



Oregon

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Real Estate Agency

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State of Oregon Real Estate Agency

REAL ESTATE BOARD

Regular Meeting Minutes

June 2, 2008

MEMBERS PRESENT: Mike Graeper, Chair
Troy Costales, Vice Chair
Warren (Lee) Dunn
Byron Hendricks
Chris Hermanski
Art Kegler
Robert LeFeber
Kim Medford
Marianne Wood

STAFF PRESENT: Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Kate Nass, Administrative Services Manager
Leandra Cooley, Board Liaison

I. BOARD BUSINESS

- A. **Call to Order.** Chair Graeper called meeting to order at 10 a.m. at the Florence Events Center, 715 Quince St., Florence, Oregon.
- B. **Roll Call.** All members present.
- C. **Approval of the Agenda and Order of Business.** The Amended Agenda was approved as modified to reflect March 31, 2008 minutes to be approved first.
- D. **Approval of April 7, 2008, regular meeting minutes and March 31, 2008, special meeting minutes with modifications.** The March 31, 20 minutes were approved as submitted. The April 7, 2008 minutes were also approved as submitted. Chair Graeper addressed procedures for running governmental meetings and opened matter up for question. No discussion.
- E. **Date of next meeting.** August 4, 2008, in Hermiston, Oregon.

II. PUBLIC COMMENT. Jeff Crayne, President of Central Oregon Coast Association welcomed the Real Estate Board and inquired as to the rule/requirement for obtaining a principal broker license for brokers licensed prior to 2002. Chair Graeper and Commissioner Bentley responded by clarifying that additional testing is not a requirement at this time, however, that is the direction that the Agency is headed towards.



III. REQUESTS FOR WAIVER.

- A. Waiver request log.** The log was included in the board packet.
- B. Mary Strong requests experience requirement waiver for a sole practitioner license.** Deputy Commissioner Dean Owens asked Ms. Strong to clarify the status of her license. Ms. Strong indicated that her present employer requires her to have an inactive license. Marianne Wood asked Ms. Strong to explain her reason for her waiver request. Ms. Strong explained her intention is to consolidate her financial investment experience with real estate experience, particularly in the commercial real estate area.

**MOTION TO APPROVE REQUEST FOR WAIVER BY BYRON HENDRICKS.
MOTION CARRIED BY UNANIMOUS VOTE.** No discussion.

IV. BOARD/ADVISED/ACTION. Commissioner Bentley

- A. Final approval of the background check rules for filing (report provided in packet).** Commissioner Bentley reported that the public hearing on the background check rules was held on May 21, 2008 at which time no member of the public appeared. Mr. Bentley asked the Board to approve the background check rule in order for the rule to move forward to become a permanent rule by mid year. Byron Hendricks asked for clarification on crimes that are committed prior to permanent, ten year, or five year review and if the crime would be considered. Commissioner Bentley responded that any crimes committed prior to the scheduled review would not be an issue. Deputy Commissioner Owens reviewed the process on screening of the background check requires a hearing in the event that an applicant disagrees with the denial of a license.

**MOTION TO APPROVE THE BACKGROUND CHECK RULES BY ART KEGLER
MOTION CARRIED BY UNANIMOUS VOTE.** No discussion.

- B. Final approval of the advertising rule for permanent filing (report provided in packet).**

MOTION TO APPROVE THE ADVERTISING RULE FOR PERMANENT FILING BY LEE DUNN. Robert LeFeber asked how the rule would be disseminated to licensees. Commissioner Bentley responded that the information would be published in OREN-J and posted on the Agency website

MOTION CARRIED BY UNANIMOUS VOTE.

V. NEW BUSINESS

Establishment of Education Division. Commissioner Bentley and Deputy Commissioner Owens explained the reason for establishing an education division is in answer to a budget note from the Ways and Means Committee. Mr. Owens expanded on another purpose of establishing an education division is to provide support staff to offer education to public and licensees that the Agency serves and indicated the estimated

target date of implementation of the education division is June 9, 2008. Mr. Bentley explained the process involved with the education task force developing recommendations and rules and pointed out the basic goal or direction is to improve the quality of education. Mr. Bentley invited board members to meet with Mesheal Heyman immediately following the August 4, 2008 meeting.

