 4 of these Bylaws. In order to access the funds designated under this program, a local association or board must file a written request for funding under Article VIII, Section 5 of these Bylaws.

A local association or board may file a written request for funding up to 20% of all RPAC contributions received by Kansas RPAC in the current fiscal year of the Committee from a member of a local association or board for use in local fundraising or political activities permitted under Article VIII, Section 4 of these Bylaws. However, the Board of Trustees shall have the discretion to approve or deny any request for funding that exceeds the 10% of RPAC contributions that are designated for the local association or board under this program.

Upon the approval of the written request and the disbursement of the accrued funds to a local association or board, the disbursed funds shall be deducted from the amount designated for the local association or board under this program. Unless and until a written request is approved and the funds are disbursed to the local association or board, all funds designated for the local association or board under this program will continually accrue and roll over into the next fiscal year of the Committee (unless those designated funds lapse under Article VIII, Section 3 of these Bylaws).

Subject to the requirements contained in Article IX of these Bylaws, Kansas RPAC shall transfer 20% of all RPAC contributions received by Kansas RPAC from a member of the local association or board to any Local Association Political Action Committees (Local PACs) established pursuant to Article IX of these Bylaws. The local association or board that has established a Local PAC pursuant to Article IX of these Bylaws shall not be eligible to request Local Board Rebate Program funding in addition to the disbursement of RPAC contributions to the Local PAC. These funds may only be used for the purposes specified in Article IX, Section 3 of these Bylaws.

Section 3: Failure to Request Designated Funds. All funds designated for a local association or board under this program shall remain designated for use in this program for a period of two years from the date of designation. On the first day of January of each fiscal year of the Committee, the Secretary shall calculate the amount of designated funds that accrued from RPAC contributions made more than two years prior to that date. If the local association or board has failed to make a written request for those accrued funds within the preceding two years, those funds shall lapse and shall no longer be designated for the local association or board under this program.

Section 4: Permitted Uses of Funds. Any funds provided to a local association or board under the Local Board Rebate Program may only be used for the following purposes:

- (1) A political contribution to a candidate for local elected office; or
- (2) Expenses intended to offset the costs of promoting contributions to Kansas RPAC by members of the local association or board, including but not limited to beverages, facility rental, food, auction items and prizes, marketing materials and supplies.

Section 5: Maintenance of Funds. All funds designated for each local association or board under the Local Board Rebate Program shall be maintained in the accounts of Kansas RPAC until a Local Board Rebate Program request form has been completed, filed and approved by the Secretary of Kansas RPAC. The Secretary shall provide a monthly accounting to local associations and boards detailing the amount of local funds available for each local association or board.

Section 6: Funding Requests and Approval. All requests for funding from the Local Board Rebate Program must be made in writing, on the form required by the Secretary and approved by a majority vote of the governing body of the local association or board submitting the funding request.

If the Secretary determines that the request form has been properly completed, that there are sufficient funds available in Kansas RPAC's accounts to accommodate the request and that the proposed use of the funds complies with the Local Board Rebate Program's requirements, all funding requests shall be approved by the Secretary of Kansas RPAC. All funds will be written on a Kansas RPAC account and distributed to the Executive Officer or President of the local association or board.

ARTICLE IX – LOCAL ASSOCIATION POLITICAL ACTION COMMITTEES

Section 1: Purpose of Local Association Political Action Committees. In recognition of the importance of political involvement at all levels of government, the purpose of Local Association Political Action Committees (Local PACs) shall be to encourage political activity and RPAC fundraising by local association and boards meeting the requirements of Article IX, Section 2 of these Bylaws.

Section 2: Authorization for Local Association Political Action Committees. Local associations and boards of the Kansas Association of REALTORS® may have the option of establishing a Local Association Political Action Committee (Local PAC) provided that the local association or board:

- (1) Employs or contracts with a full-time Governmental Affairs Director who will maintain the Local PAC account in accordance with all applicable federal, state and local ethics and campaign finance laws;
- (2) Establishes a Local PAC Board of Trustees to oversee the governance of the Local PAC account and all activities carried out by the Local PAC; and
- (3) Obtains explicit authorization from the Kansas RPAC Board of Trustees prior to the establishment of the Local PAC.

