

## 2025 Changes to the Core Standards

Effective January 1, 2025

The AEC/Reimagine Core Standards Work Group was appointed in 2023 to conduct a comprehensive review of the current Core Standards program and determine whether revisions are necessary and/or if there are other options for ensuring that associations continue to meet basic standards for serving our members.

With feedback from the broader AE community received through a survey conducted by NAR Research in 2023 and AE input gathered from various forums throughout the year, the work group proposed five recommendations to the Core Standards approved by the Executive Committee during the 2024 REALTORS® Legislative Meetings. The approved changes also apply to the Core Standards for Commercial Overlay Boards, with the exception of the Fair Housing commitment and training specified in Recommendation #3, which does not apply to Commercial Overlay Boards.

The changes are effective with the next Core Standards review cycle (January 1, 2025 to December 31, 2025) and will be incorporated into the 2025 Core Standards Certification Form on nar.realtor.

**II. Advocacy:** The Advocacy standard was modified to allow associations to satisfy one of the 'Act' requirements with Calls for Action, to repeat an event in multiple categories, and to satisfy the 'Invest' requirements by earning the Triple Crown Award. This revision ensures the association's overarching advocacy strategies of Vote-Act-Invest are maintained and provides greater flexibility for associations in meeting the Advocacy requirements of the Core Standards. The update also eliminates the penalty for missing national Calls for Action that can be infrequent with limited action time. The Core Standard was revised as follows (underscoring indicates additions, strikeouts indicate deletions):

### II. Advocacy

A. Unless prohibited by state law and in recognition of state law differences, each association shall include in their dues billing a voluntary contribution for the PAC or the Political Advocacy Fund (PAF) in an amount adequate to meet any NAR established RPAC fundraising goals. Dues billing for PAC or PAF contributions has been proven to be the most effective method for raising PAC or PAF dollars and in engaging our members in political advocacy\*. A local association will have met this Mandatory Core Standard, regardless of whether they collect the full amount of their NAR established goal, if they include the voluntary contribution on their dues bill.

Notwithstanding the above, a local association that chooses not to include a PAC or PAF contribution on their dues bills, may, in the alternative, meet this Mandatory Core Standard if they deliver to NAR the full amount of any NAR established RPAC goal contributed by whatever legal means determined to be in the best interest of the local association (i.e., a corporate contribution in the full amount of the NAR established goal). In whatever manner the NAR established RPAC goal is met, funds shall be sent to RPAC or the PAF individually or collectively by/through the State Association (i.e., one check concept). The intent of this standard is to provide the best opportunity for every association to meet its goal.

\*Unless prohibited by state law, it is recommended that to reach the highest participation levels possible, each local association include the contribution to either the PAC or the PAF "above the line" with appropriate disclaimers about the voluntary nature of the member contribution.

B. Each association shall provide or distribute information and communications from NAR and the applicable state association, regarding the value of investing in and the benefits received from the individual's participation in the PAC.

C. Each association is encouraged to participate shall demonstrate participation in NAR Calls for Action (e.g., promotion through websites, newsletters, office visits, etc.) and. It is the state and local association's obligation to provide adequate proof of participation. ~~NAR shall monitor state association participation primarily through the REALTOR® Party Response Reports. If there are signs of insufficient participation, NAR shall investigate and encourage compliance. The state associations shall monitor local association participation primarily through the REALTOR® Party Response Reports. If there are signs of insufficient participation, the state association shall investigate and encourage compliance.~~

D. Each local association is encouraged to participate shall demonstrate participation (if applicable) in State Calls for Action (e.g., promotion through websites, newsletters, office visits, etc.). It is the local association's obligation to provide adequate proof of participation.

E. In addition to the requirements established in subsections A-D, each association must support the REALTOR® Party's "Vote-Act-Invest" goals, and must annually conduct at least two initiatives or activities furthering or supporting each of those three goals respectively. Examples of initiatives and activities satisfying this requirement are available on NAR's online [Certification Form Compliance Tool](#) and in the [Core Standards Frequently Asked Questions \("FAQs"\)](#) and in the [REALTOR® Party Resource Guide](#).

Associations can meet the existing Advocacy requirement for 'Act' under the REALTOR® Party goals through activities that demonstrate a commitment to Diversity, Equity, and Inclusion and Fair Housing. Note, this is not an added requirement, but just another way to meet the existing Advocacy requirements.

Associations that earn Triple Crown for the previous year will meet the existing Advocacy requirement for 'Invest'.

