



Oregon

Theodore R. Kulongoski, Governor

Real Estate Agency

1177 Center Street NE

Salem, OR 97301-2505

Phone: (503) 378-4170

Regulations Fax: (503) 373-7153

Admin. Fax: (503) 378-2491

Licensing Fax: (503) 378-3256

www.rea.state.or.us

State of Oregon Real Estate Agency

REAL ESTATE BOARD

Oregon Real Estate Agency

1177 Center St. NE

Salem, Oregon 97301

Special Meeting Minutes

March 31, 2008

MEMBERS PRESENT: Mike Graeper, Chair
Byron Hendricks

MEMBERS PRESENT

BY TELECONFERENCE: Art Kegler
Chris Hermanski
Bob LeFeber
Lee Dunn
Marianne Wood
Kim Medford

MEMBERS ABSENT: Troy Costales, Vice Chair (Excused)

STAFF PRESENT:

Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Selina Barnes, Licensing Division Manager
Laurie Skillman, Land Development Division Manager
Becky Osborne, Regulations Division Manager
Leandra Cooley, Board Liaison

GUESTS PRESENT: None

I. BOARD BUSINESS

- A. **Call to Order.** Chair Graeper called meeting to order at 10:01 a.m at the Real Estate Agency, 1177 Center Street NE, Salem, Oregon..
- B. **Roll Call.** Troy Costales was excused
- C. **Approval of the Agenda and Order of Business.** The Agenda was approved as submitted.
- D. **Date of Next Meeting.** April 7, 2008, at 10 a.m., in Eugene, Oregon at the Eugene Association of Realtors Office, 2139 Centennial Plaza, Eugene, OR, 97401.



II. PUBLIC COMMENT. None

III. BOARD ADVICE/ACTION

Legislative concepts resulting from rule review work groups. Chair Graeper turned the meeting over to Commissioner Bentley. Mr. Bentley indicated that the purpose of the meeting was to allow board members the opportunity to comment on the four Agency legislative concepts that will be advanced. Mr. Bentley indicated that concepts number 919/1, 919/3 and 919/4 are fully developed. However, concept number 919/2, is a place holder and needs further development and will be addressed at the April 7, 2008 Board meeting. Mr. Bentley opened concepts up for questions. Kim Medford addressed legislative concept 919/4 regarding clarification on funds held by escrow agents in trust. Ms. Medford asked where interest is earned on those funds to be paid. Mr. Bentley responded that escrow instructions determine where the money goes. Becky Osborne referred Ms. Medford to administrative rule number 863.0500060 which addresses the issue of interest bearing escrow accounts. Ms. Medford asked about concept number 919/3 on the requirement of a licensee to maintain a legal form of entity specifically if a corporation goes inactive for failure to pay annual fee to Secretary of State, is there a period of time in which the licensee can reactivate the license and if there a loss of license during this period. Laurie Skillman specified that a legal entity needs to exist in order for a license to be appropriate.

Mr. Bentley inquired if members would prefer to address concepts one at a time or as a bundle. Chair Graeper indicated that addressing concepts one at a time would be preferable.

919/1 – Real Estate Streamlining and Minor Program Changes for Licensing and Civil Penalty for Property Managers. Art Kegler indicated that he had no problem with the civil penalties issue as it is written in the legislative concept and stated for the record that he did have a problem with the concept if it was a wedge into a larger program of civil penalties.

919/2-Individuals Authorized to Engage in Property Management; New Principal Property Manager License. Commissioner Bentley restated that this concept is a place holder to establish principal license category along with shifts in the authority and responsibility for those who hold broker, principal broker, and property management licenses. Mr. Bentley explained that once this concept is fully developed it will be presented to the Board.

919/3- Escrow Licensing Housekeeping and Minor Program Changes. Commissioner Bentley summarized this concept. No questions.

919/40 Individuals Authorized to Engage in Property Management, New Principal Property Manager License- No discussion.

**MOTION TO APPROVE LEGISLATIVE CONCEPTS NO. 919/1, 919/2, 919/3
AND 919/4 BY BYRON HENDRICKS
SECOND MOTION BY CHRIS HERMANSKI
MOTION CARRIED BY UNANIMOUS VOTE.**

ANNOUNCEMENTS

Next regular board meeting April 7, 2008, 10 am, at the Eugene Association of Realtors, 2139 Centennial Plaza, Eugene, OR , 97401.

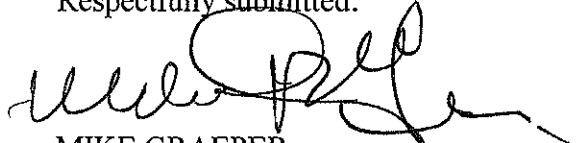
IV. ADJOURNMENT

Respectfully submitted:



GENE BENTLEY
COMMISSIONER

Respectfully submitted:



MIKE GRAEPER
BOARD CHAIR