

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	10 - 0 - 0
<b>Yeas:</b>	Barton, Cameron, Edwards C., Esquivel, Holvey, Kennemer, Matthews, Thatcher, Witt, Schaufler
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Theresa Van Winkle, Administrator
<b>Meeting Dates:</b>	4/6, 4/20, 4/27

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**WHAT THE MEASURE DOES:** Excludes sole practitioners from conducting professional real estate activity that is licensed by the Real Estate Agency. Permits individuals who engaged in professional real estate activity as of specified date to continue to engage in professional real estate activity as professional real estate broker. Prohibits the Real Estate Agency from charging a fee from the initial issuance of a principal real estate broker's license to a sole practitioner who conducted real estate activity as a sole practitioner prior to January 1, 2010. Establishes that a real estate broker can temporarily supervise the professional real estate activity of another real estate licensee due to unforeseen circumstance or temporary absence of a sole principal real estate broker, not to exceed 90 days.

**ISSUES DISCUSSED:**

- Overview of previous changes made to the state's real estate law
- Definition of "sole practitioner"
- Qualifications and education requirements for being a principal broker
- Difference between an active and inactive broker

**EFFECT OF COMMITTEE AMENDMENT:** Establishes that a real estate broker can temporarily supervise the professional real estate activity of another real estate licensee due to unforeseen circumstance or temporary absence of a sole principal real estate broker, not to exceed 90 days. Clarifies that nothing within the revision to ORS 696.290 (sharing compensation with or paying finder's fee to an unlicensed person) prohibits transactions, under specified circumstances, between a real estate licensee who has a written property management agreement with the owner of a residential building or facility, or a real estate broker or principal real estate broker from sharing compensation with a real estate licensee in another state or country. Prohibits the Real Estate Agency from charging a fee from the initial issuance of a principal real estate broker's license to a sole practitioner who conducted real estate activity as a sole practitioner prior to January 1, 2010. Repeals ORS 696.028 (rulemaking authority for the Real Estate Commissioner regarding terms and conditions for licensed personal assistant agreements).

**BACKGROUND:** SB 446 (2001) required real estate professionals to upgrade to a broker license within three years through the completion of additional educational requirements and created the categories of "broker" and "principal broker," who provides authority over other brokers. HB 2910-A completes the transition to all-broker licensing by eliminating the category of a "sole practitioner" and grandfathering current sole practitioners to principal broker status. The measure also grants rulemaking authority to the Real Estate Agency for developing guidelines for a real estate broker to temporarily supervise the professional real estate activity of another real estate licensee due to unforeseen circumstance or temporary absence of a sole principal real estate broker.