



## **Advocacy and Teamwork Help Minnesota Association Protect Mortgage Interest Deduction – October 2015**

When economic recovery and incoming revenues would not be enough for the Minnesota legislature to cover a \$4 billion budget gap, the Minnesota REALTORS® (MNR) launched an 18-month proactive advocacy campaign to protect the mortgage interest deduction (MID) and homeownership statewide. The campaign, appropriately named [Minnesota Homes Matters](#) (MHM), gained influence and affected policymaking by going beyond the association's 17,000-members and generating public support. Leveraging the REALTOR® Party's Independent Expenditure Grant Program, MHM educated members, legislators and homeowners statewide on the impact of potentially eliminating the MID and built a coalition of pro-housing supporters.

Threats to the MID were not new to the political scene in Minnesota. In fact, MNR and REALTOR® allies in the state senate had defeated previous attempts to eliminate the MID in 2009, 2011 and 2013. Looking at the 2014 legislative session, the possibility of a budget deficit in Minnesota would have forced the MID into the political spotlight once again and placed it under the greatest threat seen in recent history.



### **Minnesota Homes Matter**

An integral part of this campaigns success was the Minnesota Homeowners Alliance (MNHOA), a coalition of more than 30 companies determined to fight for Minnesota homeowners. The first part of the campaign built awareness with Minnesota legislators and proactively highlighted the importance of the MID. This included focus groups to determine common voter opinions, event sponsorships and distributing printed and promotional materials. In addition, influential business groups and political entities were polled on their opinions of the MID, helping MNR and MNHOA determine messages that would resonate with the general public and create the campaign's comprehensive, educational website at [www.MNHomesMatter.com](http://www.MNHomesMatter.com). The website also offered visitors the opportunity to sign a petition to their legislators to protect MID and remain committed to pro-housing policies.

An independent contractor and the creation of a bi-partisan field team created the basic infrastructure needed to use existing contacts to build support for MHM among business groups, trade association and housing industry leaders.

A Tax Day news conference officially kicked off the campaign on April 15, 2014, announcing the latest housing statistics and the campaign and showcasing the impact of homeownership on the local economy and job creation.

From July through December 2014, the campaign capitalized on mid-term elections and speaking engagements. Those months were used to contribute to a comprehensive REALTOR® electoral campaign plan to help lessen the threat to the MID in the 2015 legislative session, and continued grassroots building in a politicized environment, where candidates could be forced to publically discuss their position on the MID. Meetings with gubernatorial candidates also allowed MNR and MNHOA to track candidate positions on MID leading into the elections.



During this same time, MHM staff spent a considerable amount of time travelling across Minnesota, attending local REALTOR® events, visiting 13 local associations and attending more than 24 REALTOR® and coalition partner events, each offering unique audiences who would be targeted to take action in support of MHM and the MID. Through digital and print advertising, social media, additional polling and continual promotion of the online petition, MHM reached a wider audience as well as state legislators.

### **Election Strategy & Results**

Given the legislative history with the Democratic-Farmer-Labor (DFL)-controlled legislature, MHM, MNR, and MNHOA actively sought a campaign strategy to provide balance to the legislature and create a safety net for the MID. Following advice from NAR staff—to take control away from the party that has historically proposed changes to the MID—MNR actively worked with other trade associations within a private working group, known as the ‘Trade Federation,’ to identify vulnerable candidates to capture seats in hopes of regaining the majority. Weekly meetings with the eight-member Trade Federation ensured independent expenditure funds were being spent evenly across targeted districts and not wasted on duplicative efforts. As a result, Republicans emerged with the majority largely due to increased spending efforts, including MNR’s independent expenditures.

### **MHM Looks to the Future**

Following the 2014 mid-term elections and MNR’s successful independent expenditure campaigns, Republicans gained control of the Minnesota House of Representatives, effectively minimizing the threat to MID. Entering the final stages of the campaign, focus shifted to direct outreach to concerned Minnesota homeowners. A revised campaign mission statement—preserving and protecting homeowner tax benefits and property rights—allowed staff and partners to broaden their approach to homeownership advocacy and appeal to a wider audience. This included increased spending on digital and print advertising. With a new year came new content on the MNHomesMatter.com website and featured a comprehensive list of Minnesota tax benefits made available to homeowners, encouraging visitors to ask their tax preparer if they were taking full advantage of MID.

In addition to face-to-face meetings with targeted legislators, MHM spent the first few weeks of the 2015 Legislative Session conducting more broad educational effort targeting at all legislators and organized and delivered educational resource guides for legislators.

### **Campaign Outcome**

Heading into the MHM campaign, a clear goal was defined: to ensure the protection and preservation of the state MID. “The Minnesota Homes Matter campaign was a collaborative effort,” said MNR Chief Executive Officer Chris Galler. In the end, the threat against the MID in the 2015 legislative session was neutralized, due in large part to REALTOR® efforts to use independent expenditures to dramatically alter the Minnesota political landscape. “Not only were we able to create key partnerships to protect mortgage interest deduction, but, I’m proud to say, we built a culture of advocacy beyond our association for continued legislative outreach.”

To learn more about how the Minnesota REALTORS® are protecting mortgage interest deduction in their state and advocating for homeownership, contact Christopher Galler, Chief Executive Officer at (800) 862-6097 or [cgaller@mnrealtor.com](mailto:cgaller@mnrealtor.com).