

Core Standards Hearing Process

URL: <https://www.nar.realtor/ae/manage-your-association/core-standards-for-state-and-local-associations/hearing-process>

Core Standards Hearing Process (Revised May 2021)

Background

As stated in the Core Standards, if a state association confirms that a local or commercial association is not compliant with the mandatory Core Standards, that local or commercial association's charter as a member board of the NATIONAL ASSOCIATION OF REALTORS® will be revoked. However, no association will lose its charter without first being given an opportunity to appear before a hearing panel of the NAR Association Executives Committee to show cause why the association's charter status as a member board should not be revoked. In such cases, the panel's recommendation will be reported to the NAR Board of Directors for final action. If a local or commercial association does not challenge the state's conclusion that the local or commercial association did not meet the Core Standards, the fact that the association's charter is being revoked will be included in the NAR Board of Directors consent agenda.

Process

State associations, using the online Core Standards compliance certification system, will annually provide NAR with the names of the local or commercial associations that met the Core Standards requirements. December 31st is the final deadline for local or commercial associations to submit their certification form to the state association. After that date, local or commercial association's access to their form will be terminated barring a special request from a state association to provide additional access. State associations have until January 30 to certify their local or commercial associations' compliance status to NAR. State associations will communicate issues of local or commercial association non-compliance through an online form. The state's form will be shared with NAR and subsequently the local or commercial association and hearing panel (if a hearing is requested). A "letter of warning" will be sent to the chief staff and officers of every association that is not compliant with the Core Standards by February 1.

Any association that the state association determines is not compliant with the Core Standards will be subject to charter revocation. NAR will notify those associations and inform them that the charter revocation process has begun. If the local or commercial association has reason to believe its charter should not be revoked and chooses to appeal the state association's conclusion, it has until February 28 to file a written challenge to the state association's determination with NAR.

The NAR Association Executives Committee (AEC) chair and vice chair shall recommend five AEC members or other REALTOR® association executives to serve on the hearing panel for the NAR president's approval. Panelists will not be chosen from the same state as the local or commercial association submitting the challenge.

Local or commercial associations challenging the state association's determination must show proof of compliance that clearly refutes the state association's conclusion. The challenge must be signed by the local or commercial association president, president-elect, and chief staff executive. NAR will send a copy of the challenge to the hearing panel and to the state association president, president-elect, and chief staff executive. All information pertinent to the challenge is confidential and will not be shared with anyone other than the respective local or commercial and state association staff and volunteer leaders, the hearing panel, and NAR staff who have a need to know.

Appendix A

Hearing panels will meet virtually via webinar to consider all challenges. The chief staff executive, president, and/or president-elect of the local or commercial association filing the challenge will have the opportunity to participate in the hearing. State associations have the option to submit written documentation for the hearing panel, and the option to meet with the hearing panel prior to the hearing. The appealing association will have no less than five days to review the information provided by the state association.

If the hearing panel determines that the association is compliant with the Core Standards, that conclusion shall be reported to the state association. If the hearing panel determines that the local or commercial association did not meet the Core Standards, the hearing panel has the option of placing the non-compliant association on a probationary status for one year and, at its discretion, may impose some or all the following sanctions on the local or commercial association:

- Publish association's name in NAR communication channels for not meeting the Core Standards (e.g., The Hub, AE INS, etc.)
- Require appropriate training on the Core Standards for association staff and leadership as determined by the appeal hearing panel
- Deny the association opportunities for NAR grants that are pending approval
- Require the association develop a plan for merger, consolidation or dissolution
- Recommend revocation of the association's charter to the NAR Board of Directors.

If the association is not in compliance again the following year, the hearing panel may impose a more severe sanction, including charter revocation.

The hearing panel's decision to revoke the association's charter will be reported directly to the NAR Board of Directors in May on the Directors' consent agenda. Charter revocation will be effective immediately following approval by the NAR Board of Directors.