Section 3: Authorized Activities and Expenditures of Local Association Political Action Committees. Once established pursuant to Article IX, Section 2 of these Bylaws, Local PACs may only engage in the following activities and expenditures:

- (1) Political contribution to a candidate for local public office;
- (2) Political contribution to a candidate for state public office, provided that:
 - (A) Upon making a political contribution to a candidate for state public office, the Local PAC must provide written notice to the Secretary of Kansas RPAC within ten (10) business days of that contribution containing the following information:
 - (i) Name of the political candidate receiving the contribution; and
 - (ii) Amount of the contribution.
- (3) Expenditures offsetting the costs of qualifying or advocating for the passage or defeat of any local ballot measure;
- (4) Expenditures offsetting the costs of acquainting local association or board members with candidates for local public office or local ballot measures;
- (5) Expenditures offsetting the costs of conducting an independent expenditure campaign in support of a candidate for local public office; and
- (6) Expenditures intended to offset the costs of promoting contributions to Kansas RPAC by members of the local association or board, including but not limited to beverages, facility rental, food, auction items and prizes, marketing materials and supplies.

Section 4: Procedures for Transmittal of Funds to Local PACs. Any Local PACs authorized by the Board of Trustees shall identify and designate a financial institution, which must be insured by the Federal Deposit Insurance Corporation (FDIC), to serve as the designated depository for the deposit and transmittal of the Local PAC's funds transferred from Kansas RPAC. Any Local PAC establishing an account under this section must demonstrate compliance with the following requirements at the request of the Secretary of Kansas RPAC:

- (1) Establishment and ongoing maintenance of an account at an eligible financial institution solely for the purpose of accepting and holding funds provided to the Local PAC by Kansas RPAC and making expenditures for the activities authorized under Article IX, Section 3 of these Bylaws;
- (2) Prohibiting any other funds or monies from commingling with RPAC funds in the account established by the Local PAC to hold Kansas RPAC funds; and
- (3) Providing the name and address of the financial institution where the account will be opened and maintained on an ongoing basis to the Secretary of Kansas RPAC.

Section 5: Initial Transfer of Accrued Funds. Once the Secretary of Kansas RPAC has verified that the Local PAC is in compliance with the requirements contained in Article IX, Section 4 of these Bylaws, Kansas RPAC shall transfer all accrued Local Board Rebate Program Funds designated for the use of the local association or board to the Local PAC. The Local PAC shall deposit these funds in the account designated by the Local PAC under Article IX, Section 4 of these Bylaws within seven (7) business days of the receipt of the check by the LocalPAC.

Section 6: Monthly Transfers of Funds. On a monthly basis, Kansas RPAC shall transfer to the Local PAC any funds that are available to the local association or board under Article VIII, Section 2 of these Bylaws.

Section 7: Compliance with Federal, State and Local Ethics and Campaign Finance Laws Required. Each Local PAC authorized by Kansas RPAC shall fully comply with all federal, state and local ethics and campaign finance laws. In the event that a Local PAC receives notice from a federal, state or local governmental agency that they have failed to maintain compliance with any ethics or campaign finance laws, the Local PAC shall immediately notify and provide copies of any written notices from the appropriate governmental agency to the Secretary of Kansas RPAC.

Upon the receipt of this notice, the Secretary of Kansas RPAC shall cease all monthly transfers of Local Board Rebate Program Funds to the Local PAC until the Local PAC has notified the Secretary of Kansas RPAC that the Local PAC has resumed compliance with the applicable ethics and campaign finance laws. Upon the request of the Secretary of Kansas RPAC, the Local PAC shall provide the Secretary of Kansas with written documentation of the resolution of the governmental agency's actions or investigations against the Local PAC.

Section 8: Prohibited Contributions and Expenditures. Local PACs shall not undertake any activities or make any expenditures not expressly authorized under Article IX, Section 3 of these Bylaws. In addition to any other activities or expenditures not expressly authorized under Article IX, Section 3 of these Bylaws, Local PACs are expressly prohibited from making any direct or in-kind contributions to political candidates for federal public office or making any expenditures offsetting the costs of conducting an independent expenditure campaign in support of or opposition to a candidate for federal or state publicoffice.

ARTICLE X – AMENDMENTS TO BYLAWS

Section 1: Amendments to Bylaws. Upon a recommendation approved by a majority vote of the Board of Trustees and the Executive Committee of the Kansas Association of REALTORS®, these Bylaws may be amended by the Board of Directors of the Kansas Association of REALTORS®.