

Senate Bill 490

Sponsored by Senator PROZANSKI (at the request of John Brown)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows real estate licensee to waive payment of compensation to licensee by certain tax exempt nonprofit entities.

A BILL FOR AN ACT

1
2 Relating to real estate licensee compensation; amending ORS 696.290.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 696.290 is amended to read:

5 696.290. (1) A real estate licensee shall not offer, promise, allow, give, pay or rebate, directly
6 or indirectly, any part or share of the licensee's compensation arising or accruing from any real
7 estate transaction or pay a finder's fee to any person who is not a real estate licensee licensed un-
8 der ORS 696.022. However, a real estate broker or principal real estate broker may pay a finder's
9 fee or a share of the licensee's compensation on a cooperative sale when the payment is made to a
10 licensed real estate broker in another state or country, provided that the state or country in which
11 that broker is licensed has a law permitting real estate brokers to cooperate with real estate bro-
12 kers or principal real estate brokers in this state and that such nonresident real estate broker does
13 not conduct in this state any acts constituting professional real estate activity and for which com-
14 pensation is paid. If a country does not license real estate brokers, the payee must be a citizen or
15 resident of the country and represent that the payee is in the business of real estate brokerage in
16 the other country. A real estate broker associated with a principal real estate broker shall not ac-
17 cept compensation from any person other than the principal real estate broker with whom the real
18 estate broker is associated at the time. A principal real estate broker shall not make payment to the
19 real estate broker of another principal real estate broker except through the principal real estate
20 broker with whom the real estate broker is associated. *[Nothing in this section prevents]* **This sec-**
21 **tion does not prevent** payment of compensation earned by a real estate broker or principal real
22 estate broker while licensed, because of change of affiliation or inactivation of the broker's license.

23 (2) *[Nothing in subsection (1) of this section is intended to]* **Subsection (1) of this section does**
24 **not** prohibit a real estate licensee who has a written property management agreement with the
25 owner of a residential building or facility from authorizing the payment of a referral fee, rent credit
26 or other compensation to an existing tenant of the owner or licensee, or a former tenant if the for-
27 mer tenant resided in the building or facility within the previous six months, as compensation for
28 referring new tenants to the licensee.

29 (3) *[Nothing in subsection (1) of this section is intended to]* **Subsection (1) of this section does**
30 **not** prevent an Oregon real estate broker or principal real estate broker from sharing compensation
31 on a cooperative nonresidential real estate transaction with a person who holds an active real es-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

