



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

Regular Meeting Minutes April 6, 2009

- MEMBERS PRESENT:** Art Kegler, Chair
Warren (Lee) Dunn, Vice-Chair
Troy Costales
Byron Hendricks
Marianne Wood
Chris Hermanski
Robert LeFeber
Kim Medford (by phone)
- MEMBERS ABSENT:** Michael Graeper, excused
- STAFF PRESENT:** Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Kate Nass, Administrative Services Division Manager
Mesheal Heyman, Education Division Manager
Laurie Hall, Licensing Division Manager
Selina Barnes, Regulation Division Manager
Laurie Skillman, Land Development Division Manager
Leandra Cooley, Board Liaison
- GUESTS PRESENT:** George Slape, Western Title & Escrow
Andrea Bushnell, Oregon Association of Realtors
Jana Jarvis, Oregon Association of Realtors

I. BOARD BUSINESS

- A. Call to Order.** Chair Kegler called the meeting to order at 10:00 a.m.
- B. Roll Call.** Board Liaison conducts roll call.
- C. Approval of the Agenda and Order of Business.** Agenda and Order of Business approved as submitted.

- D. **Approval of the February 2, 2009, regular meeting minutes.** February 2, 2009 minutes approved as submitted.
- E. **Date of Next Meeting: June 1, 2009 in Baker City, Oregon**

II. **PUBLIC COMMENT.** None.

III. **REQUESTS FOR WAIVER.** None.

IV. **BOARD ADVICE/ACTION**

- A. **Team Advertising (handout included in packet-please be prepared to discuss).** Commissioner Bentley explained that the current rule requires all the names of group members to be listed on business cards or advertisement signs and he provided **Exhibit A**, which reflects his comments regarding the letter from Andrea Bushnell. He also stated that the solution to the issues maybe registry, or tracking supervising principal brokers with Agency software. Marianne Wood responded that it is not practical to list all members on business cards and/or advertisement signs. Robert LeFerber responded that the Commissioner should track supervision within each firm internally. Deputy Commissioner Owens suggested that a work group be assembled to address the team advertising rule and examine the practical application of this rule. Commissioner Bentley responded that the Agency has information flow issues with team advertising and the Agency and Oregon Association of Realtors will work together to review this rule. Byron Hendricks volunteered to participate in the rule review work group.
- B. **Civil penalties and unlicensed activity/expired license.** Commissioner Bentley explained that due to negative feedback from the legislature regarding inconsistency in assessing civil penalties, the Agency has been very rigid in the civil penalty process. Chair Kegler asked the board members if their consensus is for the Agency to remain consistent and they responded that the consensus is for the Agency to remain consistent.

Commissioner Bentley addressed the issue of the pool of test questions used for both broker and property managers, which was not on the agenda and indicated that the Agency is considering turning over the administration of the pool of test questions to PSI. He asked the board members what their consensus was on this issue and they responded that the consensus is to have the Agency pursue this idea.

V. **COMMUNICATIONS-Administrative Actions Summary.** No discussion.

VI. **OREGON REAL ESTATE NEWS JOURNAL-Chair Kegler.** Byron Hendricks will submit an article for the next issue and Chair Kegler will submit an article for the following issue.

VII. **REPORTS**

- A. Chair Kegler-Formal farewell to Troy Costales.** Chair Kegler presented Mr. Costales with a letter of recognition from Governor Kulongowski and a certificate of appreciation from the Agency.

Mr. Costales summarized his history with both the real estate industry and his service on the Oregon Real Estate Agency Board. He also expressed great thanks and appreciation to his fellow board members, industry members and the Agency staff.

B. Commissioner Gene Bentley

- 1. Introduction of George Slape as new public board member.** Commissioner Bentley introduced Mr. Costales' replacement, George Slape, as a public member and explained that Mr. Slape is based in Bend, Oregon and he participated in the Agency's escrow rule review.
- 2. Legislative Update.** Commissioner Bentley provided **Exhibit B**, which were summary sheets on SB 140, SB 141, HB 5045, HB 5046, and SB 640. Andrea Bushnell addressed SB 640 as being carried by the Oregon Association of Realtors. She explained that the bill relates to continuing education requirements and calls for the industry to be responsible for certifying providers and monitoring and/or tracking hours. Jana Jarvis added that the dash one amendments were submitted which brought back fiscal impact and more amendments will be made. Kate Nass provided the fiscal impact on SB 640, which was marked as **Exhibit C**. and on SB 2910, which was marked as **Exhibit D**.

C. Agency Division reports/Deputy Commissioner Dean Owens (reports included in packet)

- 1. Regulation Division-Selina Barnes.** Ms. Barnes reported that the Division is fully staffed at this time and the data base recently created to track administrative actions has been very beneficial and also summarized the statistical information provided in the handout.
- 2. Licensing Division-Laurie Hall.** Ms. Hall reported that there is currently a decrease in the number of brokers and an increase in the number of property managers. She also stated that the Division is working with consultants in analyzing current software and summarized the statistical information provided in the handout.
- 3. Education Division-Mesheal Heyman.** Ms. Heyman reported that the Agency had a display at the State Capitol for the Oregon's 150th birthday recognition and she also stated that the Oregon Real Estate Manual is currently being updated. She also reported that the Agency's web site maintenance has been transferred, internally, to the Information Technology Division.

She also indicated that there were one hundred client trust account mail in audits sent out last week.

4. **Land Development Division-Laurie Skillman.** Ms. Skillman reported that the Division's filings continue to decrease and she also stated that the project for improvements to the data base is continuing. She also gave a legislative update on the bills the Agency is monitoring.
5. **Administration/Information Systems-Kate Nass.** Ms. Nass summarized the Agency's budget situation and reviewed the statistical information provided in the handouts. A job announcement for an Information Systems 7 position has been posted as well as a limited duration student worker which is being considered for extension into the summer months.

VIII. ANNOUNCEMENTS-Please note change in the meeting sites below:

2009 Board meeting schedule

- April 6, Salem
- June 1, Baker City
- **August 3, Portland (previously Salem)**
- October 5, Mid-Columbia
- **December 7, Salem (previously Portland)**

- IX. ADJOURNMENT-Board members to meet Julia Wu and Jon Cvetko, consultants with TEK Associates.** Ms. Nass introduced Julia Wu and Jon Cvetko who will be meeting with the Board directly following the adjournment.

Respectfully submitted:

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GENE BENTLEY
COMMISSIONER

ART KEGLER
BOARD CHAIR

Exhibits distributed:

- A. Team Advertising letter from OAR, *Agenda Item No. IV. A.*
- B. Summary sheets of bills, *Agenda Item VII. B. 2.*
- C. Fiscal impact on SB 640, *Agenda Item VII. B. 2.*
- D. Fiscal impact on HB 2910, *Agenda Item VII. B. 2.*