F. Associations must conduct or promote a diversity, equity and inclusion activity and a fair housing activity. Possible options for completing this standard include the following:

- Measure and assess diversity in the association membership and develop an actionable roadmap for local association DEI; NAR has a new [Insights Hub tool](#) to help with this process.
- Conduct or promote fair housing training.
- Conduct or promote an [At Home with Diversity \(AHWD®\) course](#).
- Conduct or promote implicit bias training (e.g., [NAR's implicit bias video](#)).
- Form a Diversity Committee or a Fair Housing Committee.

**III. Consumer Outreach:** Various options for meeting the Consumer Outreach standard requirements were consolidated, and the requirements for 'Being the Voice for Real Estate' and 'Community Involvement and Investment' were reduced from two initiatives to one initiative per category. The requirements of this standard were streamlined to allow associations greater flexibility with meeting the Consumer Outreach requirements of the Core Standards and reorganized for greater clarity and understanding. The Core Standard was revised as follows (underscoring indicates additions, strikeouts indicate deletions):

### III. Consumer Outreach

A. Every association will demonstrate engagement in at least ~~two~~ ~~four~~ meaningful consumer outreach/engagement activities annually, including at least ~~one activity~~ ~~two activities~~ demonstrating how the association is the "Voice for Real Estate" in its market, and at least ~~one activity~~ ~~two activities~~ demonstrating the association's "Community Involvement and Investment." ~~involvement and/or investment in the community.~~ To meet this requirement, an association may not use the same activity more than once and any activity may only be submitted in one category.

#### 1. Being the "Voice for Real Estate" –

- Promote market statistics and/or real estate trends and issues (e.g., press releases, interviews, social media posts, etc.). Content may consist of (these are examples, not an exclusive list):
  - MLS statistics, local market statistics, NAR research reports, local/state analysis of NAR statistics;
  - Collateral from (for example) NAR's Consumer Advertising Campaign, NAR Media, NAR Research accounts, realtor.com, HouseLogic, RPR.
- Effectively communicate the value proposition of using a REALTOR® in the real estate transaction.

#### 2. "Community Involvement and Investment" – Engage in community activities that enhance the image of the REALTOR® (e.g., participate in an activity or conduct fundraising to benefit local community or charitable organizations).

- ~~1. To meet this four activity per year requirement, each association must execute a minimum of two "Being the 'Voice for Real Estate'" activities and two "Community involvement and investment" activities during the year. It will not be enough, for example, for an association to engage in the same activity 4 times each year nor will financial support of a charitable organization alone be considered to have met this Mandatory Core Standard. Additionally, any one activity can only be quantified in one category.~~
- ~~2. Being the "Voice for Real Estate" -- promoting market statistics and/or real estate trends and issues (e.g., release through press releases, interviews, etc. of MLS statistics, local market statistics, NAR research reports, local/state analysis of NAR statistics, etc.)~~

~~Associations can meet the existing Consumer Outreach 'Being the Voice for Real Estate' and 'Community involvement and investment' requirements through activities that demonstrate a commitment to Diversity, Equity, and Inclusion and Fair Housing. Note, this is not an added requirement, but just another way to meet the existing Consumer Outreach requirements.~~

B. Community involvement and investment -- promoting the value proposition of using a REALTOR® and/or engaging in community activities which enhance the image of the REALTOR®, such as organizing human resources (e.g., participating in a Habitat for Humanity build) or conducting fundraising activities to benefit local community or charitable organizations.

**IV. Unification Efforts and Support of the REALTOR® Organization:** The Unification Efforts and Support of the REALTOR® Organization standard was expanded to include additional items pertaining to policies, training, a commitment to Diversity, Equity, and Inclusion (DEI) and Fair Housing, and value proposition communication. This standard was expanded to ensure an association's commitment to strong and effective volunteer leaders with added training and a Leadership Code of Conduct, along with support for DEI and Fair Housing, and a strong value proposition that is communicated to members. The Core Standard was renamed Governance, Operations and Training to more accurately and succinctly depict its focus. The Core Standard was revised as follows (underscoring indicates additions, strikeouts indicate deletions):

**IV. Governance, Operations and Training~~Unification Efforts and Support of the REALTOR® Organization~~**

A. Every association will maintain, have access to or will have legal counsel available.

B. Associations shall adopt and maintain corporate documents, policies and procedures that conform to local, state and federal laws. Associations will timely file legally required reports and documents (e.g., corporate renewal documents, state and federal tax returns, etc.).

C. Every association shall annually certify that its board of directors has reviewed and discussed the association's business or strategic plan, that the plan includes an advocacy component, a consumer outreach component, a Diversity, Equity and Inclusion (DEI) component, and a Fair Housing component, and that those components have actionable implementation strategies.

