



Oregon

Theodore R. Kulongoski, Governor

Real Estate Agency

1177 Center St 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

February 1, 2010

MEMBERS PRESENT: Art Kegler, Chair

Byron Hendricks, Vice-Chair

Warren (Lee) Dunn

Michael Graeper

George Slape

Kimberly Medford

Marianne Wood

Robert LeFeber

MEMBER ABSENT: Chris Hermanski, excused

STAFF PRESENT:

Gene Bentley, Commissioner

Dean Owens, Deputy Commissioner

Selina Barnes, Regulation Division Manager

Laurie Hall, Licensing Division Manager

Stacey Harrison, Education Division Manager

Laurie Skillman, Land Development Division Manager

Leandra Soto, Board Liaison

GUESTS PRESENT:

Amy Grano

Daren Roberts

Dave Marra

Joyce Beach, Oregon Association of Realtors

Marcia S. Edwards

Ann Ross

Rex Ballenger, Windermere

Marilyn Johnson, Windermere

Chris Batchelor, Marriott & Assoc. R.E.

Laura Marriott, Marriott & Assoc. R.E.

Sherry Galloway, Windermere



James White, RE Max Equity
John Hoops, Windermere
Rowlin West, Century 21 Westover
Jeanette Underwood, Windermere
Shirley Blaser, Hearthstone R. E.
Donna Charko, Prudential R.E. Professionals
Pam Widom, Keller Williams Realty
Joann Hansen, Oregon Association of Realtors
Teresa Nanakornparon
Lori Palermo, Fairway Real Estate

I. BOARD BUSINESS-Chair Kegler

- A. Call to Order.** Chair Kegler called the meeting to order at 10:00 am and asked each board member to give a brief self introduction.
- B. Roll Call.** All members were present with the exception of Chris Hermanski, who was excused.
- C. Approval of the Agenda and Order of Business.** The Agenda and Order of Business were approved as submitted.
- D. Approval of the December 7, 2009, regular draft meeting minutes.** The minutes were approved with one correction to show that Michael Graeper would submit an article for the March issue of the OREN-J, Robert LeFeber for June, and Kimberly Medford for September.
- E. Date of Next Meeting:** April, 5, 2010.
- F. Farwell to Michael Graeper and Marianne Wood.** Chair Kegler bid farewell to Mr. Graeper and Ms. Wood. Commissioner Bentley presented each with a certificate of appreciation, letters of appreciation from Governor Kulongoski, and plaques from the Agency.

II. PUBLIC COMMENT – None

III. REQUESTS FOR WAIVER-Chair Kegler

- A. Waiver Request Log.** No discussion.
- B. James J. White requests experience requirements waiver for a principal broker license (provided in packet).** Mr. White stated that he has been a broker for 2 ½ years with approximately 15 years experience in the real estate industry. He explained that once his contract with current firm closes he intends to open his own firm. Mr. White requested a 2 ½ month waiver. Marianne Wood asked Mr. White to clarify his timeline and Mr. White responded that his request is based on a timeline from a consumer perspective. He also stated that he intends to supervise at some point. Chair Kegler asked Mr. White if he has completed the BASS course and he responded that he has.

MOTION BY BYRON HENDRICKS TO APPROVE WAIVER REQUEST.
MOTION CARRIED BY UNANIMOUS VOTE.

IV. BOARD ADVICE/ACTION-Commissioner Bentley

PSI Presentation-Tadas Dabsys, Vice President. The Commissioner explained that the Agency has a pool of questions currently. Should we have PSI develop test questions to be administered? Mr. Dabsys presented a power point segment and provided power point handout (*Exhibit A*). Mr. Graeper asked how many minutes are allowed for the test and the number of questions on the test. Mr. Dabsys responded that Oregon is at the highest level. Mr. Graeper asked clarification of job analysis. Mr. Dabsys responded that the national job analysis will mandate the state portion and can be customized to preferences. Mr. LeFeber asked state rate/percentage gauged. Dabsys explained process used is Monte Carlo Analysis to obtain target parameters. PSI develops a scientifically designed test. Mr. Hendricks asked if we have anything in the current process that alerts us to fraud/cheating. Commissioner Bentley responded that a review took place a couple of years ago. He is looking for the board's recommendation whether to delegate the responsibility of developing and scoring to PSI which would transition January 1, 2011. Deputy Commissioner Owens addressed budgetary concerns. Having outside industry involved would make the cost impact minimal.

