

To: Members of the Senate Interim Committee on Commerce and General Government

Dear Senators,

I am writing to express my opposition to SB 1513. While the bill temporarily delays enforcement of the team name restrictions created by HB 3137, it does not resolve the underlying issue. Instead, it preserves a policy that is unnecessary, economically disruptive, and raises serious constitutional concerns for Oregon real estate professionals.

SB 1513 does not fix the problem introduced by HB 3137. It simply postpones it. When the temporary allowance expires in 2027, the same consequences will resurface. This approach creates prolonged uncertainty rather than a durable or thoughtful solution and leaves businesses unable to plan with confidence.

Existing law already protects consumers

Oregon's existing statutes and the administrative rules enforced by the Oregon Real Estate Agency already provide robust consumer protections. Current regulations require marketing materials to clearly identify the supervising brokerage and registered business name, prohibit misleading or deceptive representations, and grant the Oregon Real Estate Agency authority to investigate and discipline violations. When consistently enforced, these rules already address the consumer protection concerns cited in support of HB 3137. There is no demonstrated regulatory gap that justifies restricting the use of widely accepted and accurate professional terminology.

Constitutional concerns

Terms such as "realty" and "real estate" are generic and truthful descriptors of licensed professional services. Prohibiting affiliated teams from using these terms while allowing brokerages to continue doing so creates a content-based restriction on commercial speech. While I am not offering a legal conclusion, restrictions of this nature raise legitimate constitutional questions, particularly when less restrictive alternatives are readily available. Solutions such as clear brokerage identification or explicit team affiliation disclosures would protect consumers without eliminating truthful language.

A delay is not a solution

By delaying enforcement, SB 1513 implicitly acknowledges the disruption this rule would cause. However, deferral does not correct a flawed policy. It only extends instability. Many Oregon real estate teams operate as small businesses that pay taxes, employ staff, invest heavily in marketing, and plan years ahead. Leaving the rule in place while postponing enforcement prevents these businesses from budgeting responsibly and ensures that rebranding costs will be incurred later rather than avoided altogether.

Financial and operational impact

Real estate teams across Oregon have invested substantial resources in building brands that are transparent, accurate, and clearly connected to their supervising brokerages. Forced rebranding would require replacing signage, redesigning marketing materials, updating websites and domains, revising contracts and disclosures, and rebuilding public recognition and trust. These costs are not minimal. They often total thousands or tens of thousands of dollars per business and place a disproportionate burden on small and minority owned teams.

No measurable improvement to consumer clarity

When marketing materials prominently identify the supervising brokerage and registered business name, the use of terms such as “realty” or “real estate” does not mislead consumers. These terms simply describe the services being offered. Consumers already understand that teams operate under brokerages, and clear brokerage identification provides sufficient transparency.

Conclusion

SB 1513 does not resolve the policy problem created by HB 3137. It only delays its impact. Oregon already has effective regulatory tools to protect consumers. A more appropriate path forward is consistent enforcement of existing law rather than restricting commonly used and truthful professional terminology.

I respectfully urge the legislature to repeal or permanently amend the team name restriction instead of merely postponing its enforcement.

Sincerely,

Donnie Offet
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