D. Local and state association chief staff must complete at least six hours of REALTOR® association professional development on an annual basis. In associations without paid/salaried staff, this requirement is applicable to the individual primarily responsible for performing the functions ordinarily carried out by paid staff in other associations.

E. Associations will promote to their members the importance of participating in any NAR-conducted effort to assess member understanding of the overall value provided by associations at all three levels of the REALTOR® organization.

~~F. Licensees in limited function referral organizations (LFRO) shall be identified by the local and/or state associations for the purpose of inviting their participation in political advocacy (e.g., PAF and Calls for Action).~~

G. Associations must annually offer, promote, or provide at least one professional development opportunity for their members.

H. Associations must annually certify they have conducted or promoted a [REALTOR® Safety](#) activity.

I. Associations will annually provide resources for or access to leadership development education and/or training for their elected REALTOR® leaders, including:

- Assessment and encouragement of DEI;
- Education, understanding and awareness of the Core Standards;
- Understanding of the roles and responsibilities of staff and volunteer leaders as outlined in the [President/Chief Staff Executive Checklist](#).

Associations will document the training, tools, programs, and resources to which they offer or provide access.

J. Associations with paid staff must adopt policies and procedures for conducting annual performance reviews of their chief paid staff, and must annually certify that a performance review for their chief paid staff has been conducted.

K. Associations must identify their leadership policies concerning antitrust, harassment, conflict of interest, confidentiality, Code of Conduct, whistleblower, etc., and upload them to the Core Standards Certification Form.

Associations will offer annual training of no less than 1 hour on the above-mentioned policies for- elected officers and the Board of Directors.

L. Associations will demonstrate a commitment to Diversity, Equity, and Inclusion and Fair Housing.

M. Associations will confirm they offer or promote Fair Housing training for their members and track compliance.

N. Associations will confirm they are effectively communicating their value proposition to their members.

**V. Technology:** The Technology standard's requirements were expanded to include member communication, membership record updates in M1, virtual meeting options, and cybersecurity requirements, and the technology requirements were added to the renamed Governance, Operations and Training standard. The updated requirements reflect current technological needs and enhance association operations, which are expanded to include virtual access for governance, training, and services. Given the ever-increasing number of cyberattacks and ransomware incidents, the updates will ensure associations continue to prioritize protecting member and staff data. The Core Standard was revised as follows (underscoring indicates additions, strikeouts indicate deletions):

#### **V. Technology**

A. Every Association will effectively communicate with its membership. ~~Every association must have an interactive website (defined as the ability to move between websites and create active links), post access to professional standards and arbitration filing processes on the website and create a link to the websites of the other levels of the association for promotion of member programs, products and services.~~

B. Every association will acknowledge that membership records in M1 are updated within one week of receipt.

~~B. Every association must utilize an email and/or internet-based means for member communication.~~

C. Every association will have the capability to provide services to members virtually. ~~Associations must have the ability to interact with members in a remote work environment via a virtual meeting platform such as Zoom, Skype, WebEx, etc.~~

D. Every association will maintain a cybersecurity policy to protect member and staff data.

**VI. Financial Solvency:** The Financial Solvency standard was revised to increase the annual gross revenue threshold that triggers an accountant's review or audit from \$50,000 to \$200,000, and that associations with annual gross revenue of less than \$200,000 are permitted to meet the standard using a compilation report. This update aligns with the IRS guidelines for Form 990, which is for organizations with gross receipts more than \$200,000 and can relieve the financial burden for some associations while retaining the strength of this essential Core Standard which protects the association's finances. The Core Standard was revised as follows (underscoring indicates additions, strikeouts indicate deletions):

## **VI. Financial Solvency**

A. Every association must adopt policies to ensure the fiscal integrity of their financial operations.

B. All local associations, ~~state or local~~, with revenue of more than \$200,000 ~~\$50,000 or more~~ must annually submit a report from a CPA which includes either an audit opinion or an accountant's review report. ~~For those associations~~ Associations with annual gross revenues of up to \$200,000 ~~less than \$50,000~~ (including MLS-generated revenues and revenues from other business subsidiaries) are permitted to meet the standard using a compilation report. ~~, a compilation report prepared by a CPA will be acceptable.~~ State and national dues and assessment amounts are not considered to be revenue for purposes of this measurement. These thresholds apply to all associations whether tax exempt or for profit. It will be left to the discretion of each association as to the frequency of an audit versus a review, recognizing that the costs of each type of engagement vary greatly.

C. Any association considering bankruptcy must first obtain NAR's consent to file for bankruptcy. To the extent permitted by law, any association that declares bankruptcy will be subject to automatic charter review.