**MOTION TO GIVE THE COMMISSIONER THE AUTHORITY TO
NEGOTIATE A CONTRACT WITH PSI FOR THE REAL ESTATE AGENCY'S
LICENSING EXAMINATIONS IN THE STATE OF OREGON.
MOTION CARRIED BY UNANIMOUS VOTE**

V. NEW BUSINESS-Chair Kegler

Governor's Food Drive the month of February. Deputy Commissioner Owens explained that the Agency would be involved in various fundraisers for the Governor's Food Drive and invited the board members to participate.

VI. COMMUNICATIONS-Chair Kegler-Administrative Actions Summary. No discussion.

VII. REPORTS

A. Chair Kegler.

- 1. Correspondence received by the Chair.** Chair Kegler reported he received a couple of phone calls and a document involving a case where the Agency had looked at the situation, made a determination, then there was a trial. Mr. Kegler explained although the Board does not handle complaints, he wanted to report that to the Board to confirm the Agency's responsibility.
- 2. Confirm board member articles for the March issues of OREN-J. Also, Mike Graeper and Marianne Wood.** Chair Kegler clarified that Robert LeFeber will submit an article for the June issue and Kim Medford for the September issue.

B. Commissioner Gene Bentley

- 1. Introduction of new board members.** Mr. Bentley reported that the Governor is in the process of reviewing the applications submitted by two potential new board members, Marcia Edwards and Joann Hansen.

2. **2010 rule review/legislative concept work groups.** A meeting was held on January 13 to deal with seven broker-oriented issues, all were resolved. Several property management issues needing to be addressed by a property management work group were scheduled.
 3. **Status of rulemaking for 2009 Senate Bill 640.** SB 640 establishes guidelines for rulemaking for education provider certification. More information will be presented at the April board meeting.
 4. **Impact of special election on the Agency.** Increases that legislation put in place have passed. Proposed SB1035 would require the Agency to come up with a plan to reduce our budget. Since we are already seven months into the biennium, this would amount to an approximate \$2,000,000 "hit." Mr. Graeper asked why the Agency is being asked to reduce since we are funded by licensees. Commissioner Bentley responded that the attitude is that everyone should participate in reductions.
 5. **Budget note regarding electronic distribution of Agency publications.** A budget note was placed in our budget asking the Agency to investigate providing publications electronically. The Agency exploring saving \$125,000 by distributing the OREN-J electronically effective with the September issue.
- C. **Board Member Mike Graeper presents board history from 2001 to present.** Mr. Graeper reflected on his service as OREA board member. He also talked about some of the problems that the Agency has resolved. Budget issues were never share with the board until Mr. Bentley became the Commissioner. The Governor directed Commissioner Bentley to involve the board on a larger scale. Mr. Graeper is confident that the Agency and the industry are working well together, with board meetings being held at local associations around the state. The waiver request log is very informative and he encouraged the new board members to review it. Work groups and rule review groups are new and very beneficial, again involving the board. Changes that have affected licensees include online renewal, acceptance of faxed documents, customer parking availability, and improved customer service. He spoke of conversations with the Agency regarding changing the mission statement to include "treat customers pleasantly/courteously". While that language was not added, that change has occurred.
- D. **Agency Division reports/Deputy Commissioner Dean Owens (reports included in packet)**
1. **Regulation Division-Selina Barnes.** Ms. Barnes addressed the reminder letters to escrow officers and requirements for escrow agents to provide information to the Agency. Commissioner Bentley reported that the Agency is in the process of getting updated soft ware with better capabilities regarding e-mail addresses.

2. **Licensing Division-Laurie Hall.** Sole practitioner is no longer a license category. The division has been overwhelmed with these transactions as each licensee record must be updated manually.
3. **Education Division-Stacey Harrison.** Ms. Harrison reviewed the statistical information provided in handout. No discussion.
4. **Land Development Division-Laurie Skillman.** Ms. Skillman reviewed the statistical information provided in handout. Condominium filings have decreased significantly.
5. **Administration/Information Systems-Dean Owens.** Mr. Owens stated that Erica Kleiner is the Agency's new administrative services manager effective February 11, 2010. Mr. Owens stated licensing database upgrade is still in progress. The new software will resolve some of the online renewal issues. RFP should be processed mid-March and vendor in place by June 2010
6. **Information Systems-Dean Owens for Greg DeMaderios.** Mr. Owens stated this division is responsible for all communications security and technical support.

VIII. **ANNOUNCEMENTS.** The April 5, 2010 board meeting will be held in Roseburg (location to be announced).

Awards Agency has received gold star certificate from DAS regarding financial information provided to controller's office and green award from Marion County Earthwise Program for recognition of environmentally friendly practices.

IX. ADJOURNMENT

Respectfully submitted:


GENE BENTLEY
COMMISSIONER

Respectfully submitted:


ART KEGLER
BOARD CHAIR

Exhibits distributed:

- A. PSI Presentation, *Agenda Item No. IV.*