VI. COMMUNICATIONS

Administrative Actions Summary. Chair Graeper asked if the numbers are calculated monthly and if the agency will be heading in the same direction for property management. Deputy Commissioner Owens confirmed the figures are on a monthly basis.

VII. REPORTS

A. Chair Graeper

- 1. Board of Directors meeting request.** Chair Graeper stated that invitation request letters have been sent out to all associations and to date, two invitations have been received from PMAR and Columbia Basin. Commissioner Bentley explained that due to legislative session 2009 meeting outside of Salem would be best later part of the year, September/October.

MOTION TO HOLD MEETING IN AUGUST 4, 2008 IN HERMISTON BY BYRON HENDRICKS.

MOTION CARRIED BY UNANIMOUS VOTE.

CHAIR GRAEPER INDICATED THAT HE ACCEPTS PMAR'S INVITATION. Chair Graeper directed board liaison to contact PMAR with acceptance and indicate that date for meeting is TBA. Commissioner Bentley reported on the status of regulations manager recruitment, final interviews and decision will be made by end of this week or first part of next week. Most of applicants were from state of Oregon.

B. Commissioner Gene Bentley

- 1. Rule review update.** Rule review to be done and in placed by end of year. Brokerage side, moving through that process and furthest along. Comments have come back with 90% positive feedback from advisory committee. Property management working group next meeting on June 5, 2008 in Lake Oswego. Escrow WG's next mtg. is June 4, 2008 in Salem.
 - **Education and testing work groups**
- 2. ARELLO Mid Year Conference, April 22-26, 2008 in Pasadena, California.** Mr. Bentley summarized the conference content. Next ARELLO conference is in Indianapolis, Indiana, on October 18-20, 2008. Byron Hendricks asked if ARELLO has specific course work regarding investigation of facts rather circumstances. Mr. Bentley responded that RE investigators have some strict constraints and he explained complaint/investigation process.

C. Agency division reports (handouts provided in packet)

1. **Land Development Division/Dean Owens.** Mr. Owens reviews summarized report submitted by Laurie Skillman, Land Development Division Manager.
2. **Licensing Division/Dean Owens.** Mr. Owens summarized report submitted by Selina Barnes, Licensing Division Manager.
3. **Education Division/Dean Owens.** Mr. Owens summarized report submitted by Mesheal Heyman, Education Division Coordinator. Impending changes to Education Division will be addressed at August 4, 2008 meeting. Byron Hendricks volunteered to write article on escrow work group for next issue.
 - **Distance education requirements for pre-license education.**
4. **Regulation Division/Dean Owens.** Mr. Owens reports that final round of interviews for regulation division manager will be held later this week and summarized the report provided in the packet. Commissioner Bentley addressed current statistics on timeliness of investigations do not necessarily reflect all circumstances involved in complaint/investigation.
5. **Administration/Information Systems Division/Kate Nass.** Ms. Nass summarized the report she submitted and indicated that the main issue for IT at this time is the reorganization of positions.
 - **09-11 Budget Update.** Ms. Nass delivered a power presentation and reviewed hand out provided.

VIII. ANNOUNCEMENTS

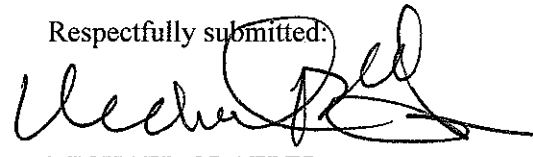
- A. **The August 4, 2008, board meeting will be held in Hermiston, Oregon.**

IX. ADJOURNMENT

Respectfully submitted:


GENE BENTLEY
COMMISSIONER

Respectfully submitted:


MICHAEL GRAEPER
BOARD CHAIR