



# Oregon

Theodore R. Kulongoski, Governor

## Real Estate Agency

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## State of Oregon Real Estate Agency

### REAL ESTATE BOARD

#### Special Meeting Minutes

September 8, 2008

**BOARD MEMBERS PRESENT:** Michael Graeper, Chair  
Troy Costales, Vice Chair (by phone)  
Art Kegler  
Marianne Wood  
Chris Hermanski  
Robert LeFeber  
Byron Hendricks  
Warren (Lee) Dunn

**BOARD MEMBERS ABSENT:** Kimberly Medford, excused

**STAFF PRESENT:** Gene Bentley, Commissioner  
Dean Owens, Deputy Commissioner  
Laurie Skillman, Land Development Division, Manager  
Selina Barnes, Regulation Division Manager  
Mesheal Heyman, Education Division Manager  
Laurie Hall, Licensing Division Manager  
Kate Nass, Administrative Services Division Manager  
Louann Rahmig, Rules Review Coordinator  
Leandra Cooley, Board Liaison

**GUESTS PRESENT:** Andrea Bushnell, Oregon Association of Realtors  
Jana Jarvis, Oregon Association of Realtors

#### I. BOARD BUSINESS

A. Call to Order

B. Roll Call.

C. Approval of the Agenda and Order of Business. Agenda was approved as submitted.

D. Date of the Next Meeting: October 6, 2008 at Oregon Real Estate Agency, 1177 Center St. NE, Salem, Oregon, 97301

#### II. PUBLIC COMMENT. None.

This time is set aside for persons wishing to address the board on matters not on the agenda. Speakers will be limited to five minutes. The board chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting. Action will not be taken at this meeting on citizen comments. The board, however, after hearing from interested



citizens, may place items on a future agenda so proper notice may be given to all interested parties. If no one wishes to comment, the next scheduled agenda item will be considered.

### **III. BOARD ADVICE/ACTION**

#### **A. Make recommendations to the Agency for filing on proposed rules.**

- 1. Overview of proposed administrative rules for filing.** Commissioner Bentley gave a brief overview of the rulemaking process to date.
- 2. Division 1, Rules of Procedure.**

**MOTION TO RECOMMEND THE AGENCY FILE PERMANENT RULE ON DIVISION 1, RULES OF PROCEDURE BY BYRON HENDRICKS.** No discussion.

**MOTION CARRIED BY UNANIMOUS VOTE.**

- 3. Division 3, Employee Criminal Records Check and Fitness Determination.**

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON DIVISION 3, EMPLOYEE CRIMINAL RECORDS CHECK AND FITNESS DETERMINATION RULES BY ROBERT LEFEBER.** Mr. Hendricks asked for clarification on the enormity of the work load that this new division will create. Deputy Commissioner Owens clarified that this new division only deals with Agency staff. Mr. Kegler asked for more information regarding the previous rule relating to license applicants. Selina Barnes clarified that the previous rule did not have a requirement for criminal background checks to be conducted on prospective employees.

**MOTION CARRIED BY UNANIMOUS VOTE.**

#### **4. Division 14, Real Estate Broker Licensing.**

- **Consider examination requirements regarding the number of times an individual may take the real estate broker examination.** Commissioner Bentley gave the Agency's historical background regarding requirements that applicants have high school diploma or GED and limit on the amount of times they can take the examination as follows:
  - High School Diploma or GED
    - 1974 – High school diploma or GED requirement in place
    - 1978- High school diploma or GED requirement no longer in place.
  - Limitation on amount of times examination could be taken
    - 1961 – Action was taken to limit the times to two and then once per year thereafter
    - 1975 – Modification to three time limit and then appear before the Board for approval on fourth time

- 1977 – Modified to two times per year and then a one year wait for third time
- 1979 – All limitation requirements were eliminated

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON PROPOSED RULES IN DIVISION 14, REAL ESTATE BROKER LICENSING BY MARIANNE WOOD.** Chair Graeper asked for clarification on the use of the term “sole practitioner”. Commissioner Bentley clarified that removal of the term “sole practitioner” is a statutory concept for the 2009 session and also explained OAR (Oregon Association of Realtors) will be moving forward with changes regarding this term.

**MOTION CARRIED BY UNANIMIOUS VOTE.**

**5. Division 15, Real Estate Broker Regulation.**

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON PROPOSED RULES IN DIVISION 15, REAL ESTATE BROKER REGULATION BY ART KEGLER.** Chair Graeper addressed the issue of this rule covering licensees providing documentation regarding out of state transactions. Commissioner Bentley stated that this issue would be revisited at the October 6, 2008 board meeting.

**MOTION CARRIED BY UNANIMOUS VOTE.**

**6. Division 24, Property Manager Licensing**

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON PROPOSED RULES IN DIVISION 24, PROPERTY MANAGER LICENSING BY CHRIS HERMANSKI.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

**7. Division 25, Property Manager Regulations**

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON PROPOSED RULES IN DIVISION 25, PROPERTY MANAGER REGULATIONS BY LEE DUNN.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

**8. Division 27, Investigations and Discipline.** Laurie Skillman provided copies of Revised Agenda Item No. III. A. 8. identifying the minor amendments made to Division 15 and two new rules:

- “Application and Purpose
- “Definitions”

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON REVISED PROPOSED RULES IN DIVISION 27, INVESTIGATIONS AND DISCIPLINE BY CHRIS HERMANSKI.** Chair Graeper recommended that OAR 863-207-0230 be amended to include the word “education” under section (1) the second sentence as follows:

“Progressive discipline means the process taken by the agency, which may include using education or increasingly severe steps or measures when a licensee fails to correct inappropriate behavior or exhibits subsequent instances of inappropriate behavior.”

**MOTION CARRIED BY UNANIMOUS VOTE**

**9. Division 50, Escrow and Escrow Agent Regulations.**

**MOTION TO RECOMMEND THE AGENCY FILE A HEARING NOTICE ON PROPOSED RULES IN DIVISION 50, ESCROW AND ESCROW AGENT REGULATIONS BY BYRON HENDRICKS.**

**MOTION CARRIED BY UNANIMOUS VOTE.**

**IV. REPORTS – None**

**V. NEW BUSINESS – None**

**VI. COMMUNICATIONS - None**

**VII. ANNOUNCEMENTS.**

Next regular board meeting, October 6, 2008, in Salem, Oregon. Commissioner Bentley reminded members of two agenda items to be discussed at the next board meeting “within the State” and “recruit/training of investigators”.


**VIII. ADJOURNMENT**

Chair Graeper adjourned the meeting at 11:00 a.m.

Respectfully submitted:

  
GENE BENTLEY  
COMMISSIONER

Respectfully submitted:

  
MICHAEL R. GRAEPER  
BOARD CHAIR