

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	7 - 0 - 0
Yeas:	Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Smith P., Schaufler
Nays:	0
Exc.:	0
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	5/7

WHAT THE MEASURE DOES: Establishes that if a notice of compensation is filed with an escrow agent more than 10 days prior to the scheduled closing date, the real estate broker or principal real estate broker that files the notice is required to deliver a copy of the notice to the principal (buyer or seller) identified in the notice. Establishes that if the notice is filed within 10 days of the scheduled closing date, a copy of the notice shall be provided by the escrow agent to the principal identified in the notice at the time of closing. Changes the terms “commission” and “demand” to “compensation” in statute governing real estate and escrow transactions.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 696.582 governs the process and provides the form for escrow agents holding compensation that is due to a real estate broker. In the provision that allows for a buyer’s agent to file a notice against a seller who has agreed to pay compensation pursuant to an offer of cooperation, SB 482 A removes the requirement that the agent notify the principal unless the notice is filed more than 10 days before the scheduled closing date. It also allows for the notice to be provided in the escrow instructions at the time of closing. The bill also makes a number of substitutions of the word “compensation” for “commission” in real estate and escrow statutes that cover other types of remuneration. These changes all reflect current business practices.