

Secretary of State
NOTICE OF PROPOSED RULEMAKING HEARING*
 A Statement of Need and Fiscal Impact accompanies this form.

Real Estate Agency	863
Agency and Division	Administrative Rules Chapter Number
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Rules Coordinator	(503) 378-4630
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RULE CAPTION

Amend rules for licensed real estate brokers and escrow agents based on 2009 legislation
Not more than 15 words that reasonably identify the subject matter of the agency's intended action.

November 16, 2009	10 a.m.	Real Estate Agency	Agency Staff
Hearing Date	Time	Location	Hearings Officer

Auxiliary aids for persons with disabilities are available upon advance request.

RULEMAKING ACTION

ADOPT: Adopt new rules in chapter 863, new division 049, and adopt 863-014-0090

AMEND AND RENUMBER: Amend the following rules and renumber all to chapter 863, new division 049:
 863-050-0033, 863-050-0035, 863-050-0150 and 863-050-240.

AMEND:

863-014-0000	863-014-0055	863-015-0150
863-014-0003	863-014-0063	863-015-0186
863-014-0005	863-014-0085	863-015-0188
863-014-0010	863-014-0095	863-015-0250
863-014-0015	863-014-0100	863-015-0255
863-014-0030	863-015-0000	863-015-0260
863-014-0038	863-015-0003	863-024-0003
863-014-0042	863-015-0125	863-024-0015
	863-014-0095 <i>12-15-09</i>	863-024-0030

FILED
 JUN 15 2009
 ARCHIVES DIVISION
 SECRETARY OF STATE

Stat. Auth.: ORS 696.385 and 2009 legislation including SB 140, SB 141 and HB 2910, which are not yet in chapter laws nor codified.

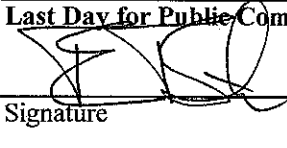
Stats. Implemented: ORS 696.022, 696.026, 696.200, 696.241, 696.255, 696.511, 696.527, 696.530, 696.578 and 2009 legislation including SB 140, SB 141 and HB 2910, which are not yet in chapter laws nor codified.

RULE SUMMARY

The new rules and amendments are in response to 2009 legislation, including SB 140, SB 141 and HB 2910. SB 140 will require an amendment to existing rules relating to depositing client funds with a licensed escrow agent. SB 140 requires the agency to adopt rules for licensing escrow agents and a new chapter 863, division 049 will be established for this purpose. HB 2910 requires amendments to a significant number of rules to eliminate sole practitioners as a type of broker. HB 2910 will require a new rule (863-014-0090) that allows a broker with three years of active experience to supervise other brokers for a sole principal real estate broker for a period not to exceed 90 days. The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

5 p.m., November 16, 2009

Last Day for Public Comment (Last day to submit written comments to the Rules Coordinator)

	Gene Bentley, Commissioner	June 15, 2009
Signature	Printed name	Date

*Hearing Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. ARC 920-2005

STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Real Estate Agency
Agency and Division863
Administrative Rules Chapter Number

In the Matter of: Adopting new rules in chapter 863 under a new division 049. Amending and amending and renumbering rules in OAR chapter 863 in divisions 14, 15, 24 and 50. All rulemaking is for the purpose of implementing new statutory provisions based on 2009 legislation in SB 140, SB 141 and HB 2910.

Rule Caption: (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.) Amend rules for licensed real estate brokers and escrow agents based on 2009 legislation

Stat. Auth.: ORS 696.385 and 2009 legislation including SB 140, SB 141 and HB 2910, which are not yet in chapter laws nor codified.

Stats. Implemented: ORS 696.022, 696.026, 696.200, 696.241, 696.255, 696.511, 696.527, 696.530, 696.578 and 2009 legislation including SB 140, SB 141 and HB 2910, which are not yet in chapter laws nor codified.

Need for the Rule(s):

The new rules and amendments are in response to 2009 legislation, including SB 140, SB 141 and HB 2910. SB 140 will require an amendment to existing rules relating to depositing client funds with a licensed escrow agent. SB 140 requires the agency to adopt rules for licensing escrow agents and a new chapter 863, division 049 will be established for this purpose. HB 2910 requires amendments to a significant number of rules to eliminate sole practitioners as a type of broker. HB 2910 will require a new rule (863-014-0090) that allows a broker with three years of active experience to supervise other brokers for a sole principal real estate broker for a period not to exceed 90 days.

Documents Relied Upon, and where they are available: 2009 legislation including SB 140, SB 141 and HB 2910. All available at the Real Estate Agency office, 1177 Center Street NE, Salem, Oregon.

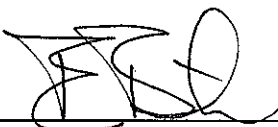
Fiscal and Economic Impact: These rules are revenue neutral for the Real Estate Agency and have no economic impact or cost of compliance on applicants or licensees. The Real Estate Agency has used all available information to project any significant economic effect on businesses.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)): None
2. Cost of compliance effect on small business (ORS 183.336):
 - a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: Approximately 50 escrow agents licensees and 23,000 brokers, principal brokers and property manager licensees.
 - b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services: None.
 - c. Equipment, supplies, labor and increased administration required for compliance: None.

How were small businesses involved in the development of this rule? Rule review work groups composed of members of the real estate industry, the Real Estate Board and agency staff will be convened. An advisory group will reviewed and comment on the rules proposed by the work group.

Administrative Rule Advisory Committee consulted?: See above. If not, why?:


Signature

Gene Bentley, Commissioner
Printed name

June 15, 2009
Date