

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure

Vote: 5 - 0 - 0

Yeas: Burdick, George, Girod, Rosenbaum, Bonamici

Nays: 0

Exc.: 0

Prepared By: Lori Brocker, Administrator

Meeting Dates: 4/30

WHAT THE MEASURE DOES: Adds persons affiliated with certain limited liability companies, partnerships and corporations to parties exempt from real estate licensing law.

ISSUES DISCUSSED:

- Relationship between shareholders and managing members of limited liability company
- Single member limited liability company

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 696.030 lists the parties to whom the state's real estate licensing law does not apply. House Bill 2418A adds several new parties to the list of exemptions. It allows individuals who are either the sole or managing member of a domestic or foreign limited liability company (LLC), a partner in a partnership, or an officer or director of a domestic or foreign corporation to be exempt from the law. All exempt entities added by the measure must be registered and operating in Oregon and must be engaged in the acquisition, sale, exchange, lease, transfer, or management of real estate in the LLC, partnership, or corporation.