

REVENUE: No revenue impact

FISCAL: No fiscal impact

---

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 0 - 1

Yeas: George L., Monnes Anderson, Starr, Metsger

Nays: 0

Exc.: Deckert

Prepared By: Janet Adkins, Administrator

Meeting Dates: 2/28, 3/15

---

**WHAT THE MEASURE DOES:** Requires that if notices of compensation are filed with an escrow agent more than ten days prior to a scheduled closing date, the real estate broker filing the notice must deliver a copy to the principal (buyer or seller) identified in the notice. If the notice is filed within ten days of the closing date, requires the escrow agent to provide a copy to the person identified in the notice, which will typically be at the time of closing. Changes the terms "commission" and "demand" to "compensation" in statute governing real estate and escrow transactions.

**ISSUES DISCUSSED:**

- Importance of consistent and defined terminology
- Conformance with current business practices

**EFFECT OF COMMITTEE AMENDMENT:** Changes the term "commission" to "compensation" in escrow statutes. Defines "compensation" to include commission and other types of consideration.

**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.