

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3092 - 1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Date: March 8, 2023

Measure Description:

Creates residential property wholesaler registration.

Government Unit(s) Affected:

Real Estate Agency, Judicial Department, Counties, Secretary of State

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

HB 3092 - 1 directs the Oregon Real Estate Agency (OREA) to establish a system to register residential property wholesalers, including a term of registration and fees of up to \$300 for initial issuance and renewal of residential property wholesaler registrations. OREA is also to establish the standards for residential property wholesaler written disclosures; may investigate and take certain disciplinary actions against wholesalers, applicants, or individuals involved in residential property wholesaling; and issue cease and desist orders against unregistered residential property wholesalers. Under this measure, certain violations related to residential property wholesaling are established as a Class A misdemeanor. The Real Estate Commissioner may assess civil penalties related to violations, with all civil penalty revenue deposited in the General Fund. This measure takes effect January 1, 2024.

OREA reports a minimal fiscal impact, with some costs related to rulemaking, outreach, and reconfiguration of the agency’s licensing system to add registration of residential property wholesalers. The agency may also incur costs related to an increase in complaints or investigations for this new registration type, though the additional workload and any accompanying costs are indeterminate at this time. OREA is also likely to receive additional revenue as a result of the fees that are to be charged for registration of residential property wholesalers, but the number of people who will choose to register is also unknown.

There is no fiscal impact for Counties and Secretary of State, and minimal fiscal impact for the Oregon Judicial Department.

This measure establishes a new fee. For this reason, the measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration.