



Oregon

Kate Brown, Governor

AGENDA ITEM NO. I.D.

Notice of Agenda
OREGON REAL ESTATE BOARD
Regular Meeting Agenda
Monday, December 7, 2015
Red Lion Hotel Coos Bay
1313 N. Bayshore Dr.
Coos Bay, Oregon 97420

Real Estate Agency
Equitable Center, Suite 100
530 Center Street NE
Salem, OR 97301-3740
Phone: (503) 378-4170
Regulations Fax: (503) 373-7153
Admin. Fax: (503) 378-2491
www.rea.state.or.us

NOTE: *The board plans to meet from 10 a.m. until 1:30 p.m., including a “working lunch” period.*

I. BOARD BUSINESS – Chair Hermanski

- A. Call to Order
- B. Guest Introductions/Commissioner Bentley
- C. Roll Call/Chair Hermanski comments
- D. Approval of the Agenda and Order of Business
- E. Approval of 10.5.15, regular meeting minutes
- F. Date of the Next Meeting: 2.1.16, to begin at 10am at the Oregon Real Estate Agency, Equitable Center, Suite 100, 530 Center St. NE, Salem, Oregon 97301
- G. Board Member Housekeeping Items/Deputy Commissioner Owens

II. PUBLIC COMMENT

- This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
- The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
- Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
- If no one wishes to comment, the next scheduled agenda item will be considered.

III. REQUEST FOR WAIVERS. Waiver Log.

- A. Tim Rist requests experience waiver for principal broker license.

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Approval of petition log.

- A. Oregon State Police, Claire McGrew, Asst. Chief Deputy, Fire & Safety Education Manager and Stephanie Stafford, Fire Prevention Coordinator will be appearing in person.
- B. Judy Woods will appear by phone.

V. BOARD ACVICE/ACTION – Commissioner Bentley.

- A. 2016 Board Meeting Schedule:
 - February 1 – Salem
 - April 4 – Florence
 - June 6 – Bend
 - August 1 – Pendleton
 - October 3 – Portland
 - December 5- Salem

VI. COMMUNICATIONS – Administrative Actions Summary

VII. REPORTS

- A. Commissioner Gene Bentley
- B. Agency division reports-Deputy Commissioner Dean Owens
 1. Regulation Division – Selina Barnes
 2. Land Development Division – written report by Michael Hanifin
 3. Education, Business and Licensing Services Division – Dean Owens

VIII. ANNOUNCEMENTS – Next board meeting 2.1.16 to begin at 10am at the Oregon Real Estate Agency, Equitable Center, Suite 100, 530 Center St. NE, Salem, OR 97301.

IX. ADJOURNMENT

Interpreter services or auxiliary aids for persons with disabilities are available upon advance request.



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AGENDA ITEM NO. I.E.

OREGON REAL ESTATE BOARD Regular Meeting Minutes October 5, 2015

BOARD MEMBERS PRESENT:

Chris Hermanski, Board Chair
Byron Hendricks
Alex MacLean
Lawnae Hunter
Jef Farley
Pat Ihnat

BOARD MEMBERS ABSENT:

Coni Rathbone, Vice-Chair, excused
Marcia Edwards, excused
Joann Hansen, excused

OREA STAFF PRESENT:

Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Selina Barnes, Regulations Division Manager

GUESTS:

Christine Tyler
Jeanne Jackson-Heim, Idaho Real Estate Commission
Rod Panike, Select Properties, LLC
Dan Coleman, Silverhawk Realty
Francene Hickey, Select Properties, LLC
Marcee Rynedison, Silverhawk Realty
Marlys Lein, John J. Howard & Associates
Sheri Fouts, John J. Howard & Associates
Andrew Bryan, Baker City Realty
Carol Eldred, Waldo R.E.
Ann Mehaffy, Baker City Realty
Lisa Kerby, Premier Group Realty West
Teresa Uriarte, Teresa Uriarte Realty
Stacey Harrison, A 1 Superior Schools
Thomas Phillips, Tom Phillips Agency
Patricia Phillips, Tom Phillips Agency
Becky Johnson, Four Star Real Estate
Rashelle Boyer, Premier Group Realty
Rosemary Knapp, Silverhawk Realty
Kim Bruce, Silverhawk Realty
John Faw, Waldo Real Estate
Martin Justus, 4 Star Real Estate
David Thomas, Mel Beck Real Estate
Ken Freese, Waldo Real Estate

I. BOARD BUSINESS – Chair Hermanski

- A. Call to Order
- B. Guest Introductions/Commissioner Bentley. Commissioner Bentley introduced Jeannie Jackson-Heim, Executive Director of the Idaho Real Estate Commission and the President of ARELLO (Association of Real Estate Licensing Law Officials), which is a realtor organization/network for those in the real estate licensing and regulation business.
- C. Roll Call/Chair Hermanski comments. Chair Hermanski asked for roll call and explained the role/function of the OREA board. Chair Hermanski asked the board members to introduce themselves to the audience.
- D. Approval of the Agenda and Order of Business. Agenda and Order of Business approved. Discussion: Mr. Hendricks cited one correction to the Agenda under item “I. BOARD BUSINESS – Chair Hendricks”. This item should read “I. BOARD BUSINESS – Chair Hermanski”.

MOTION TO APPROVE AGENDA (CORRECTION TO AGENDA ITEM, I. BOARD BUSINESS – CHAIR HENDRICKS TO CHAIR HERMANSKI) AND ORDER OF BUSINESS BY BYRON HENDRICKS

SECOND BY JEF FARLEY

MOTION CARRIED BY UNANIMOUS VOTE

- E. Approval of 8.3.15, regular meeting minutes. The minutes were approved as submitted.

MOTION TO APPROVE 8.3.15 REGULAR MEETING MINUTES BY AS SUBMITTED BY LAWNAE HUNTER.

SECOND BY BYRON HENDRICKS

MOTION CARRIED BY UNANIMOUS VOTE

- F. Date of the Next Meeting: December 7, 2015 to begin at 10am at the Red Lion Hotel, 1313 N. Bayshore Dr., Coos Bay, OR 97420.

II. PUBLIC COMMENT

- This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
- The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
- Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
- If no one wishes to comment, the next scheduled agenda item will be considered.

Commissioner Bentley added that, typically, once the board meeting has been adjourned, the meeting is opened up for a Q & A segment. Mr. Hendricks acknowledged Dr. John Wallace, the Executive Officer of the Oregon Association of REALTORS®.

III. REQUEST FOR WAIVERS – None.

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Approval of petition log.

- A. **Larry Johnson, will appear by phone.** Chair Hermanski explained that he has a business/professional relationship with Mr. Johnson and inquired if it would be appropriate for him to be excluded from the voting process on this item. Mr. Hendricks responded that although he has also had a professional relationship with Mr. Johnson’s company, disclosure of contact is sufficient. Mr. Johnson was unavailable for the teleconference and the matter was tabled until the next board meeting. Deputy Commissioner Owens asked if Mr. Johnson was aware of the one hour time difference and Chair Hermanski responded that Mr. Johnson was not aware of the time change.

MOTION TO AMEND ORDER OF BUSINESS AND REVISIT AGENDA ITEM IV. A., LARRY JOHNSON DUE TO THE TIME DIFFERENCE.

SECOND BY ALEX MACLEAN

MOTION CARRIED BY UNANIMOUS VOTE

Mr. Johnson appeared by phone and Chair Hermanski asked Mr. Johnson to provide any additional information he felt would pertain to his petition. Mr. Johnson responded that his petition was self-explanatory and summarized his qualifications for the board. He also explained the topics his courses cover include risk management and real estate contracts, which are considered acceptable course topics. Mr. Johnson explained that his intention was to offer property management courses at a central location or multiple property management companies. Discussion: Mr. Hendricks spoke in favor of this motion because Mr. Johnson had four areas of topics that are beneficial to consumers

and to real estate practitioners. Lawnae Hunter asked for clarification that approval of Mr. Johnson's petition, would open up the ability for him to teach all subject matter. Chair Hermanski replied that approval of the petition would allow him to teach on all subject matters.

MOTION TO APPROVE LARRY W. JOHNSON'S PETITION TO QUALIFY AS A CERTIFIED CONTINUING EDUCATION PROVIDER BY BYRON HENDRICKS

SECOND BY ALEX MACLEAN

MOTION CARRIED BY UNANIMOUS VOTE

- V. BOARD ACVICE/ACTION – Deputy Commissioner Dean Owens.** Law and Rule Required Course 'LARCC' 2016-2017 Course Outline. Deputy Commissioner Owens personally acknowledged Stacey Harrison, former OREA Education Manager, for her outstanding service with the Agency and her work with licensees, educators and preparing the LARCC course outline. He also explained that the LARCC course contains four required topics: Client trust accounts, advertising under OAR 863-015-0215, common areas of non-compliance by licensees, and initial agency disclosure pamphlet under OAR 863-015-0215. Deputy Commissioner Owens also explained that, while the Agency creates the learning objectives for LARCC, the board approves the topics and he asked that the board recommend the Agency adopt the updated LARCC effective January 1, 2016. Discussion: Mr. Hendricks acknowledged Stacey Harrison for the excellent job she did on the LARCC outline and her outstanding service during her tenure with the Agency. Mr. Hendricks also referred page 9 of the content outline, which states that continuing education providers are required to present the required course topics and learning objectives and asked for clarification as to whether the instructors can be directed to present these topics. He also made the comment that he appreciates the fact that the updated LARCC version will be effective January 2016 – December 2017. Chair Hermanski acknowledged Stacey Harrison for her work with the Agency, property managers, and preparing the LARCC content outline. Chair Hermanski also spoke in favor of the motion based on his past experience attending the LARCC course and he stated the updated version seems to have more depth.

MOTION TO RECOMMEND THE AGENCY ADOPT THE NEW LARCC 2016/2017 OUTLINE EFFECTIVE JANUARY 1, 2016 AS SUBMITTED BY BYRON HENDRICKS

SECOND BY ALEX MCLEAN

MOTION CARRIED BY UNANIMOUS VOTE

- VI. COMMUNICATIONS – Administrative Actions Summary.** Chair Hermanski encourage audience to sign up to receive the OREN-J (Oregon Real Estate News Journal) as a resource to review the administrative actions taken in more detail.

VII. REPORTS

A. Commissioner Gene Bentley

- Housekeeping Issues
 - OREN-J (Oregon Real Estate News Journal) – Board members will be contacted by Mesheal Heyman, Communications Coordinator, regarding submission of articles for the OREN-J for 2016 editions.
 - Farewell Presentation to Byron Hendricks – Commissioner Bentley presented Mr. Byron with a plaque of Appreciation from Governor Brown and Commissioner Bentley, on behalf of the Agency and Board and a letter of Appreciation from Commissioner Bentley on behalf of the Agency and Board.
 - ARELLO Annual Conference – Commissioner Bentley stated that he attended the ARELLO Annual Conference in September at which time he learned that Virginia requires their licensees to complete a self-audit as part of their license renewal process, New Mexico requires licensees to take a 10 hour class above and beyond the required CE as part of their license renewal process, and Washington requires team names to be registered with the state and attached to a brokerage firm.
 - eLicense System – Version upgrade took place mid-August, making the system more user friendly, improving the log in process, and allowing anytime self-reporting of CE hours.
 - Testing Sites – New test site has been implemented in Wilsonville, bringing test sites to a total of 8 in Oregon (Aurora, Baker City, Bend, Eugene, Independence, Medford, and Portland).
 - License Counts – Summary of license counts
 - Budget – Due to current deficit spending status, the Agency will be moving towards fee increases during the 2017-2019 budget.

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- Cost reduction measures – The Agency has implemented several cost reductions measures such as: smaller office space, less expensive human resource services, 3 vacant employment positions, and eliminated several paper processes.
- Statutes and Rule – Board members were asked to review current statutes and rules and provide feedback to Commissioner Bentley regarding any changes or clarifications for the 2017 legislative session.

B. Agency division reports-Oral report by Deputy Commissioner Dean Owens for all divisions.

- Regulation Division – Selina Barnes. Ms. Barnes reported that the Regulations staff will be participating in an offsite training session in the near future, to identify areas to improve processes. Ms. Barnes also reported that she has been presenting the updated version of the Do’s and Don’ts class, which is now entitled “Tips for Staying Out of Trouble” to a few groups in 2015 and will present immediately following the 12.7.15 board meeting
- Education Division – written report by Dean Owens. Deputy Commissioner Owens explained that due to deficit spending the Agency eliminated the Education Division Manager position and the duties have been distributed to other OREA staff which has allowed the education processes to continue as usual.
- Land Development Division – written report by Michael Hanifin. Deputy Commissioner reported that the fee increase for filing reviews has been tabled due to rule making process issues. He also stated that the Agency intends on moving forward rulemaking process in hopes that the fee increase will be effective by January 1, 2016.
- Business and Licensing Services Division – Deputy Commissioner Dean Owens. Deputy Commissioner Owens reiterated that the Business and Licensing Services Division Manager position remains vacant in support of cost reduction measures. He also explained that the Agency can reasonable project that by the end of this biennium it will not have enough revenue to adequately cover expenses.

C. Discuss the Agency division reports for future meetings/Deputy Commissioner Dean Owens. Deputy

Commissioner Owens asked the board members wanted to continue this portion of the Agenda at future meetings. Byron Hendricks, Pat Ihnat, and Lawnae Hunter all responded that the division reports are informative, helpful and beneficial to them.

Chair Hermanski offered a closing comment in which he stated during the 30 plus years he has been a licensee, he was very pleased with the positive transformation the Agency has undergone. He also expressed appreciation of the leadership under Commissioner Bentley and Deputy Commissioner Owens.

VIII. ANNOUNCEMENTS – Next board meeting 12.7.15 to begin at 10 a.m. at the Red Lion Hotel, 1313 N. Bayshore Dr., Coos Bay, Oregon 97420.

IX. ADJOURNMENT

Respectfully submitted by:

Respectfully submitted by:

GENE BENTLEY, COMMISSIONER

CHRIS HERMANSKI, BOARD CHAIR

BOARDS & COMMISSIONS ETHICS LAW SUMMARY

DISCLAIMER: THIS IS ONLY A GENERALIZED SUMMARY AND IS NOT INTENDED TO BE LEGAL ADVICE. PLEASE REVIEW OREGON REVISED STATUTES (ORS) CHAPTER 244 AND CONSULT AN ATTORNEY OR THE OREGON GOVERNMENT ETHICS COMMISSION (www.oregon.gov/ogec; 503-378-5105) FOR ADVICE ABOUT YOUR SPECIFIC SITUATION.

PROHIBITED USE OF OFFICE

You may not use or attempt to use the position you hold as a public official to obtain a financial benefit, if the opportunity for the financial benefit would not otherwise be available but for you holding the position or office. The financial benefit prohibited can be either an opportunity for gain or to avoid an expense.

Not only is a public official prohibited from using the position as a public official to receive certain financial benefits, but the public official is prohibited from using or attempting to use the position as a public official to obtain financial benefits for a relative or a member of the public official's household. Also prohibited is the use or attempted use of the public official position to obtain financial benefits for a business with which the public official, a relative, or a member of the public official's household is associated.

You may have access to or manage information that is confidential and not available to members of the general public. Oregon Government Ethics law specifically prohibits public officials from attempting to use confidential information gained because of the position held or by carrying out assigned duties to further the public official's personal gain.

The following examples are offered to illustrate what may constitute prohibited use or attempted use:

- A board member votes on a contract obligating his agency to pay for janitorial services provided by a business owned by a relative of the board member.
- A commissioner approves her own request for reimbursement of personal expenses she incurred when conducting official business.

CONFLICTS OF INTEREST

In brief, a public official is met with a conflict of interest when participating in official action which could or would result in a financial benefit or detriment to the public official, a relative of the public official or a business with which either is associated.

Oregon Government Ethics law identifies two types of conflicts of interest. The difference between an actual conflict of interest and a potential conflict of interest is determined by the words "would" and "could." A public official is met with an **actual** conflict of interest when the public official participates in action that **would** affect the financial interest of the official, the official's relative or a business with which the official or a relative of the official is associated. A public official is met with a **potential** conflict of interest when the public official participates in action that **could** affect the financial interest of the official, a relative of that official or a business with which the official or the relative of that official is associated.

You must publicly disclose the nature of a conflict of interest on each occasion that you are met with that conflict. Elected or appointed members of boards and commissions must use the following methods of handling conflicts:

- **Potential Conflict of Interest:** Following the public announcement, you may participate in official action on the issue that gave rise to the conflict of interest.
- **Actual Conflict of Interest:** Following the public announcement, you must refrain from further participation in official action (i.e. debate, discussion or voting) on the issue that gave rise to the conflict of interest.

GIFTS

Receiving Gifts: As a public official, you may not solicit or receive any gift or gifts with an aggregate value in excess of \$50 per calendar year from a single source that could reasonably be known to have a legislative or administrative interest in any matter subject to the decisions or votes you make in your official capacity.

- Your relatives and members of your household are also bound by this law and cannot solicit or receive gifts worth more than \$50 per calendar year from a source that could reasonably be known to have a legislative or administrative interest in the decisions or votes you make in your official capacity.
- “Legislative or administrative interest” means an economic interest, distinct from that of the general public, in any matter subject to the decision or vote of the public official acting in the public official’s capacity as a public official.

Gift Exceptions: ORS 244.020(6)(b) details a list of exceptions to the definition of gifts, the application of which can be highly dependent on the specific fact circumstances of your situation. For more information about these exceptions, please review statute and consult the Oregon Government Ethics Commission. Some of these exceptions include:

- **Gifts From Relatives:** Gift limits do not apply to gifts you receive from people you live with or certain relatives (including your spouse, domestic partner, children, siblings and parents).
- **Political Contributions:** Gift limits do not apply to political contributions.
- **Food & Beverage Exceptions:** Generally, the gift limits apply to food and drink, but there are some exceptions:
 - You may accept food and beverage, as well as the cost of admission, when representing your public body at a reception, meal or meeting held by an organization.
 - You may accept incidental food and beverage that is free to everyone at a reception (does not include plated, sit-down meals).
- **Food, Lodging & Travel Exceptions:** Generally, the gift limits apply to gifts of food, lodging and travel, but there are some exceptions (sanctioning or approval by your public body may be required in advance):
 - You may accept the cost of food, lodging & travel when attending a convention, fact-finding mission or trip, conference or other meeting if you are scheduled to deliver a speech, make a presentation, participate on a panel or otherwise represent your public body, if the expenses are paid for by:
 - Federal, state or local government;
 - Tribal government;
 - Membership organization to which a public body in Oregon pays dues; or
 - 501(c)(3) nonprofit organization.
 - You may accept the cost of food, lodging & travel when representing your public body:
 - On an officially sanctioned trade-promotion or fact-finding mission; or
 - In officially designated negotiations, or economic development activities.
 - You may receive expenses provided by another public official for travel inside this state to or from an event that bears a relationship to the receiving public official’s office and at which you participate in an official capacity.
- **Entertainment Exceptions:** Generally, the gift limits apply to gifts of entertainment, but there are some exceptions:
 - Entertainment that is incidental to the main purpose of another event (e.g. the guitarist in the corner).
 - Entertainment provided to you when you are acting in your official capacity for a ceremonial purpose (e.g. first pitch at a baseball game, ribbon-cutting ceremony).

Oregon Government Ethics Law



Oregon Government Ethics Commission
3218 Pringle Rd. SE, Suite 220
Salem, OR 97302-1544
Telephone: 503-378-5105
Fax: 503-373-1456
Web address: www.oregon.gov/ogec

The Oregon Government Ethics Commission (OGEC), established by vote of the people in 1974, is a seven-member citizen commission charged with enforcing government ethic laws. Oregon government ethics laws prohibit public officials from using office for financial gain, and require public disclosure of economic conflict of interest. The OGEC also enforces state laws that require lobbyists and the entities they represent to register and periodically report their expenditures. The third area of OGEC jurisdiction is the executive session provisions of public meetings law.

Am I a “public official”?

The answer is yes if you are serving the State of Oregon or any of its political subdivisions or any other public body, as an elected official, appointed official, employee, agent or otherwise, irrespective of whether you are compensated for services [ORS 244.020(14)].

What you need to know if you are a public official:

The provisions in Oregon Government Ethics law restrict some choices, decisions or actions a public official may make. The restrictions placed on public officials are different than those placed on private citizens because service as a public office is a public trust and provisions in ORS Chapter 244 were enacted to provide one safeguard for that trust.

Public officials are prohibited from using or attempting to use their positions to gain a financial benefit or to avoid a financial cost for themselves, a relative, or their businesses if the opportunity is available only because of the position held by the public official [ORS 244.040(1)].

There are conditions that must be met before a public official may accept a gift and in some cases, there are limits on the value of gifts that can be accepted. Certain public officials are required to file reports that disclose some gifts accepted and specific economic interests.

When met with a conflict of interest, a public official must follow specific procedures to disclose the nature of the conflict. There are also restrictions on certain types of employment subsequent to public employment and on nepotism.

This guide will discuss how the provisions in ORS Chapter 244 apply to public officials and will summarize Commission procedures. It should be used in conjunction with applicable statutes and rules. This guide should not be used as a substitute for a review of the specific statutes and rules.

You will find links to ORS Chapter 244, and relevant Oregon Administrative Rules (OAR), and other publications referenced in this guide on the Commission’s website at www.oregon.gov/ogec. Questions or comments may be submitted to the Commission by email at ogec.mail@state.or.us, by Fax to 503-373-1456 or by telephone to 503-378-5105.

Are you a public official?

“Public official” is defined in ORS 244.020(14) as any person who, when an alleged violation of this chapter occurs, is serving the State of Oregon or any of its political subdivisions or any other public body as defined in ORS 174.109 as an elected official, appointed official, employee or agent, irrespective of whether the person is compensated for the services.

There are approximately 200,000 public officials in Oregon. You are a public official if you are:

- Elected or appointed to an office or position with a state, county or city government.
- Elected or appointed to an office or position with a special district.
- An employee of a state, county or city agency or special district.
- An unpaid volunteer for a state, county or city agency or special district.
- Anyone serving the State of Oregon or any of its political subdivisions, such as the State Accident Insurance Fund or the Oregon Health Sciences University.

“As defined in ORS 244.020(14), a public official includes anyone serving the State of Oregon or any of its political subdivisions or any other public body in any of the listed capacities, including as an “agent.” An “agent” means any individual performing governmental functions. Governmental functions are services provided on behalf of the government as distinguished from services provided to the government. This may include private contractors and volunteers, depending on the circumstances. This term shall be interpreted to be consistent with Attorney General Opinion No. 8214 (1990).” The Commission has adopted, by rule, additional language used to clarify the use of “agent” in the definition of “public official” in the following OAR 199-005-0035(7).

My position as a _____ defines me as a public official.



What does a public official need to know about relatives?

Public officials need to know how Oregon Government Ethics law defines who is a “relative”. While a public official should exercise sound judgment when participating in actions that could result in personal financial benefits, a public official should also exercise sound judgment when participating in actions could result in financial benefits for a relative.

There are provisions in ORS Chapter 244 that restrict or prohibit a public official from using actions of the position held to benefit a relative; or may limit the value of financial benefits accepted by a relative of the public official or may require the public official to disclose the nature of a conflict of interest when a relative may receive a financial benefit.

In everyday conversation the use of “relative” is applied to a broader spectrum of individuals with “family ties” than those defined as relatives in ORS 244.020(15). In general, when a provision in ORS Chapter 244 refers to “relative” it means one of the following:

- The spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the public official or candidate
- The parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the spouse of the public official or candidate
- Person for whom the public official or candidate have a legal support obligation
- Person benefiting from a public official when benefits are from the public official's public employment
- Person who benefits a public official or candidate when benefits are from the person's employment

I have approximately _____ relatives as defined by statute.



ORS Chapter 244 does address the issue of nepotism. Nepotism, as used in ORS Chapter 244, is based on the relative relationship alone. Changes to Oregon Government Ethics law passed by the 2013 Legislative Assembly mean that the definition of “relative” in ORS 244.020(15) now applies to these nepotism regulations as well.

If I am a volunteer, does that make me a public official?

If the position for which you have volunteered serves the State of Oregon or any of its political subdivisions or any other public body, “irrespective of whether” you are “compensated” you are a public official.

Volunteers may be elected, appointed or selected by the government agency or public body to hold a position or office or to provide services.

Among the public officials who volunteer are elected or appointed members of governing bodies of state boards or commissions, city councils, planning commissions, fire districts, school districts and many others. There are also many who apply and are selected to perform duties for a government agency, board or commission without compensation, such as fire fighters, reserve law enforcement officers and parks or recreation staff members.

The Commission recognizes that there are many who volunteer to work without compensation for many state and local government agencies, boards, commissions and special districts.

I am a _____ volunteer.



Financial Gain

What are the provisions in the law that prohibits a public official from using the position or office held for financial gain?

Public officials become public officials through employment, appointment, election or volunteering. ORS 244.040(1) prohibits every public official from using or attempting to use the position held as a public official to obtain a financial benefit, if the opportunity for the financial benefit would not otherwise be available but for the position held by the public official. The financial benefit prohibited can be either an opportunity for gain or to avoid an expense.

Not only is a public official prohibited from using the position as a public official to receive certain financial benefits, but the public official is prohibited from using or attempting to use the position as a public official to obtain financial benefits for a relative or a member of the public official's household. Also prohibited is the use or attempted use of the public official position to obtain financial benefits for a business with which either the public official, a relative or a member of the public official's household are associated.

Public officials often have access to or manage information that is confidential and not available to members of the general public. ORS 244.040(4) specifically prohibits public officials from attempting to use confidential information gained because of the position held or by carrying out assigned duties to further the public official's personal gain. ORS 244.040(5) also prohibits a former public official from attempting to use confidential information for personal gain if that confidential information was obtained while holding the position as a public official, from which access to the confidential information was obtained.

ORS 244.040(6) also has a single provision to address circumstances created when public officials who are members of the governing body of a public body own or are associated with a specific type of business. The type of business is one that may occasionally send a representative of the business who appears before the governing body on behalf of a client for a fee. Public officials who are member of governing bodies and own or are employed by businesses, such as a law, engineering or architectural firms, may encounter circumstances in which this provision may apply.

There a variety of actions that a public official may take or participate in that could constitute the prohibited use or attempted use of the public official position. The use of a position could be voting in a public meeting, placing a signature on a government agency's document, making a recommendation, making a purchase with government agency funds, conducting personal business on a government agency's time or with a government agency's resources [i.e. computers, vehicles, heavy equipment or office machines].

NOTES:

Are there any circumstances in which a public official may use their position to accept financial benefits that would not otherwise be available but for holding the position as a public official?

Yes, ORS 244.040(2) provides a list of financial benefits that would not otherwise be available to public officials but for holding the position as a public official. The following financial benefits are not prohibited and may be accepted by a public official and some may also be accepted by a public official's relative or member of the public official's household:

Official Compensation: Public officials may accept any financial benefit that is identified by the public body served by the public official as part of the "official compensation package" of the public official. If the public body identifies such salary, health insurance or various paid allowances in the employment agreement or contract of a public official, those financial benefits are part of the "official compensation package" [ORS 244.040(2)(a)].

OAR 199-005-0035(3) provides a definition of "official compensation package:"

An "official compensation package" means the wages and other benefits provided to the public official. To be part of the public official's "official compensation package", the wages and benefits must have been specifically approved by the public body in a formal manner, such as through a union contract, an employment contract, or other adopted personnel policies that apply generally to employees or other public officials. "Official compensation package" also includes the direct payment of a public official's expenses by the public body, in accordance with the public body's policies.

Reimbursement of Expenses: A public official may accept payments from the public official's public body as reimbursement for expenses the public official has personally paid while conducting the public body's business [ORS 244.040(2)(c)].

The Commission has provided a definition in OAR 199-005-0035(4): "reimbursement of expenses' means the payment by a public body to a public official serving that public body, of expenses incurred in the conduct of official duties on behalf of the public body. Any such repayment must comply with any applicable laws and policies governing the eligibility of such repayment."

Honorarium: Public officials are allowed to accept honorarium by ORS 244.040(2)(b) as it is defined in ORS 244.020(7). A public official must know how honorarium is defined because there are many occasions where someone will offer them a financial benefit and call it an honorarium, but it does not meet the definition of honorarium.

A payment or something of economic value given to a public official in exchange for services provided by the public official is an honorarium when the setting of the economic value has been prevented by custom or propriety. The services provided by a public official may include but not be limited to speeches or other services provided in connection with an event.

The limitation for honorarium is \$_____ .

Awards for Professional Achievement: Public officials may accept an award, if the public official has not solicited the award, and the award is offered to recognize an achievement of the public official [ORS 244.040(2)(d)].

Awards for professional achievement should not be confused with awards of appreciation, allowed by ORS 244.020(6)(b)(C), honorarium allowed by ORS 244.040(2)(b) or gifts that are allowed or restricted by other provisions in ORS Chapter 244.

Awards for professional achievement are best illustrated by awards that denote national or international recognition of a public official's achievement. These awards may also be offered by public or private organizations in the state that are meant to recognize a public official for an achievement. Professional achievements recognized may be identified as a single accomplishment or an accomplishment achieved during a period of time, such as a calendar year or a public official's career upon retirement. Public officials may be educators, lawyers, certified public accountants or hold a doctorate in some field. These public officials may receive awards recognizing achievements in their fields and those awards would be considered by the Commission to be awards allowed by ORS 244.040(2)(d).

Gifts

There are occasions when public officials can accept gifts and Oregon Government Ethics law does not limit the quantity or value of gifts, but there are other occasions when the acceptance of gifts is limited to an aggregate value of \$50 from a single source in each calendar year [ORS 244.025].

When Oregon Government Ethics law uses the word "gift" it has the meaning in ORS 244.020(6)(a):

"Gift" means something of economic value given to a public official, a candidate or a relative or member of the household of the public official or candidate:

(a) Without valuable consideration of equivalent value, including the full or partial forgiveness of indebtedness, which is not extended to others who are not public officials or candidates or the relatives or members of the household of public officials or candidates on the same terms and conditions; or

(b) For valuable consideration less than that required from others who are not public officials or candidates.” In other words, a “gift” is something of economic value that is offered to:

- A public official or candidate or to relatives or members of the household of a public official or candidate,
 - Without cost, at a discount or as forgiven debt and,
 - The same offer is not made or available to the general public who are not public officials or candidates.

To know whether gifts from a single source are limited or unlimited you must determine if the decisions or votes of the public official, who is offered a gift, would have a distinct economic impact on the source making the offer. If the source of the offer would receive a financial gain or avoid a financial cost from the decisions or votes of a public official, gifts from that source to that public official would be limited as to the aggregate value of gifts accepted from that source in a calendar year. This economic interest is a pivotal factor in determining the propriety of gifts and is found in the expression “legislative or administrative interest” which is defined in ORS 244.020(9) and is used in ORS Chapter 244, primarily, when applying the provisions regarding gifts accepted by public officials.

While a “gift” is defined in ORS 244.020(6)(a), ORS 244.020(6)(b), identifies specific gifts that are exempt from gift restrictions if the offers are made or accepted in the specific circumstances and conditions described.

What does a public official need to know about a “Legislative or Administrative Interest” [ORS 244.020(9)]?

Beginning in 2010, the change to the definition of what is a legislative or administrative interest represents one of the most significant changes made in Oregon Government Ethics law during the last session of the Oregon Legislative Assembly.

The change is significant because knowing if the source of a gift offered to a public official has a legislative or administrative interest determines whether or not the gift offered is allowed or restricted. Before this change, a public official only had to know if a gift was offered from a source with a legislative or administrative interest in the public official’s governmental agency, but now the focus is on the vote or decision of each individual public official. The change places greater responsibility on the individual public official to decide if a gift offered is restricted by ORS Chapter 244. The definition of a legislative or administrative interest is provided in ORS 244.020(9) as follows:

“‘Legislative or administrative interest’ means an economic interest, distinct from that of the general public, in:

- (a) Any matter subject to the decision or vote of the public official acting in the public official’s capacity as a public official; or

(b) Any matter that would be subject to the decision or vote of the candidate who, if elected, would be acting in the capacity of a public official.”

In the context of gifts offered to or accepted by a public official or candidate, the public official or candidate must determine if the source of the offered gift has a legislative or administrative interest in the decision or vote of the public official or candidate, if elected. In applying the phrase “legislative or administrative interest,” there are several factors to consider:

Source: The Commission adopted a rule [OAR 199-005-0030(2)] that identifies the source of a gift is the person or entity that makes the ultimate and final payment of the gift’s expense. OAR 199-005-0030 also places on the public official the burden of knowing the identity of the source and insuring that the aggregate value in ORS 244.025 is not exceeded.

Distinct from that of the general public: This phrase refers to an economic interest and in the context of gifts the economic interest of the source of a gift. The economic interest is whether a vote or decision by a public official would result in a financial gain or a financial detriment to the party who holds the interest. There are many votes or decisions made by public officials that have the same general economic impact on all members of the general public. Income or property tax rates would be examples.

There are other decisions or votes that have an economic impact on specific persons, businesses or groups that are not experienced by members of the general public alike. To illustrate, private contractors have an economic interest in a public body’s authority to award contracts and that economic interest is distinct from the economic interest held by members of the general public in the contracting authority of a public body. Also, real estate developers would have an economic interest in a public body’s authority to approve subdivision applications and that economic interest is distinct from the economic interest held by members of the general public in the approval authority of a public body.

Vote: This has the common meaning of to vote as an elected member of a governing body of a public body or as a member of a committee, commission or board appointed by a governing body, Oregon Legislative Assembly or the Office of the Governor.

Decision: The Commission defines the term “decision” in OAR 199-005-0003(2). A public official makes a decision when the public official exercises the authority given to the public official to commit the public body to a particular course of action. Making a recommendation or giving advice in an advisory capacity does not constitute a decision.

The change to the definition of a legislative or administrative interest places the focus on the decision or vote of each individual public official. That means that any decision to accept or reject the offer of a gift must be made individually by each public official. It also means that there will be some public officials who may accept unlimited gifts from a source and other public officials within the same public body that would have restrictions

on gifts from that same source because not all public officials in the same public body have similar responsibilities that would require any or similar decisions or votes.

Again, if the source of the offer of a gift to a public official does not have a legislative or administrative interest in the decisions or votes of the public official, the public official can accept unlimited gifts from that source. [ORS 244.040(2)(f)] However, if the source of the offer of a gift to a public official has a legislative or administrative interest in the decisions or votes of the public official, the public official can only accept gifts from that source when the aggregate value of gifts from that source does not exceed \$50 in a calendar year [ORS 244.025].

While gifts from a source with a legislative or administrative interest in the decisions or votes of a public official are limited, there are some gifts that are exempt from the definition of what is a “gift.” If the offer of a gift is exempt from the definition of a “gift,” the offer may be accepted by a public official. The value of gifts that are allowed as exemptions does not have to be included when calculating the aggregate value of gifts received from that source in one calendar year.

There are gifts that are allowed because when offered under specific conditions and within certain circumstances the gifts are exempt from the definition of a “gift.” ORS 244.020(6)(b) provides a description of gifts that are allowed. If you are a public official accepting gifts or a source offering gifts it is important you become familiar with the requirements that may apply to you.

The following **GIFTS ARE ALLOWED** as exemptions to the definition of what is a “gift”:

- Campaign contributions as defined in ORS 260.005 [ORS 244.020(6)(b)(A)].
- Contributions to a legal expense trust fund established under ORS 244.209 [ORS 244.020(6)(b)(G)].
- Gifts from relatives or members of the household of public officials or candidates [ORS 244.020(6)(b)(B)].
- Anything of economic value received by a public official or candidate, their relatives or members of their household when:
 - The receiving is part of the usual and customary practice of the person’s business, employment, or volunteer position with any legal non-profit or for-profit entity [ORS 244.020(6)(b)(O)(i)].
 - The receiving bears no relationship to the person’s holding the official position or public office [ORS 244.020(6)(b)(O)(ii)].
- Unsolicited gifts with a resale value of less than \$25 and in the form of items similar to a token, plaque, trophy and desk or wall mementos [ORS 244.020(6)(b)(C) *and see resale value discussed in OAR199-005-0010*].

- Publications, subscriptions or other informational material related to the public official's duties [ORS 244.020(6)(b)(D)].
- Waivers or discounts for registration fees or materials related to continuing education or to satisfy a professional licensing requirement for a public official or candidate [ORS 244.020(6)(b)(J)].
- Entertainment for a public official or candidate and their relatives or members of their households when the entertainment is incidental to the main purpose of the event [ORS 244.020(6)(b)(M) *and see "incidental" defined in OAR199-005-0025(1)*].
- Entertainment for a public official, a relative of the public official or a member of the public official's household when the public official is acting in an official capacity and representing a governing agency for a ceremonial purpose [ORS 244.020(6)(b)(N) *and see "ceremonial" defined in OAR199-005-0025(2)*].
- Cost of admission or food and beverage consumed by the public official, a member of the public official's household or staff when they are accompanying the public official, who is representing government, state, local or special district, at a reception, meal or meeting held by an organization [ORS 244.020(6)(b)(E) *and the accompanying discussion in OAR199-005-0015*].
- Food or beverage consumed by a public official or candidate at a reception where the food and beverage is an incidental part of the reception and there was no admission charged [ORS 244.020(6)(b)(L) *and the accompanying discussion in OAR199-005-0025(1)*].
- When public officials travel together inside the state to an event bearing a relationship to the office held and the public official appears in an official capacity, a public official may accept the travel related expenses paid by the accompanying public official [ORS 244.020(6)(b)(K)].
- Payment of reasonable expenses if a public official is scheduled to speak, make a presentation, participate on a panel or represent a government agency at a convention, conference, fact-finding trip or other meeting. The paid expenses for this exception can only be accepted from another government agency, Native American Tribe, an organization to which a public body pays membership dues or not-for-profit organizations that are tax exempt under 501(c)(3) [ORS 244.020(6)(b)(F) *and see definition of terms for this exception in OAR 199-005-0020*].
- Payment of reasonable food, lodging or travel expenses for a public official, a relative of the public official or a member of the public official's household or staff may be accepted when the public official is representing the government agency or special district at one of the following:

- Officially sanctioned trade promotion or fact-finding mission; [ORS 244.020(6)(b)(H)(i)]
- Officially designated negotiation or economic development activity when receipt has been approved in advance [ORS 244.020(6)(b)(H)(ii). *Defined terms and an explanation of how and who may officially sanction or designate these events are addressed in OAR 199-005-0020(1)(b)(B).*]
- Payment of reasonable expenses paid to a public school employee for accompanying students on an educational trip [ORS 244.020(6)(b)(P)].
- Food and beverage when acting in an official capacity in the following circumstances:
 - In association with a financial transaction or business agreement between a government agency and another public body or a private entity, including such actions as a review, approval or execution of documents or closing a borrowing or investment transaction [ORS 244.020(6)(b)(I)(i)];
 - While engaged in due diligence research or presentations by the office of the State Treasurer related to an existing or proposed investment or borrowing [ORS 244.020(6)(b)(I)(ii)]; or
 - While engaged in a meeting of an advisory, governance or policy-making body of a corporation, partnership or other entity in which the office of the State Treasurer has invested moneys [ORS 244.020(6)(b)(I)(iii)].

The last gift I received was from _____. The source of this offer is / is not economically affected by my decisions or votes as a public official.

Gifts vs. Prohibited Use of Position

In understanding issues related to gifts, the operative definition of a “gift” is used in deciding how Oregon Government Ethics law would apply to a gift offered to or accepted by a public official or candidate. The application of the gift provisions regarding candidates is not included in this discussion. The following is a paraphrase of the definition taken from ORS 244.020(6)(a):

Gift: “Something of economic value” given to a public official, a relative of the public official or a member of the public official’s household and the recipient either makes no payment or makes payment at a discounted price. The opportunity for the gift is one that is **not available to members of the general public**, who are not public officials, **under the same terms and conditions as** those that apply to the gift offered to **the public official**, the relative or a member of the household.

The definition of a “gift” has remained much the same since Oregon Government Ethics law was enacted. Originally, the law prohibited the offer or acceptance of any gifts; it allowed some gifts and for others it imposed limits on the aggregate value on gifts that could be accepted. With the recent revisions, Oregon Government Ethics law does not prohibit gifts but does place conditions on when some gifts may be accepted and for other gifts there is a limit on the aggregate value that can be accepted.

The primary focus of ORS 244.040(1) is on the use or attempted use of the position held by the public official and not on whether a gift is accepted by a public official. However, accepting gifts that would not be available “but for” holding a position as a public official could represent a prohibited financial benefit.

The financial benefit prohibited by ORS 244.040(1) is one obtained by a public official through the use or attempted use of a position or office held. The prohibited benefit may be gained through the public official’s access to and use of the public body’s resources.

The financial benefit may take several forms. It may be the avoidance of a personal expense, money, extra income from private employment, creation of a new employment opportunity or the use of confidential information for financial gain.

Gifts, on the other hand, are not received by a public official, primarily, because of the public official’s use of a public body’s resources, but because gifts are offered by sources other than the public official’s government employer or the public body represented by the public official. Sources of gifts are private individuals, businesses or organizations; they are public bodies that are not the employer of or represented by the public official. Sources of gifts may also be employees of the same public body of the public official and they offer gifts acquired with their personal resources, not the public body’s resources. If something of economic value is received from the employer of or the public body represented by a public official, that “something” is not a gift, it is a financial benefit either allowed or prohibited by ORS 244.040.

Conflict of Interest

Oregon Government Ethics law defines **actual conflict of interest** [ORS 244.020(1)] and **potential conflict of interest** [ORS 244.020(12)]. In brief, a public official is met with a conflict of interest when participating in official action which could result in a financial benefit or detriment to the public official, a relative of the public official or a business with which either are associated.

The difference between an actual conflict of interest and a potential conflict of interest is determined by the words “would” and “could.” A public official is met with an **actual** conflict of interest when the public official participates in action that **would** affect the financial interest of the official, the official’s relative or a business with which the official or a relative of the official is associated. A public official is met with a **potential** conflict of interest when the public official participates in action that **could** affect the financial interest of the official, a relative of that official or a business with which the official or the relative of that official is associated.

I own a business that my public body does business with. Yes / No

I have a relative that owns a business that my public body does business with. Yes / No

**A member of my household owns a business that my public body does business with.
Yes / No**

I have identified _____ a business or businesses with which I, my relatives and members of my household are associated.

What if I am met with a conflict of interest?

A public official must announce or disclose the nature of a conflict of interest. The way the disclosure is made depends on the position held. The following public officials must use the methods described below:

An elected public official, other than a member of the Legislative Assembly, or an appointed public official serving on a board or commission:

- (a) When met with a *potential* conflict of interest, announce publicly the nature of the potential conflict prior to taking any action thereon in the capacity of a public official;
or
- (b) When met with an *actual* conflict of interest, announce publicly the nature of the actual conflict and refrain from participating* as a public official in any discussion or debate on the issue out of which the actual conflict arises or from voting on the issue.

Any other appointed official, including public officials in public bodies who are appointed, employed or volunteer:

Must provide a written notice to the person who appointed or employed them. The notice must describe the nature of the conflict of interest with which they are met [ORS 244,120(1)(c)].

My appointing authority is _____.

***NOTE:** If a public official is met with an actual conflict of interest and the public official's vote is necessary to meet the minimum number of votes required for official action, the public official may vote. The public official must make the required announcement and refrain from any discussion, but may participate in the vote required for official action by the governing body. [ORS 244.120(2)(b)(B)] These circumstances do not often occur. This provision does not apply in situations where there are insufficient votes because of a member's absence when the governing body is convened. Rather, it applies in circumstances when all members of the governing body are present and the numbers of members who must refrain due to actual conflicts of interest make it impossible for the governing body to take official action.

The following circumstances may exempt a public official from the requirement to make a public announcement or give a written notice describing the nature of a conflict of interest:

- If the conflict of interest arises from a membership or interest held in a particular

business, industry, occupation or other class and that membership is a prerequisite for holding the public official position [ORS 244.020(12)(a)].

- If the financial impact of the official action would impact the public official, relative or business of the public official to the same degree as other members of an identifiable group or "class." The Commission has the authority to determine the minimum size of a "class" [ORS 244.020(12)(b) and ORS 244.290(3)(a)].
- If the conflict of interest arises from an unpaid position as officer or membership in a nonprofit corporation that is tax-exempt under 501(c) of the Internal Revenue Code [ORS 244.020(12)(c)].

How is the announcement of the nature of a conflict of interest recorded?

The public body that is served by the public official will record the disclosure of the nature of the conflict of interest in the official records of the public body [ORS 244.130(1)].

Is a public official required to make an announcement of the nature of a conflict of interest each time the issue giving rise to the conflict of interest is discussed or acted upon?

The announcement needs to be made on each occasion the conflict of interest is met. For example, an elected member of the city council would have to make the public announcement one time during a meeting of the city council. If the matter giving rise to the conflict of interest is raised at another meeting, the disclosure must be made again at that meeting. An employee in a city planning department would have to give a separate written notice on each occasion they participate in official action on a matter that gives rise to a conflict of interest [ORS 244.120(3)].

If a public official failed to announce the nature of a conflict of interest and participated in official action, is the official action voided?

No. Any official action that is taken may not be voided by any court solely by reason of the failure of the public official to disclose an actual or potential conflict of interest [ORS 244.130(2)].

**My positions as a _____ requires me to _____
announce the nature of conflicts of interest on _____ occasion.**

NOTES:

Employment

Does Oregon Government Ethics law prohibit a public official from owning a private business or working for a private employer while continuing employment with or holding a position with a public body?

No. Many public officials hold or perform services as volunteers, meaning there is little or no compensation and they have a private source of income to maintain a household. There are also public officials who do receive compensation, but for personal reasons find it necessary to seek additional sources of income. Some obtain employment with a private business and others establish a private business of their own.

ORS 244.040(3) prohibits a public official from, directly or indirectly, soliciting or accepting the promise of future employment based on the understanding that the offer is influenced by the public official's vote, official action or judgment. Any employer who may directly or indirectly offer employment under these conditions may also violate this provision.

In general, public officials may obtain employment with a private employer or engage in private income producing activity of their own. They must not use the position held as a public official to create the opportunity for additional personal income. The public official must also insure that there is a clear distinction between the use of personal resources and time for personal income producing activity and the use of the public body's time and resources. The Commission has created guidelines for public officials to follow in order to avoid violating Oregon Government Ethics law when engaged in private employment or a personally owned business.

GUIDELINES FOR OUTSIDE EMPLOYMENT OF PUBLIC OFFICIALS

1. Public officials are not to engage in private business interests or other employment activities on their governmental agency's time.
2. A governmental agency's supplies, facilities, equipment, employees, records or any other public resources are not to be used to engage in private business interests.
3. The position as a public official is not to be used to take official action that could have a financial impact on a private business with which you, a relative or member of your household are associated.
4. Confidential information gained as a public official is not to be used to obtain a financial benefit for the public official, a relative or member of the public official's household or a business with which any are associated.
5. When participating in an official capacity and met with a potential or actual conflict of interest related to a business, associated with the public official, relative or household member, the public official must disclose the nature of the conflict of interest using one of the following methods:
 - o Employees of governmental agencies must give written notice to their appointing authority.
 - o Elected or appointed public officials must publicly disclose once during each meeting convened by the governing body they serve.

What are the restrictions on employment after I resign, retire or leave my public official position?

- ORS 244.040(1) prohibits public officials from using their official positions or offices to create a new employment opportunity; however, most former public officials may enter the private work force with few restrictions.

Resources

All members of the Commission staff are cross-trained in the laws and regulations under the Commission's jurisdictions. Questions regarding the Commission's laws, regulations and procedures are a welcome daily occurrence. Timely and accurate answers are a primary objective of the staff. Guidance and information is provided either informally or in written formal opinions. The following are available:

- Telephone inquiries are answered during the call or as soon as possible.
- E-mail inquiries are answered with return e-mail or telephone call as soon as possible.
- Letter inquiries are answered by letter as soon as possible.
- Written opinions on specific circumstances can also be requested.

If a person requests, receives or relies on any of the advice or opinions authorized by ORS 244.280 through ORS 244.284, does that person have what is referred to as "safe harbor" protection from becoming a respondent to a complaint filed with or initiated by the Commission?

There is no "safe harbor," if the term is understood to mean that any person who relies on any advice or opinions offered by the Commission or the staff is protected from being a respondent to a complaint, found violating laws within the jurisdiction of the Commission or receiving a penalty for a violation.

There is, however, specific and conditional protection for any person who has requested and relied upon advice or an opinion from the Commission or its staff.

It is important to remember that the provisions of law apply to the individual actions of the person or public official. There are events or occasions when more than one public official may be present and participating in their official capacities. Depending on the circumstances and conditions for an event or transaction the law may have a different application for one public official than for other public officials.

Sanctions for Violations

- Civil Penalty [ORS 244.350]

- Forfeiture [ORS 244.306]
- Letters of Reprimand, Correction or Education [ORS 244.350(5)]

Resources and Information

- Telephone 503-378-5105
- Fax 503-373-1456
- e-mail: OGEC.mail@state.or.us
- Website: <http://www.oregon.gov/OGEC>
- Training
 - In person
 - iLinc Webinars – Presented live using the internet
 - iLearn – Self-paced online eLearning



NOTES:

Executive Session provisions of Public Meetings law ORS 192.660

EXECUTIVE SESSION CHECKLIST

Prior to the meeting:

- Provide notice of an executive session in the same manner you give notice of a public meeting. **The notice must cite the specific statutory provision(s) authorizing the executive session.**

See attached document below for the permissible grounds for going into executive session.

At the meeting:

- Announce that you are going into executive session pursuant to ORS 192.660 and **cite the specific reason(s) and statute(s)** that authorize the executive session for **each subject** to be discussed. –Reminder, you may hold a public session even if an executive session is authorized.
- If you intend on coming out of executive session to take final action, announce when the open session will begin again.
- Specify if any individuals other than the news media may remain.
- Tell the media what may not be disclosed from the executive session. **If you fail to do this, the media may report everything!** If you discuss matters other than what you announce you are going to discuss in the executive session, the media may report those additional matters. *A member of the news media must be excluded from executive session held to discuss litigation with legal counsel if he or she is a party to the litigation or is an employee, agent or contractor of a news media organization that is a party.
- Come back into open session to take final action.** If you did not specify at the time you went into executive session when you would return to open session, and the executive session has been very short, you may open the door and announce that you are back in open session. If you unexpectedly come back into open session after previously announcing you would not be doing so, you must use reasonable measures to give actual notice to interested persons that you are back in open session. This may require postponing final action until another meeting.
- Keep minutes or a sound, video, or digital recording of executive sessions.

Statutory Provisions for Executive Session

To consider the employment of an officer, employee, staff member or agent if: (i) the job has been publicly advertised, (ii) regularized procedures for hiring have been adopted, and (iii) in relation to employment of a public officer, there has been an opportunity for public comment. For hiring a chief executive officer, the standards, criteria and policy to be used must be adopted in an open meeting in which the public has an opportunity to comment. This reason for executive session may not be used to fill vacancies in an elective office or on any public committee, commission or other advisory group, or to consider general employment policies	ORS 192.660(2)(a) ORS 192.660(7)
To consider dismissal or discipline of, or to hear charges or complaints against an officer, employee, staff member or agent, if the individual does not request an open meeting.	ORS 192.660(2)(b)
To consider matters pertaining to the function of the medical staff of a public hospital licensed pursuant to ORS 441.015 to 441.063, 441.085 and 441.990(3).	ORS 192.660(2)(c)
To conduct deliberations with persons you have designated to carry on labor negotiations.	ORS 192.660(2)(d)
To conduct deliberations with persons you have designated to negotiate real property transactions.	ORS 192.660(2)(e)
To consider information or records that are exempt from disclosure by law, including written advice from your attorney.	ORS 192.660(2)(f)
To consider preliminary negotiations regarding trade or commerce in which you are in competition with other states or nations.	ORS 192.660(2)(g)
To consult with your attorney regarding your legal rights and duties in regard to current litigation or litigation that is more likely than not to be filed.	ORS 192.660(2)(h)
To review and evaluate the performance of an officer, employee or staff member if the person does not request an open hearing. This reason for executive session may not be used to do a general evaluation of an agency goal, objective or operation or any directive to personnel concerning those subjects.	ORS 192.660(2)(i) ORS 192.660 (8)
To carry on negotiations under ORS Chapter 293 with private persons or businesses regarding proposed acquisition, exchange or liquidation of public investments.	ORS 192.660(2)(j)
For a health professional regulatory board to consider information obtained as part of an investigation of licensee or applicant conduct.	ORS 192.660(2)(k)
For the State Landscape Architect Board or its advisory committee to consider information obtained as part of an investigation of registrant or applicant conduct.	ORS 192.660(2)(l)
To discuss information about review or approval of programs relating to the security of any of the following: (A) a nuclear-powered thermal power plant or nuclear installation; (B) transportation of radioactive material derived from or destined for a nuclear-fueled thermal power plant or nuclear installation; (C) generation, storage or conveyance of (i) electricity (ii) gas in liquefied or gaseous form (iii) hazardous substances as defined in ORS 453.005(7)(a), (b), and (d), (iv) petroleum products, (v) sewage, or (vi) water; (D) telecommunications systems, including cellular, wireless or radio systems; or (E) data transmissions by whatever means provided.	ORS 192.660(2)(m)

ORS 260.432 Quick Reference - Restrictions on Political Campaigning for Public Employees

Generally, ORS 260.432 states that a public employee* may not, while on the job during working hours, promote or oppose election petitions, candidates, political committee or ballot measures. Additionally, no person (including elected officials) may require a public employee (at any time) to do so.

**A "public employee" includes public officials who are not elected, whether they are paid or unpaid (including appointed boards and commissions).*

As used in this Quick Reference

We use the phrase "advocate(s) a political position" to mean promote or oppose an initiative, referendum or recall petition, candidate, political committee or ballot measure. The term "impartial" means equitable, fair, unbiased and dispassionate. *See the Secretary of State's detailed memo on ORS 260.432 for specific factors to assist in ensuring impartiality in communications about ballot measures. It is posted on the website under Publications.*

Prohibited Activities

A public employee, while on the job during work hours **may not**:

- Prepare or distribute written material, post website information, transmit emails or make a presentation that advocates a political position
- Collect funds, prepare filing forms or correspondence on behalf of candidates or political committees
- Produce or distribute a news release or letter announcing an elected official's candidacy for re-election (except for an elections official doing so as an official duty) or presenting an elected official's political position
- Make outgoing calls to schedule or organize campaign events or other political activity on behalf of an elected official or political committee (however, a scheduler may, as part of official duties, take incoming calls, about the official's availability and add an event to the schedule)
- Grant unequal access to public facilities to candidates or political committees
- Direct other public employees to participate in political activities, when in the role of a supervisor
- Draft, type, format or edit a governing body's resolution that advocates a political position (except to conform the resolution to a standard format)
- Prepare or give recommendations to the governing body urging which way to vote on such a resolution
- Sign such a resolution, except if the signature is only ministerial and clearly included to attest the board took the vote
- Announce the governing body's position on such a resolution to the media
- Include the governing body's position or vote on such a resolution in a jurisdiction's newsletter or other publication

A public employee who provides voter registration assistance under the federal National Voter Registration Act (NVRA) must not, when performing voter registration services, influence a client's political choices. This means no display of political preferences, including a restriction that no political buttons may be worn. DRS 247.208(3)

Allowable Activities

A public employee, while on the job during working hours **may**:

- Prepare and distribute **impartial** written material or make an **impartial** presentation that discusses election subjects (using the guidelines provided in the Secretary of State's detailed memo on ORS 260.432 and obtaining review from the jurisdiction's legal counsel, as available.) The Secretary of State's Elections Division is also available for an advisory review of draft material about ballot measures produced by government agencies.
- Perform standard job duties, such as taking minutes at a public meeting, maintaining public records, opening mail, inserting a proposed resolution into a board agenda packet
- Impartially advise employees about possible effects of a measure, but not threaten them with financial loss to vote a particular way
- Address election-related issues while on the job, in a factual and impartial manner, if such activity is legitimately within scope of employee's normal duties
- As staff of an elected official, handle incoming calls about the official's availability for political events
- Prepare neutral, factual information for a governing body to use in determining what position to take on an issue (planning stage of a governing body's proposed issue before certified as a measure to a ballot is not subject to ORS 260.432)

- In a clerical manner, incorporate amendments into a finalized version of a governing body's resolution on an issue
- Respond to public records request for information, even if the material advocates a political position
- Wear political buttons subject to applicable employer policies*
- Express personal political views subject to applicable employer policies*

**and unless the public employee is providing voter registration services under NVRA, where additional restrictions apply - see note on previous page about DRS 247.208(3).*

For more detailed information about election laws; contact:

Elections Division

Secretary of State

255 Capitol St NE, Suite 501

Salem OR 97310

Phone 503-986-1518

Fax 503-373-7414

TTY 503-986-1521

Web www.oregonvotes.org

OREGON REAL ESTATE BOARD
Experience Requirement Waiver Request Log
2015

AGENDA ITEM NO.
III.

DATE	NAME	TYPE OF LICENSE	APPROVED OR DENIED	FACTS AND BOARD DISCUSSION
6.1.15	Nicholas Cook	PB	APPROVED	<p>FACTS: Mr. Cook appeared and explained that he would rely on the information provided on his application as the basis for his request. Chair Hendricks asked Mr. Cook if he held a real estate and/or property management license outside of Florida. Mr. Cook responded that he did not. He also explained his company manages properties in the tri-county area and he is half way through the IREM program.</p> <p>DISCUSSION: Vice-Chair LeFeber stated that Mr. Cook's 4 year college degree and property management experience demonstrate enough experience to allow the waiver request.</p> <p>MOTION TO APPROVE NICHOLAS COOK'S REQUEST FOR WAIVER FOR PRINCIPAL BROKER LICENSE BY ROBERT LEFEBER SECOND BY CONI RATHBONE MOTION CARRIED BY UNANIMOUS VOTE</p>
6.1.15	Gabe Terreson	PB	DENIED	<p>FACTS: Mr. Terreson appeared and explained he has been in real estate lending business for 22 years, received his real estate license in Washington, was principal broker, hired and managed several people over the years Jef Farley asked Mr. Terreson what his main reason for becoming a principal broker was and Mr. Terreson responded that he has a passion for helping people. Coni Rathbone stated that Mr. Terreson started a real estate firm in 2009 while he did not have a license. Mr. Cook explained that Washington did not require him to hold license because he did not handle any transactions. Chair Hendricks asked Mr. Terreson if he was prepared to make sure brokers comply with rule and law. Mr. Cook replied that his approach would be to go the source to ensure compliance and consumer protection.</p> <p>DISCUSSION: Marcia Edwards stated that she did not feel Mr. Terreson demonstrated enough experience. Warren (Lee) Dunn state that he felt Mr. Terreson was qualified to supervise.</p> <p>MOTION TO DENY GABE TERRESON'S REQUEST FOR EXPERIENCE WAIVER FOR PRINCIPAL BROKER LICENSE BY MARCIA EDWARDS NO SECOND – MOTION TO DENY DIES MOTION TO APPROVE GABE TERRESON'S REQUEST FOR EXPERIENCE WAIVER FOR PRINCIPAL BROKER LICENSE BY WARREN (LEE) DUNN SECOND BY JOANN HANSEN MOTION CARRIED BY 8 AYES (WARREN (LEE) DUNN, DIANA EMAMI, JAMES (JEF) FARLEY, JOANN HANSEN, BYRON HENDRICKS, CHRIS HERMANSKI, ROBERT LEFEBER, AND CONI RATHBONE) AND 1 NAY (MARCIA EDWARDS)</p>
8.3.15	Jason de Vries	PB		<p>FACTS: Mr. de Vries appeared in person. Chair Hendricks asked Mr. de Vries to address the board with any information he wanted to add to his request for waiver application. Mr. de Vries responded that he would rely on the information he provided in his written application and explained that in September he would meet the three years of experience requirement. Discussion: None.</p> <p>DISCUSSION: None.</p> <p>MOTION: MOTION TO APPROVE JASON DE VRIES'S REQUEST FOR EXPERIENCE WAIVER FOR PRINCIPAL BROKER LICENSE BY BOB LEFEBER. SECOND BY CONI RATHBONE MOTION CARRIED BY UNANIMOUS VOTE</p>
12.7.15	Tim Rist	PB		<p>FACTS:</p> <p>DISCUSSION:</p> <p>MOTION:</p>

Oregon Real Estate Board

Experience Requirement Waiver Request

Date: 10/6/15
 Name: Tom Rost
 Address: 1121 NW 9th Street
 Daytime Phone Number: 541-250-1065 Oregon License Number: 201209259

GENERAL INFORMATION AND DOCUMENTATION

- I am seeking an experience requirement waiver to become a real estate PRINCIPAL BROKER. (ORS 696.022 and OAR 863-014-0040)
- I am currently licensed as a real estate broker in Oregon: Yes ; No 02/23/14 TR
 If yes, please state the dates for which you held and Oregon real estate license: ~~_____~~ to current
 Was your Oregon license obtained through a reciprocal agreement with another state? Yes No
- I am currently licensed or have held a real estate license in another state that was issued by the state's licensing authority: Yes No . Indicate the following

Type of License	State Issued	Dates Active License Held	
		From:	To

4. Per OAR 863-014-0040, I have:

	Yes	No	Date Completed	Required Documents to be Attached to the Request
Completed the "Broker Administration and Sales Supervision" course for principal real estate brokers. Must be completed PRIOR to waiver request.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>11/4/15</u>	Original course certificate
Submitted the Real Estate License Application for Principal Broker license and \$230 fee. Must be completed PRIOR to waiver request.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>10/24/15</u>	Copy of confirmation letter received from Agency
Successfully passed the Oregon Principal Broker exam. Must be completed PRIOR to waiver request.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>11/9/15</u>	Score report received from testing vendor
Graduated from a four-year college or university with a degree in real estate curriculum approved by the Commissioner. (863-014-0040(2))	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Official transcript
Graduated with a two-year community college associates degree in real estate curriculum approved by the Commissioner. (863-014-0040(3))	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Official transcript
Substantial experience in real estate that would qualify for an equivalent to the Commissioner's three year experience requirements. Include any real estate designations achieved while licensed as a broker. (OAR 863-014-0042(c))	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>See attached</u>	Written explanation of the additional real estate experience that you have that would assist in the Board's consideration of your waiver request.
The number and type of real estate transactions (listings and transactions that were closed) you have completed while holding a real estate license in Oregon or in another state.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>See attached</u>	Provide a document showing the number and types of transactions you have completed while licensed.

REQUIRED DOCUMENTS

Listed below are the required documents (#1-3) to be included in the OREA Board request for an experience waiver.

1. Your letter requesting a waiver of the three year active licensed experience. This letter should:
 - State the reason for the request, including the compelling reason why you cannot to complete the three years of active licensed experience.
 - Indicate the real estate experience you have that would be an acceptable substitute for the three years of required experience.
2. Required documentation listed above in the General Information and Documentation section #4.
3. Other experience relating to real estate not covered in questions 2 through 4 that would demonstrate your relevant related experience.

HELPFUL DOCUMENTS

The following information is helpful, but not required, for the Board to thoroughly evaluate your request:

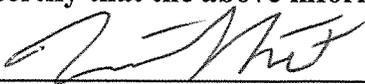
- Letters of reference pertaining to your real estate experience
- Letters of reference from current or past supervising principal brokers
- The number and type of real estate transactions you have executed.
- Supervisory experience
- Familiarity and experience in other related industries: escrow, title, mortgage, etc.

OTHER REQUIREMENTS

- You will be required to attend the Oregon Real Estate Board meeting when this waiver is discussed. The Board schedule will be communicated in follow-up correspondence upon receipt of your documents.
- Be prepared to answer questions from the Board to support your request.
- Waiver requests must be received at the agency no less than 21 days before the board meets.
- You must submit one original set of the waiver request documents, including a completed and signed "Experience Requirement Waiver Request". E-Mail, mail or deliver the original set to the following address: Anna Higley, Oregon Real Estate Agency, 530 Center Street NE, Suite 100, Salem, Oregon 97301-2505.

IMPORTANT NOTE: All documents submitted become part of the Board Packet, and therefore, public record. The Agency highly recommends that you remove/redact any confidential information on your documents such as your social security number, date of birth or any credit card information. Please do not put the packet into any type of folder or binding.

Please direct any questions to Anna Higley at 503-378-4671 or anna.higley@state.or.us

I certify that the above information is true to the best of my knowledge.	
	11/9/15
Signature of Waiver Applicant	Date

2015 BOARD MEETING DATES, LOCATIONS AND WAIVER PACKET DUE DATES

MEETING DATE	LOCATION	WAIVER PACKET DUE DATE
February 2, 2015	Oregon Real Estate Agency	Jan. 12, 2015
April 6, 2015	Oregon Real Estate Agency	March 16, 2015
June 1, 2015	Oregon Real Estate Agency	May 11, 2015
August 3, 2015	Klamath Falls	July 13, 2015
October 5, 2015	Ontario	September 14, 2015
December 7, 2015	Coos Bay	November 9, 2015

Oregon Real Estate Agency

Real Estate Broker

Score Report



Tim Rist
1121 NW 9th St
Corvallis, Oregon 97330

Candidate ID: XXX-XX-9259

Exam: OR Principal Broker Exam - OR Principal Broker -
National

Exam Date: 11/07/2015

PASSING SCORE: 60.0 (75%)

YOUR SCORE: 71.0

GRADE: PASS

Congratulations! You have passed the OR Principal Broker - National Examination.

The following is an analysis of your performance on the examination. For a detailed description of the subject matter included within each Topic, please refer to the PSI Candidate Information Bulletin.

Topic	Number of Questions	Number Correct
Contracts	12	12
Land Use Controls and Regulations	5	5
Property Ownership	6	6
Transfer of Title	5	3
General Principles of Agency	11	9
Real Estate Calculations	4	3
Valuation and Market Analysis	6	6
Financing	7	6
Mandated Disclosures	9	8
Practice of Real Estate	12	11
Specialty areas	3	2

The Oregon Real Estate Agency will receive your exam scores in 3 business days.

Log in to your eLicense account at www.rea.state.or.us to check the status of your license application.

Find additional information on licensing requirements in the "How to Get a License" section of www.rea.state.or.us.

Once all license requirements are completed, the Agency will issue your new license.

Passing exam scores and background clearances are good for 1 year. The Agency can only issue a license while the scores and background clearance are valid.

This score report is provided as a record of your scores. Do not send it to the Real Estate Agency.

Oregon Real Estate Agency

Real Estate Broker

Score Report



Tim Rist
1121 NW 9th St
Corvallis, Oregon 97330

Candidate ID: XXX-XX-9259

Exam: OR Principal Broker Exam - OR Principal Broker - State

Exam Date: 11/09/2015

PASSING SCORE: 38.0 (75%)

YOUR SCORE: 43.0

GRADE: PASS

Congratulations! You have passed the OR Principal Broker - State Examination.

The following is an analysis of your performance on the examination. For a detailed description of the subject matter included within each Topic, please refer to the PSI Candidate Information Bulletin.

Topic	Number of Questions	Number Correct
License Law and Disciplinary Measures	5	4
Handling of Client Funds	7	7
Agency Law and Rules	4	4
Regulation of Broker Activities	8	7
Document Handling and Recordkeeping	4	3
Property Management	8	7
Oregon Real Estate Related Statutes	14	11

The Oregon Real Estate Agency will receive your exam scores in 3 business days.

Log in to your eLicense account at www.rea.state.or.us to check the status of your license application.

Find additional information on licensing requirements in the "How to Get a License" section of www.rea.state.or.us.

Once all license requirements are completed, the Agency will issue your new license.

Passing exam scores and background clearances are good for 1 year. The Agency can only issue a license while the scores and background clearance are valid.

This score report is provided as a record of your scores. Do not send it to the Real Estate Agency.

Experience Requirement Waiver Request

To whom it may concern,

I would like to thank you for your time in considering to approve me to be a licensed Principal Broker in the State of Oregon. This is a designation that I do not take lightly. In this letter you will find the following material:

- The reason for my request, including the compelling reason why I am making this request prior to being licensed for three years as a real estate agent in Oregon.
- Real estate experience that I think would be an acceptable substitute for the three years of required experience.
- Other experience related to real estate that would demonstrate that I am a great candidate for this appeal.

I am making this request for a number of compelling reasons. Before my real estate career, I worked four years with a training and consulting company that taught college students how to run their own business in the painting industry. I started with that company as a branch manager during my junior year of college at Oregon State University. I was 17 years old. Though I grew up in the construction industry helping various contractors during high school and college (in addition to helping my uncle build a house and a shop from the ground up) this was my first experience running my own business. At 17 years old, I knocked on doors to find business, estimated and sold painting projects, hired and trained painters, and produced quality workmanship at a 100% customer satisfaction rating. This service experience was replicated with 34 homes and \$113,000 of contracted work. The following year, the company hired me back to recruit, hire, and train over 30 college students to run their own painting businesses across the state of Oregon. I took the job while being a full time student at OSU, and at 18 years old I grew that business to gross over \$500,000 of contracted work under my supervision. The following year, I took the same number of students and we produced over \$750,000 of work. During that time, I oversaw the hiring and training of over 100 employees, and I learned what it was like to consistently work over 90 hours a week, balance thousands of moving parts in a business, and do so while still maintaining a high level of service to my team, our employees, and most importantly, our clients.

It would be difficult to efficiently portray all of the lessons I learned during this time and continued to learn during my last year with that company. As it relates to this waiver request, one thing stands out: I have a passion for training, coaching, and leading others to reach their goals. I am demonstrating now that I am willing to work in order to best position myself to do this at the highest level. I didn't get into real estate to help myself; I got into real estate to help others. I have had a great time helping clients buy, sell and invest in real estate, but I have yet to be in a position to officially supervise, train and consult other real estate agents to reach their goals. Obtaining a principal broker license would be the required next step for that goal.

Beyond the above stated reason for my urgency, I am also in a circumstance where I have many peers who are graduating college who formerly worked under me in the contracting

world that are now looking for other opportunities. Some of these include family members that I know I could employ as a part of a real estate team. The level of talent is such that I think it would positively change the way people think about great service in our local real estate market. I think I have a lot to bring to the table as a leader in our industry and for those that need opportunities like what I have as a licensed real estate agent. But none of that can happen to the highest degree without a principal broker license.

I believe that the real estate experience I have currently could be considered a direct substitute for the three year minimum requirement. The logic being this statement is found in the number of sales that I have made since I have been licensed and in the high level of satisfaction that those clients have had (see attached client testimonials).

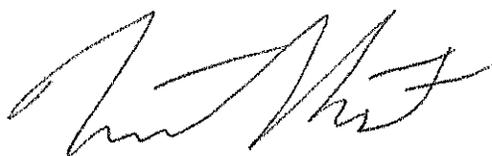
I have been licensed since February of 2014. I started my career in real estate with crippling chronic pain that came from a disk herniation I had obtained previously in the construction trade due to overworking. This situation was not resolved until June of 2014 when I finally got back surgery two weeks before my wedding. This was the context that would eventually be the foundation for over 17 transactions that I would close by the end of the year, and 29 closings in my first full year. In total, I have closed 68 transactions in my real estate career, with another 6 set to close in the month of November.

As of 2013, the average annual transactions per agent nationally was 9, according to the National Association of Realtors. If I take that average and apply that to the number of sales that I have closed so far in my real estate career (68), one could argue that I have the equivalent of 7.5 years of real estate experience. Furthermore, those 68 closings created happy clients whom I still have relationship with, and most of whom refer me business and/or have left reviews online endorsing me as their agent. Attached are just few of the reviews that you will find if you look on my Facebook, Yelp, Zillow, or Trulia account (see link for more examples: <http://www.zillow.com/profile/Tim-Rist/>)

In summary, I believe that based on my past experience in industries related to real estate and business management (i.e. construction, contracting, employee/team management, sales coaching and training, marketing, and quality control), my current success as a real estate agent, and my passionate aspirations to be a principal broker and a leader in my market center are what qualify me for this exception. Thank you again for your consideration and I look forward to meeting all of you in person.

Respectfully,

Tim Rist

A handwritten signature in black ink, appearing to read 'Tim Rist', written in a cursive style.

November 09, 2015

To whom it may concern:

I endorse Tim Rist as a qualified applicant for the role of a licensed Principal Broker in the State of Oregon and here is why:

Tim Rist is the finest, brightest, young man I have ever met in my career. He has learned the business of real estate faster, and has helped more people buy or sell homes in the short period that he has had his license, than any other agents we have ever had. He has been rookie of the year, and gives classes on real estate to other agents in the office. Tim is so professional; one would not realize how young and new he is. He is a leader and gives to others, and helps develop their skills as well. His experience is vast as he developed skills from others in his previous business, where he ran a successful painting business with several employees.

Tim Rist is extraordinarily competent and I have full confidence he will excel as a Principal Broker as well.

Sincerely,



Sue Long,

Broker/Owner

541-740-7722

suelong@kw.com

kw MID-WILLAMETTE

KELLERWILLIAMS REALTY

11/09/15

To whom it may concern:

I fully endorse Tim Rist as a qualified applicant for the Role of Principal Broker. From even before Tim received his license he was very careful to listen and learn the best practices. He obviously paid close attention as he became our rookie of the year for his first year in the business and closed 29 transactions.

He has continued producing at even a much higher level and has become part of our leadership team within our company. Even though he has less than the 3 years as a broker to qualify I believe he does qualify with experience as he has done more than most in that time frame.

Please consider Tim Rist for an exemption due to his experience, leadership, and his proactive approach in getting all the items complete to be considered. Feel free to call me with any questions.



Lionel Wilson
Team Leader/CEO
Keller Williams Realty Mid-Willamette
c 541.829-1267
e Lionel@kw.com

Client testimonials (taken from <http://www.zillow.com/profile/Tim-Rist/>):

Highly likely to recommend

07/02/2015 - NancyGeorge8

Bought a Single Family home in 2015 for approximately \$225K in Albany, OR.

Buying a home is a huge deal - it's also quite a process, not easy, and can be highly stressful, but my home buying experience was nothing short of perfect with Tim Rist as my realtor. He is very professional, very knowledgeable of the process, and he always responded to my questions in a very timely manner - explaining things to me in detail that I didn't understand. When it came time to go out and tour homes, I felt extremely comfortable and never felt pressured.

Once I was ready to make an offer, Tim worked extremely hard to get me a great deal - negotiating all the details that I felt I needed, in order to pay the price I had offered. He's even been wonderful post-buy . . . Following up with me a couple times to see if I'm getting settled in and enjoying my home.

All in all, Tim is great realtor and due to his expertise, I had a wonderful home buying experience. If you need a hard working realtor that will do his best for YOU, I highly recommend Tim Rist!

Highly likely to recommend

11/02/2015 - zuser20150916003420442

Bought a Condo home in 2015 for approximately \$150K in Philomath, OR.

When I started looking for a house, I was forced to buy a property in cash since I was an international student, so realtors had a hard time working with me, this is where I met Tim Rist. Tim knew my story through mutual acquaintances and informed me that there was an apartment within my price range. He was persistent with completing the job, very professional with dealing with the seller and very thorough explaining the whole buying process to me. Although I had a busy schedule, I was very pleased with Tim's smooth and swift actions that had helped me close the deal as soon as possible.

Tim is definitely a real estate agent I recommend to anyone who is planning to buy his/her dream house.

Highly likely to recommend

08/11/2015 - jessejameswise

Sold a Mobile / Manufactured home in 2015 for approximately \$150K in Corvallis, OR.

This guy knows his stuff when it comes to real estate I would recommend him to anyone looking for a house or looking to sell their house. I would recommend him to my mother and grandmother. When Tim is involved in the transaction you can trust that he will be treat everyone involved with respect and he won't try and cut any corners. If I had one word to describe Tim it would be "Integrity"

Highly likely to recommend

08/10/2015 - JessicaHayward

Sold a Single Family home in 2015 for approximately \$175K in Lebanon, OR.

Tim is incredibly attentive. He walked us through each step of both buying and selling our old and new homes and kept us informed throughout the entire process. Whenever we had questions or concerns or were feeling overwhelmed through the otherwise difficult transition of moving with two young children in tow, Tim was there with solid answers, quick responses, and attention to our emotional states that is pretty rare in my experience. He got our old house under contract in 5 days for much more than our asking price and helped us negotiate a decent price on our new house. Overall, I'm incredibly satisfied with our experience and I won't ever use another agent!

Highly likely to recommend

08/05/2015 - DawsonHunter

Sold a Single Family home in 2015 for approximately \$175K in Lebanon, OR.

After trying to sell our home ourselves for three months, we broke down and asked Tim to list our house. He put it on the market on a Friday, and we were under contract by the end of the following Tuesday for much more than our asking price!

Tim did an excellent job with pricing, marketing, and negotiating the sale of our home. We would recommend Tim to anyone selling their home in the Mid-Willamette Valley. The team at Keller Williams guided us through all the obstacles to selling our home, and we greatly appreciate their service.

Highly likely to recommend

06/25/2015 - Carol

Bought a home in 2015 in Flynn, Philomath, OR 97370.

Tim is a great guy to work with, and after the transaction was completed he went above and beyond to help me with issues that I faced. He's more than a realtor, he's a genuine friend to his customers.

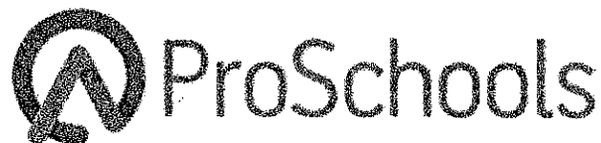
Highly likely to recommend

02/15/2015 - hannahaebly

Bought a Single Family home in 2014 for approximately \$250K in Aumsville, OR.

As first time home buyers we were so impressed by Tim. He was so eager and worked so hard for us.

His energy and passion is contagious and you know he is on your side. We had a few frustrating moments in our journey to buy a home but Tim was there to fight for us and make it right.



Completion Record Oregon Real Estate Prelicense Education

You've successfully completed ProSchools' Oregon Real Estate Continuing Education course, *Oregon Brokerage Administration and Sales Supervision - Part II*.

The following document serves as Proof of Completion. Print a copy for your personal records. Additional copies may be printed at a later time by logging into your account.

Important Instructions to Obtain Your License

NOTICE: You must send your license application and the nonrefundable application fee to the Oregon Real Estate Agency prior to completing all your coursework. If you have not applied for your license, it is imperative you do so immediately. ProSchools is unable to report your course completion without the 9-digit Application ID you receive in the e-mail confirmation from the Oregon Real Estate Agency.

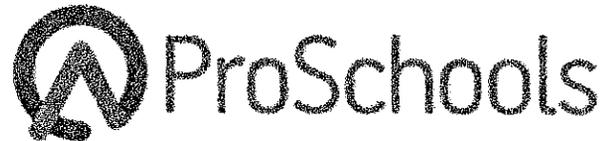
1. This certificate is solely for your records. You do not need to send your certificates to the Oregon Real Estate Agency. ProSchools will submit your education record to PSI.
2. Once your education is reported to PSI by ProSchools, you will receive an e-mail with instructions on how to schedule your state licensing examination with PSI.
3. Upon passing your state licensing examination, you will have your fingerprints taken digitally and pay the background check fees at the PSI test center.

Detailed instructions regarding the submission of your license application and the steps to obtain your license may be found at the Oregon Real Estate Agency website below:

<http://www.oregon.gov/rea/lic/Pages/index.aspx>

Thank you for choosing ProSchools. If you have any comments about this course, please feel free to contact us at feedback@proschoools.com. We value your input.

The Staff at ProSchools



Certificate of Real Estate Prelicense Education

This certifies that

Student Name: Tim Rist

9-digit Applicant ID: 201209259

Date of Birth: 07/14/1992

Course Title: Oregon Brokerage Administration and Sales
Supervision - Part II

Course Number: 302OR032

Course Completion Date: 11/4/2015

Course Credit Hours: 40.00

Education Provider: ProSchools

I certify the above named student has completed the course through this institution and received a passing grade of C, or its equivalent. The Oregon Real Estate Agency has approved this course. This original, signed document serves as proof of completion. Student does not send the certificate to the Oregon Real Estate Agency. ProSchools will submit the course completion, upon the passing of all seven required courses and receiving the applicant ID confirming the license application submission, to PSI. School maintains records for 25 years.

Signature of School Official:

Melinda Jackson

The certificate serial number uniquely identifies this certificate of completion and its bearer. To confirm the validity of this certificate, call 1-800-452-4879.

Cert Serial Number: 57473 - 302OR032

Oregon Real Estate Principal Broker Application Received Confirmation

1 message

Oregon Real Estate Agency <noreply_rea@state.or.us>
Reply-To: Oregon Real Estate Agency <orea.info@state.or.us>
To: Timothy John Rist <timrist@kw.com>

Sat, Oct 24, 2015 at 3:01 PM

Dear Timothy John Rist,

The Oregon Real Estate Agency has received your principal real estate broker license application. You may provide a copy of this e-mail to your real estate school as proof that you have submitted your license application to the Agency.

- Your applicant ID number is #201209259. Please keep this number for future use when contacting the Agency.
- Check your application status by logging into your eLicense account at <https://orea.elicense.irondata.com/>. Your license requirements will display under the Application Status tab.
- The Agency's records show that you must complete the following education from approved course providers to be eligible to take the principal broker license exam (only courses completed on or after January 1, 2013 qualify):
 - The 40-hour Brokerage Administration and Sales Supervision course.
- For more information on license requirements, please visit Principal Broker License Requirements.

IMPORTANT NOTE: You are NOT actively licensed as a principal broker at this time. You cannot conduct professional real estate activity as a principal broker until you are actively licensed as one.

Oregon Real Estate Agency
530 Center St. NE Ste. 100
Salem, OR 97301
(503) 378-4170
www.rea.state.or.us
orea.info@state.or.us

Jim Rist → Proof of Sales and Sources

Istings Taken Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.0	0.0	0.0	1.0	3.0	0.0	1.0	3.0	3.0	6.0	1.0	4.0	22.0	0.0%	0.0%
2015	0.0	1.0	4.0	2.0	5.0	6.0	4.0	3.0	0.0	3.0	0.0	0.0	28.0	-50.0%	64.7%

Istings Taken Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	284,800	628,000	0	269,900	768,900	821,277	2,132,722	397,500	661,407	5,964,506	0.0%	0.0%
2015	0	299,500	847,400	402,000	1,959,000	2,702,000	715,000	848,000	0	1,125,000	0	0	8,897,900	-47.3%	81.4%

Istings Sold Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	1.00	0.00	1.00	0.00	1.00	1.00	4.00	8.00	0.0%	0.0%
2015	3.00	2.00	1.00	2.00	1.00	2.00	2.00	3.00	4.00	1.00	0.00	0.00	21.00	0.0%	600.0%

Istings Sold Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	520,000	295,000	275,000	0	270,000	0	180,000	292,000	1,097,507	2,114,507	0.0%	0.0%
2015	751,400	362,350	241,400	520,000	295,000	400,000	835,000	487,500	819,000	298,800	0	0	5,010,450	66.0%	591.1%

ales Written Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	2.00	4.00	0.00	7.00	0.0%	0.0%
2015	4.00	6.00	3.00	8.00	3.00	10.00	2.00	8.00	5.00	3.00	0.00	0.00	52.00	50.0%	1,633.3%

ales Written Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	275,000	0	270,000	0	180,000	292,000	1,097,507	2,114,507	0.0%	0.0%
2015	899,650	1,229,700	988,725	1,816,800	923,000	2,690,000	608,500	1,365,750	1,308,000	1,223,860	0	0	13,053,985	0.0%	4,646.90

ales Closed Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	2.00	2.00	4.25	9.25	0.0%	0.0%
2015	0.00	3.00	3.00	2.00	3.00	5.00	2.00	4.00	4.00	4.00	0.00	0.00	30.00	100.0%	900.0%

C. F. L. ... C. P. 11

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	0	164,000	0	0	397,600	488,995	808,750	1,859,345	0.0%	0.0%
2015	0	515,600	727,500	644,400	661,410	951,900	720,000	883,500	927,450	1,009,395	0	0	7,038,155	153.9%	1,153.2%

ease Closed Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00
2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.00

ease Closed Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%

refer Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%

refer Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%

contracts Written Units

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	0.00	8.00	5.00	3.25	19.25	0.0%	0.0%
2015	4.00	7.00	7.00	10.00	8.00	16.00	6.00	11.00	5.00	6.00	0.00	0.00	80.00	-25.0%	627.3%

contracts Written Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	275,000	164,000	270,000	0	2,070,495	1,097,500	482,757	4,359,752	0.0%	0.0%
2015	899,650	1,529,200	1,836,125	2,218,800	2,882,000	5,392,000	1,323,500	2,213,750	1,308,000	2,348,860	0	0	21,951,885	13.4%	689.8%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	0.00	3.00	3.00	8.25	17.25	0.0%	0.0%
2015	3.00	5.00	4.00	4.00	4.00	7.00	4.00	7.00	8.00	5.00	0.00	0.00	51.00	66.7%	750.0%

Contracts Closed Volume

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	275,000	164,000	270,000	0	577,600	780,995	1,906,257	3,973,852	0.0%	0.0%
2015	751,400	877,950	968,900	1,161,400	956,410	1,351,900	1,555,000	1,371,000	1,746,450	1,308,195	0	0	12,048,605	126.5%	836.5%

ICI

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	7,425	5,740	8,100	0	14,219	23,852	52,915	112,251	0.0%	0.0%
2015	21,650	22,683	24,698	26,123	25,320	34,880	41,449	35,888	47,447	28,752	0	0	308,888	102.2%	770.5%

Company Dollar

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	2,228	1,722	2,430	0	4,266	7,156	2,199	20,090	0.0%	0.0%
2015	0	0	7,409	7,837	4,754	0	0	0	0	0	0	0	20,000	-100.0%	87.9%

Quality

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	446	344	486	0	853	871	0	3,000	0.0%	0.0%
2015	0	0	1,482	1,518	0	0	0	0	0	0	0	0	3,000	-100.0%	40.9%

gent 1099 Income

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0	0	0	0	0	4,752	3,674	5,184	0	9,100	15,826	50,716	89,251	0.0%	0.0%
2015	21,650	22,683	15,806	16,768	20,566	34,880	41,449	35,888	47,447	28,752	0	0	285,888	215.9%	1,158.9%

Tracker - Contacts

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	MOM % Change Oct	YOY % Change Oct
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%

**AGENDA ITEM NO.
IV.**

**OREGON REAL ESTATE BOARD
CEP LOG**

8.3.15	Peri Henderson	APPROVED	<p>FACTS: Peri Henderson appeared in person. Chair Hendricks asked Ms. Henderson to address the board with any information she wanted to add to her written petition. Ms. Henderson explained that she held a licensee back in the 1990's and she has been involved in real estate lending for several years as well. She also stated that she offers the following topics in her classes: RESPA, finance, and ethics which are all considered approved course topics. Vice-Chair LeFeber asked Ms. Henderson if she wanted to have the provider certification under her name or the Education Center. Ms. Henderson stated that she would like to amend her petition to reflect the Education Center as the certified provider.</p> <p>DISCUSSION: Marcia Edwards stated that she appreciated that Ms. Henderson understood her limitations and expertise and deferred to other experts. Coni Rathbone clarified that as a provider Ms. Henderson could have qualified instructors teach the courses.</p> <p>MOTION TO APPROVE EDUCATION CENTER'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY BOB LEFEBER SECOND BY CONI RATHBONE MOTION CARRIED BY UNANIMOUS VOTE</p>
10.5.15	Larry Johnson	APPROVED	<p>FACTS: Mr. Johnson appeared by phone and Chair Hermanski asked Mr. Johnson to provide any additional information he felt would pertain to his petition. Mr. Johnson responded that his petition was self-explanatory and summarized his qualifications for the board. He also explained the topics his courses cover include risk management and real estate contracts, which are considered acceptable course topics. Mr. Johnson explained that his intention was to offer property management courses at a central location or multiple property management companies.</p> <p>DISCUSSION: Mr. Hendricks spoke in favor of this motion because Mr. Johnson had four areas of topics that are beneficial to consumers and to real estate practitioners. Lawnae Hunter asked for clarification that approval of Mr. Johnson's petition, would open up the ability for him to teach all subject matter. Chair Hermanski replied that approval of the petition would allow him to teach on all subject matters.</p> <p>MOTION: MOTION TO APPROVE LARRY W. JOHNSON'S PETITION TO QUALIFY AS A CERTIFIED CONTINUING EDUCATION PROVIDER BY BYRON HENDRICKS SECOND BY ALEX MACLEAN MOTION CARRIED BY UNANIMOUS VOTE</p>
12.7.15	Judy Woods		<p>FACTS: DISCUSSION: MOTION:</p>
12.7.15	Oregon State Police		<p>FACTS: DISCUSSION: MOTION</p>



**PETITION TO QUALIFY AS A
CONTINUING EDUCATION PROVIDER**

Rev. 7/2011

Real Estate Agency
1177 Center Street NE
Salem OR 97301
Phone: 503-378-4170
Fax: 503-378-2491
www.rea.state.or.us

INSTRUCTIONS

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it via mail or fax to the Agency at least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act. OAR 863-020-0025

IMPORTANT:

- ▶ If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.
- ▶ All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.
- ▶ Petitioners will need to appear before the Board. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

If the Board approves this petition, the Agency will mail a letter to the petitioner, at the mailing address provided, confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under OAR 863-020-0030.

PETITIONER

Name Oregon State Police, Office of State Fire Marshal Phone Number 503-373-1560

Physical Address 4760 Portland Rd. NE Address Cont. _____

City Salem State OR Zip Code 97305 County Marion

E-mail osfm.ce@state.or.us

Mailing Address (if different) Same as above. Address Cont. _____

City _____ State _____ Zip Code _____ County _____

AUTHORIZED CONTACT PERSON

Prefix Ms. _____ First Name Stephanie Last Name Stafford

Phone Number 503-934-8219 E-mail stephanie.stafford@state.or.us

Provide the name of the individual that will appear in person on behalf of the Petitioner: Stephanie Stafford

AGENCY USE ONLY

Approved by Board YES NO

Review Date _____

Oregon State Police, Office of State Fire Marshal Qualification Information

Oregon Office of State Fire Marshal overview

The Oregon Office of State Fire Marshal is established in the Department of State Police per Oregon Revised Statute (ORS) *Chapter 476 - State Fire Marshal; Protection from Fire Generally*. The State Fire Marshal retains authority of the office and is responsible for the implementation of its mission and programs. The OSFM mission is *protecting citizens, their property, and the environment from fire and hazardous materials*.

The fire programs of the OSFM are funded by Fire Insurance Premium Tax as outlined by ORS 731.820. For the purpose of maintaining the OSFM and paying the expenses incident thereto, every insurer transacting insurance covering the peril of fire shall pay a tax to the Director of the Department of Consumer and Business Services. The OSFM fire programs provide critical services such as fire code development and enforcement, and public education.

The State Fire Marshal is mandated to adopt rules establishing minimum standards for carbon monoxide alarms in one and two family dwellings and multifamily housing as outlined by ORS 476.725 *Statewide standards for residential carbon monoxide alarms; rules*. The rules adopted by the State Fire Marshal may include, but need not be limited to, rules establishing minimum standards for the design, inspection, testing, and maintenance of carbon monoxide alarms. The State Fire Marshal shall adopt rules establishing standards for the placement and location of carbon monoxide alarms in one and two family dwellings and multifamily housing that were not subject to state building code requirements for carbon monoxide alarm placement or location at the time of construction. In adopting rules under this section, the State Fire Marshal shall give consideration to state building code requirements and any standards adopted by national safety organizations. Notwithstanding ORS 476.030, State Fire Marshal rules adopted under this section shall apply for all governmental subdivisions in the state.

The State Fire Marshal is also mandated to adopt rules setting standards and providing for implementation of certain laws governing smoke alarms and smoke detectors as outlined by ORS 479.295, notwithstanding the provisions of ORS 476.030 (Powers and duties of marshal and deputies generally), the State Fire Marshal shall adopt, by rule: Standards for the installation and maintenance of smoke alarms and smoke detectors as the State Fire Marshal considers necessary to carry out the purposes of ORS 479.250 to 479.305.

Demonstrated expertise and experience in providing educational courses to real estate licensees

With the above statutes in place, the OSFM has expertise in providing training and technical assistance to real estate agents, property managers, and home inspectors on smoke alarm laws for more than 20 years and on the newer carbon monoxide alarm laws since 2010. The current training is provided at the request of real estate and home inspection agencies or has been provided to title companies for real estate agencies. If the OSFM provides training directly to real estate agencies without a title company involved, the real estate agents do not receive continuing education units.

In the past, the OSFM has provided free training, through title companies, to real estate agents that allowed the business (title company) to "sell" the OSFM training as part of its services, to other people (real estate agencies). The OSFM is obligated by law to provide this training to any requesting agency to avoid favoritism and stay within standard practices/laws/rules. Therefore, the OSFM is unable to continue providing training with Oregon title companies as the continuing education provider. There is a high demand for the training from real estate agencies and the OSFM is most qualified to provide it.

As a continuing education provider, the OSFM would like to provide scheduled training throughout the state, at no charge, to realtors. The training would address the smoke and carbon monoxide alarm law education needs of real estate agents. It would include a lesson plan/curricula, presentation, and educational materials

(fliers/brochures) to assist real estate agents and their clients with smoke alarm and carbon monoxide alarm law information when selling homes.

The OSFM also currently provides information and technical assistance on Oregon smoke and carbon monoxide alarm laws through our web pages: Smoke Alarm Information Center www.oregon.gov/osp/sfm/pages/commed_sa_program.aspx, and Carbon Monoxide Alarm Information Center www.oregon.gov/osp/sfm/pages/commed_co_program.aspx, or via phone at 503-934-8228, or email osfm.ce@state.or.us. These contact methods are staffed from Monday through Friday, 8:00 a.m. to 5:00 p.m. and would continue to be provided as resources.

The following staff manage, coordinate, and support the OSFM’s smoke alarm and carbon monoxide alarm laws training.

OSFM staff

Name	Title	Employment period	Program role
Claire McGrew	Fire and Life Safety Education Manager/Assistant Chief Deputy	12/2008-current	Administrator
David Mills	Deputy State Fire Marshal, Codes and Technical Services Unit	03/2014-current	Subject matter expert / instructor / tech. assist.
Stephanie Stafford	Fire Prevention Coordinator, Adult Fire Prevention and Safety	02/2008-current	Program oversight / instructor
Jaime Zinck	Training and Development Specialist 2, Adult Fire Prevention and Safety	03/2014-current	Training development / instructor
Jamie Whitehouse	Training and Development Specialist 1, Adult Fire Prevention and Safety	10/2014-current	Instructor / technical assistance
Bethany Emmert	Administrative Specialist 1, Fire and Life Safety Education	04/2013-current	Technical assistance / training support

Additional details of team member qualifications and experience

Claire McGrew has a bachelor’s degree in agriculture from Oregon State University. She has been a Branch Manager at the OSFM for seven years and has previous experience in the insurance industry. She manages the Fire and Life Safety Education Branch.

David Mills has a degree in architectural drafting from Phoenix Institute of Technology. He worked for several architectural firms preparing construction plans. He also worked for the city of Reno (Nevada) Fire Department for 19 years and served his last five years as the Fire Prevention Captain over new construction. He currently serves as the OSFM Codes and Technical Services Deputy.

Stephanie Stafford has a bachelor’s degree in law enforcement from Western Oregon University. She is a Program Analyst 3 and has been the Fire Prevention Coordinator at the OSFM for more than six years. She oversees the Smoke and Carbon Monoxide Alarm Laws program, and has instructed and provided technical assistance when needed. She also instructs International Public Safety Leadership and Ethics courses for the Oregon Department of Public Safety Standards and Training.

Jaime Zinck has a bachelor’s degree and a master’s degree in English from Oregon State University. She has taught critical thinking and close reading skills for more than five years, teaching adult learners in a variety of settings how to interpret policy, law, etc. and apply them to specific situations. She spent several years teaching English as a Second Language students how to read and interpret OSHA, Landlord-Tenant, etc. laws in community education programs. She is currently a Training and Development Specialist 2 and her duties include developing educational materials, including smoke and carbon monoxide alarm law program materials.

Jamie Whitehouse has a bachelor’s degree in business management from the University of Phoenix. She has three years of experience training judges, court staff, district attorneys, sheriffs, and other staff on how to

interpret and apply state and federal laws associated with domestic violence and firearms prohibition. She is currently a Training and Development Specialist 1 and her duties include training on smoke and carbon monoxide alarm laws and the OSFM's smoke alarm installation program for fire agencies.

Bethany Emmert has served the OSFM as an administrative specialist for the past year and a half. She provides technical assistance on the smoke alarm and carbon monoxide alarm laws to realtors, home buyers/sellers, home inspectors, and property management agencies.

Demonstrated expertise and experience in two or more course topics eligible for continuing education credit under OAR 863-020-0035

Stephanie Stafford, Jaime Zinck, and Jamie Whitehouse have all qualified as Continuing Education Instructors for smoke alarm and carbon monoxide alarm law courses through continuing education providers (title companies).

The OSFM proposes to offer the following courses:

- Oregon smoke alarm law
- Oregon carbon monoxide alarm law
- Combination Oregon smoke alarm/carbon monoxide alarm law

These are currently the only courses the OSFM is providing and would like to continue to sustain as a continuing education provider. These courses fall under *Real Estate Consumer Protection* as the approved topic. They fall under ORS 696.174 and OAR 863-020-0010 for the Real Estate Agency. They would also fit well with *Risk Management, Real Estate Law and Regulation, and Property Management*. As a continuing education provider, the OSFM would qualify/approve our staff and additional qualified trainers through structural fire agencies. The training would be within the scope of the law for continuing education using the guidelines of the learning objectives.

These classes would meet the following learning objectives:

- Review Oregon's smoke alarm laws (statutes/administrative rules)
 - Example: ORS 479.260 Transfer of dwelling unit or lodging house without smoke alarm or smoke detector prohibited; ORS Chapter 105 Property Rights; and ORS Chapter 90 Residential Landlord and Tenant
- Review Oregon's carbon monoxide alarm laws (statutes/administrative rules)
- Why the laws were enacted
- Law definitions
- Requirements when selling or renting
- Where and when smoke and carbon monoxide alarms are required
- Installation, placement, and location guidelines for both types of alarms
- Types of alarms, power sources, and replacement requirements

The OSFM appreciates your time and consideration to provide continuing education to real estate agents throughout Oregon on smoke and carbon monoxide law.



**PETITION TO QUALIFY AS A
CONTINUING EDUCATION PROVIDER**

Rev. 7/2011

Real Estate Agency
1177 Center Street NE
Salem OR 97301
Phone: 503-378-4170
Fax: 503-378-2491
www.rea.state.or.us

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it via mail or fax to the Agency at least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act. OAR 863-020-0025

IMPORTANT:

- ▶ If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.
- ▶ All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.
- ▶ Petitioners will need to appear before the Board. Once the Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.

If the Board approves this petition, the Agency will mail a letter to the petitioner, at the mailing address provided, confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under OAR 863-020-0030.

Name Judy Woods Phone Number 503-569-3361

Physical Address 4263 Commercial St SE Address Cont. _____

City Salem State OR Zip Code 97302 County Marion

E-mail judy.woods@academymortgage.com

Mailing Address (if different) _____ Address Cont. _____

City _____ State _____ Zip Code _____ County _____

Prefix Mrs. First Name Judy Last Name Woods

Phone Number 503-569-3361 E-mail judy.woods@academymortgage.com

Provide the name of the individual that will appear in person on behalf of the Petitioner: JELF

AGENCY USE ONLY	
Approved by Board	YES NO
Review Date	_____

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFYING INFORMATION

Provide below sufficient information about the petitioner to allow the Board to determine whether the petitioner qualifies for certification. **If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.**

Information **MUST** include one or both of the following:

- ▶ Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- ▶ Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.

You may attach up to **three (3)** additional pages if necessary.

Judy Woods has 37 years in the banking and mortgage industry. She has taught numerous classes

Judy Woods has recently instructed a Real Estate Course on TRID TILA/RESPA INTEGRATED DISCLOSURES

Judy Woods has instructed a course for Realtors regarding revised FHA/USDA/VA & Conventional Guidelines In 2015

Judy Woods is a affiliate member of Salem Association of Realtors, Salem Chamber of Commerce, SAR Special Events Committee and a member of Salem DM Chapter PEO (Philanthropic Educational Organization)

Judy Woods instructs a monthly homebuyer class 2nd and 4th Wed of each month 6:30 PM with Industry Partners

Homebuyer Class is certified by the City of Salem and Marion County for CE credit for City and Marion County Pal Grant

Judy Woods is a Sales manager for her team of 5 members which includes Processors and Loan officers

Judy has been married to a Salem Realtor for the past 35 years

Judy Woods owns a Commercial loan Consulting firm (Woodland Consulting)

ATTORNEY CERTIFICATION

- ▶ I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- ▶ I acknowledge that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- ▶ I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0060.
- ▶ I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

Judy Woods

Printed Name of Authorized Individual

Date 10/14/2015

Judy Woods

Signature of Authorized Individual

ADMINISTRATIVE ACTIONS
Reported
September 23, 2015 through November 24, 2015

REVOCATIONS

Smith, Lynn (Pendleton) Principal Broker 930400089, Default Order dated, November 19, 2015 issuing a Revocation with a \$10,000 Civil Penalty

SUSPENSIONS

none

REPRIMANDS

McCravey, Denise (Hood River) Principal Broker 880100100, Stipulated Order dated, November 23, 2015 issuing a Reprimand with Education

Rychlik, Jean (Portland) Principal Broker 201208002, Stipulated Order dated, November 9, 2015 issuing a Reprimand

CIVIL PENALTIES

Expired — Late Renewal civil penalties are computed using each 30-day period as a single offense. The civil penalty for the first 30-day period can range from \$100-\$500, with each subsequent 30-day period ranging from \$500-\$1,000. ORS 696.990

Remmers, Anne (Waldport) Broker 200604154, Stipulated Order dated, October 2, 2015 issuing a \$1000 Civil Penalty for Unlicensed Activity

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)
5 LYNN H. SMITH) ORDER ON DEFAULT
6)
7)
8)

9 1.

10 1.1 On September 24, 2015, the Real Estate Commissioner issued, by certified mail,
11 a notice of intent to levy civil penalty and revoke the real estate principal broker license of Lynn
12 Smith (Smith). The Real Estate Agency (OREA) sent the notice of intent to Smith's last known
13 address of record with the OREA. The notice of intent was also mailed to Smith by regular first
14 class mail in a handwritten envelope.

15 1.2 The certified mailing of the notice of intent and the first class mailing were sent to
16 Smith at 1803 SW Emmigrant, Pendleton, OR 97801. Smith signed for the certified mailing on
17 September 28, 2015. No mailings have been returned to OREA.

18 1.3 Over twenty (20) days have elapsed since the mailing of the notice issued in this
19 matter and no written request for hearing has been received.

20 1.4 Copies of the entire investigation file are designated as the record for purposes
21 of default, including any submission from respondent and all information in the administrative
22 file relating to the mailing of notices and any responses received.

23 2.

24 Based upon the foregoing and upon a review of the above described investigation
25 reports, documents and files, the Real Estate Commissioner finds:

26 2.2 Smith's last known address of record with OREA was 1803 SW Emmigrant,
27 Pendleton, OR 97801.

28 2.3 A certified mailing of the notice of intent was mailed to Smith at her last known
29 address of record on September 24, 2015.

30 ///

1 3.7 Smith provided copies of paperwork which indicated that three-way
2 reconciliations could be produced and that the security deposits CTA might be able to be
3 reconciled with explainable differences.

4 3.8 During Bale's visit on June 19, 2014, with Smith, Smith told Bale there were the
5 following CTAs used for the business: security deposits CTA at Umpqua Bank ending in
6 #6906, and CTA at Umpqua Bank ending in #5277.

7 3.9 A printout taken on November 10, 2014, from the OREA computerized database
8 showed that Pendleton Southgate Realty had three active CTA bank accounts ending in
9 #6717, #3688 and #3726. All three accounts were shown as held at the Community Bank in
10 Pendleton.

11 **Violation:** By failing to notify OREA within 10 business days after the date a clients'
12 trust account was opened, Smith violated ORS 696.301(3) (2013 Edition) as it incorporates
13 ORS 696.241(4) (2013 Edition), which requires within 10 business days after the date a clients'
14 trust account is opened, a licensed real estate property manager or principal broker shall file
15 with the Real Estate Agency, on forms approved by the agency, the following information
16 about the clients trust account: (a) the name of the bank; (b) the account number, (c) the name
17 of the account, (d) the date the account was opened, and (e) a statement by the licensed real
18 estate property manager or principal real estate broker authorizing the Real Estate
19 Commissioner or the commissioner's representative to examine the clients' trust account at
20 such times as the commissioner may direct.

21 3.10 Bale emailed Smith on July 9, August 14, and August 20, 2014, asking Smith for
22 an update of when she would be submitting the reconciliations.

23 3.11 On August 25, 2014, Bale sent a letter to Smith. The letter was a formal demand
24 for the production of three way reconciliations for April, May, and June for both the security
25 deposit CTAs and the owners CTA.

26 3.12 On August 29, 2014, Bale visited Smith's office in Pendleton. Smith claimed not
27 to have received any of the emails Bale sent her and she had not completed the three-way
28 reconciliations for the CTAs. Smith said she would submit the three-way reconciliations to
29 Bale by Friday, September 5, 2014.

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ORDER

IT IS HEREBY ORDERED that Smith's principal broker license is revoked.

IT IS FURTHER ORDERED, pursuant to ORS 696.990(6)(a), Smith pay a civil penalty in the sum of \$10,000, said penalty to be paid to the General Fund of the State Treasury by paying the same to OREA.

Dated this 9th day of NOVEMBER, 2015.

OREGON REAL ESTATE AGENCY



GENE BENTLEY

Real Estate Commissioner

DATE of service: 11/9/2015

NOTICE: You are entitled to judicial review of this order. Judicial review may be obtained by filing a petition for review within 60 days from the date of service of this order. Judicial review is pursuant to the provisions of ORS 183.482.

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of)

5
6 DENISE A MCCRAVEY)

STIPULATED FINAL ORDER
7
8

9
10 The Oregon Real Estate Agency (OREA) and Denise A. McCravey (McCravey) do
11 hereby agree and stipulate to the following:

12 FINDINGS OF FACT
13 &
14 CONCLUSIONS OF LAW

15 1

16 1.1 McCravey was licensed as a principal broker with Gorge Property Real Estate
17 Team, and Gorge Rentals Property Management.

18 1.2 On July 17, 2014, OREA sent Gorge Rentals Property Management (GRPM) a
19 Mandatory Mail-In Clients' Trust Account Audit.

20 1.3 The audit requested reconciliation and supporting documents for GRPM clients'
21 trust account- security deposit (CTA-SD) ending in #0999 for the month of March 2014.

22 1.4 On August 15, 2014, OREA received GRPM's response to the audit with
23 supporting documentation. Review of the documentation by OREA compliance specialist,
24 Lindsey Nunes (Nunes) determined the account was not in balance and the records submitted
25 were incomplete.

26 1.5 Nunes worked with Macy Quintanilla (Quintanilla), an administrator at GRPM to
27 resolve the CTA-SD non-compliance issues. Nunes identified what appeared to be a shortage
28 of \$5829.42 in the account.

29 1.6 On October 27, 2014, OREA opened an investigation.

30 ///

1 1.7 On November 12, 2014, McCravey was interviewed, by OREA investigator Philip
2 Johnson (Johnson). Also present at the interview was Quintanilla, who was introduced as an
3 employee of GRPM as an administrator. Her duties included managing all facets of GRPM
4 property management activity, except for signing the property management agreements.
5 McCravey has been conducting property management activity since 2001, and Quintanilla has
6 been conducting property management duties since 2001.

7 1.8 McCravey said she did not have written policies and delegation of authority in
8 place that delegated the property management duties assigned to Quintanilla.

9 **Violation:** By failing to have written policies and a delegation of authority outlining the
10 duties and functions that would be performed by Quintanilla, McCravey violated OAR 863-025-
11 0015 (8-15-07, 11-15-07, 11-14-08, 6-15-10, 4-15-11, 9-1-11, 9-14-12, 4-1-13 and 5-15-14
12 Editions), which requires property managers to develop, maintain, and follow written policies
13 addressing any employees who are engaging in property management duties on behalf of the
14 property manager. Additionally, OAR 863-025-0015 requires property managers to have in
15 place, written delegations of authority, dated and signed, and kept with the written policies
16 addressing the following duties: (a) Negotiate and sign property management agreements
17 under OAR 863-025-0020(6); (b) Review and approve reconciliations and receive and disburse
18 funds; and (c) Review, approve and accept tenant rentals and lease agreements. For activity
19 occurring prior to August 15, 2007, McCravey violated OAR 863-025-0015 (2)(a),(b),(c),(d),
20 and (e) (11-15-02, 8-15-03, 2-13-04, 7-15-05 and 4-15-06 Editions), which states, each
21 property manager shall develop and maintain a written company policy. The written company
22 policy shall include: (a) Provisions regarding the duties and responsibilities of the property
23 managers, licensees of the property manager and any employees of the property manager; (b)
24 Any provisions regarding the written authorizations as allowed under OAR 863-025-0020 or
25 863-025-0045; (c) Procedures to ensure the protection and confidentiality of the owner's
26 financial information; (d) Provisions regarding the supervision of the property manager's
27 employees and contractors; (e) Provisions regarding the production and maintenance of all
28 reports, records and documents required under this subsection.

29 ///

30 ///

1 1.9 At the time of the interview with Johnson on November 12, 2014, GRPM was still
2 unable to produce the records required for the mail in clients' trust account audit. Quintanilla
3 said she was unaware that she was required to complete and have McCravey sign a Trust
4 Account Reconciliation for each month. McCravey was unaware of the requirements for a
5 three way reconciliation.

6 **Violation:** By failing to complete the required monthly reconciliation for the security
7 deposit account ending in #0999 with the required three components, McCravey violated OAR
8 863-025-0025(21) (11-14-08, 1-1-09, 6-15-10, 4-15-11, 9-14-12, 4-1-13, and 5-15-14 Editions),
9 which requires that within 30 calendar days of the date of the bank statement the property
10 manager must complete the required reconciliation made up of three components. For activity
11 prior to November 8, 2011, McCravey violated, OAR 863-025-0025(20) (11-15-07, 8-15-07
12 Editions). For activity prior to November 15, 2007, McCravey violated OAR 863-025-0025(6)
13 (11-15-02, 8-15-03, 7-15-05, 4-15-06 Editions), which states a property manager shall
14 reconcile all tenant security deposit client trust accounts at least once each month. The total of
15 the balances of the individual tenant security deposit liabilities shall equal the balance as
16 shown in the check register or record of receipts and disbursement and shall also equal the
17 reconciled bank balance of the security deposit client trust account. The property manager
18 must date and sign the reconciliation upon its' completion.

19 1.10 All of the above demonstrate incompetence in performing acts for which
20 McCravey is required to hold a license.

21 **Violation:** ORS 696.301(12) (2005, 2007, 2009, 2011 and 2013 Editions), which states
22 a licensee may be subject for discipline if they have demonstrated incompetence in performing
23 any act for which the licensee is required to hold a license. For activity prior to 2005, McCravey
24 violated ORS 696.301(28) (2001 and 2003 Editions), which states a licensee may be subject to
25 discipline if they have demonstrated incompetence or in performing any act for which the
26 licensee is required to hold a license.

27 1.11 Eventually, through working with their software program and Johnson, McCravey
28 and Quintanilla were able to balance the security deposit account and submit three-way
29 reconciliations for multiple months, along with supporting documentation showing the account
30 balanced and no money was missing.

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ORDER

IT IS HEREBY ORDERED, pursuant to ORS 696.301 and based on the violations above, that McCravey's principal broker license be, and hereby is, reprimanded.

IT IS FURTHER ORDERED that McCravey must complete the 27-hour Property Manager Advanced Practices course and provide documentation, such as a certificate of completion to OREA within four months from the date of this order.

IT IS SO STIPULATED:

IT IS SO ORDERED:

Denise McCrauey
DENISE MCCRAVEY

Gene Bentley
GENE BENTLEY
Real Estate Commissioner

Date 11/17/15

Date 11-23-15

DATE of service: 11-23-2015

1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
3

4 In the Matter of the Real Estate License of

5
6 JEAN MARIE RYCHLIK

7
8 } STIPULATED FINAL ORDER
9

10 The Oregon Real Estate Agency (OREA) and Jean Marie Rychlik (Rychlik) do hereby
11 agree and stipulate to the following:

12 FINDINGS OF FACT

13 &

14 CONCLUSIONS OF LAW

15 1.

16 1.1 Rychlik was licensed as a principal broker with Summa Real Estate Associates
17 from April 7, 2014 until March 3, 2015.

18 1.2 On August 21, 2014, OREA received an anonymous complaint alleging that
19 Thomas Rychlik and Rychlik took financial advantage of Robert Hoyt (Hoyt) by purchasing
20 Hoyt's property, 2345 NW Irving St., Portland, OR 97210 (subject property) at a substantially
21 reduced price.

22 1.3 The complaint stated the county valued the property at \$433,120, but Rychlik
23 purchased the home for \$250,000.

24 1.4 On October 24, 2014, OREA opened an investigation.

25 1.5 On September 5, 2014, the OREA received a written response to the complaint
26 from Rychlik. Rychlik stated, "We will be living in the property when the repairs are complete,
27 and hope that Robert will be a frequent visitor. The intention was never to buy, fix, and sell for
28 a quick buck, but to create a home where my son can continue school with the same school
29 district he has been attending. We will also be leaving some space for Robert to house some
30 of his books."

1 1.6 On November 25, 2014, OREA Investigator Jeremy Brooks (Brooks) met with
2 Rychlik to discuss the complaint and the investigation.

3 1.7 Rychlik explained to Brooks that she lived a few blocks away from the subject
4 property and had walked past it several times. She noticed the property was vacant and in
5 poor condition. She became interested in buying the home and went to the county assessor's
6 office to locate the owner. She found Hoyt owned the subject property along with several other
7 homes.

8 1.8 Rychlik began visiting each of Hoyt's properties until she found him. Brooks
9 asked Rychlik if she informed Hoyt she was a licensed real estate broker. Rychlik replied she
10 did. In Rychlik's written response to the complaint she wrote, "Upon meeting Robert, the first
11 words I spoke were, "I am a Realtor." I handed him my card and told him the purpose of my
12 visit."

13 1.9 Over time she developed a relationship with Hoyt. Hoyt initially asked \$200,000
14 for the property, but he and Rychlik agreed upon a final price of \$250,000.

15 1.10 To make the transaction as easy as possible for Hoyt, Rychlik told Hoyt she
16 would purchase the home "as-is" and free of conditions. This meant that Rychlik and her
17 husband, Thomas, per her written response, "covered all title and closing costs, did not ask for
18 any repairs or disclosures, and took the risk and responsibility for the oil tank
19 decommissioning, water in the basement, roof and all other systems."

20 1.11 The sales agreement for the subject property is a one page document, which lists
21 Hoyt as the seller and Rychlik and her husband as the buyer in the transaction. The sale price
22 of \$250,000, was to be paid in two installments. The sales agreement omits the following
23 required details: (1) Rychlik failed to identify herself as a licensed Oregon real estate broker;
24 (2) She failed to disclose if she was representing herself as the buyer or seller in the
25 transaction; and (3) The terms and conditions do not indicate whether the property transaction
26 would commence by way of deed or land sales contract.

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1 **Violation:** By failing to identify herself as a real estate licensee in the sales agreement
2 Rychlik violated OAR 863-015-0145(1) (5-15-14 Edition), which requires a licensee to disclose
3 to the other party to the offer or transaction that the licensee is a real estate licensee, and it
4 must appear in writing on at least the first written document of agreement concerning the offer
5 or transaction.

6 **Violation:** By failing to disclose if she was representing herself as the buyer or seller in
7 the transaction on the sales agreement, Rychlik violated OAR 863-015-0145(1) (5-15-14
8 Edition), which states the disclosure set forth on the agreement document must also state that
9 the real estate licensee is representing himself or herself as either the buyer or seller in the
10 transaction.

11 **Violation:** By failing to include terms in the sales agreement that specified how the
12 transaction would take place, Rychlik violated OAR 863-015-0135(5) (5-15-14 Edition) which
13 requires real estate licensees to include all of the terms and conditions of the real estate
14 transaction in the offer to purchase, or directly or by reference, in the counter-offer, including
15 but not limited to whether the transaction will be accomplished by way of deed or land sales
16 contract.

17 1.12 When Brooks met with Rychlik, he asked if she still planned to move into the
18 property. Rychlik replied she is, but the renovation expenses far exceed what she had
19 originally thought and were taking longer than expected. Rychlik provided a spreadsheet of
20 renovation bids and the repair costs she had incurred, which totaled \$456,807.53.

21 1.13 On December 2, 2014, Brooks met with Hoyt to discuss the transaction. Hoyt
22 said Rychlik asked him what he would take for the property. Hoyt told Rychlik the assessor
23 listed the property value at \$250,000, which Rychlik said was too little and offered to pay him
24 more. Hoyt refused. Hoyt stated, "There was no coercion on her part. She tried to offer
25 \$300,000."

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1 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to
2 judicial review of this matter.

3 I hereby agree and stipulate to the above findings of fact and conclusions of law and
4 understand that the order which follows hereafter may be completed and signed by the Real
5 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
6 amended notice of intent may be issued in this matter. I understand that, in accordance with
7 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
8 Estate News Journal.

9 ORDER

10 IT IS HEREBY ORDERED that Rychlik's principal broker license be, and hereby is,
11 reprimanded.

12
13 IT IS SO STIPULATED:

IT IS SO ORDERED:

14
15
16 Jean M. Rychlik
17 JEAN MARIE RYCHLIK

Gene Bentley
18 GENE BENTLEY

19 Date 10.7.15

Real Estate Commissioner
Date 11.9.15

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21 DATE of service: 11/9/2015
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1 REAL ESTATE AGENCY
2 BEFORE THE REAL ESTATE COMMISSIONER
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4
5 In the Matter of the Broker License of

6 STIPULATED FINAL ORDER

7 ANNE TRACEE REMMERS
8
9

10 The Oregon Real Estate Agency (OREA) and Anne Tracee Remmers (Remmers) do
11 hereby agree and stipulate to the following:

12 FINDINGS OF FACT

13 Remmers was licensed as broker with Emerald Coast Realty. Remmers' license
14 expired on August 1, 2014 and was not renewed until February 8, 2015. From August 1, 2014,
15 to November 12, 2014, 104 days, Remmers continued conducting professional real estate
16 activity as if actively licensed.

17 CONCLUSION OF LAW

18 By conducting professional real estate activity over the course of 104 days after
19 Remmers' license expired and before renewing it, Remmers violated ORS 696.020(2) and is
20 subject to discipline or civil penalty pursuant to ORS 696.990(4) and (9).

21 STIPULATION & WAIVER

22 I have read and reviewed the above findings of fact and conclusions of law which have
23 been submitted to me by OREA and further, the order which follows hereafter. I understand
24 that the findings of fact, conclusions of law and this stipulation and waiver embody the full and
25 complete agreement and stipulation between OREA and me. I further understand that if I do
26 not agree with this stipulation I have the right to request a hearing on this matter and to be
27 represented by legal counsel at such a hearing. Hearings are conducted in accordance with
28 the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and
29 Procedure adopted by the Attorney General of the State of Oregon. I freely and voluntarily
30 waive my rights to a hearing, to representation by legal counsel at such a hearing, and to

1 judicial review of this matter.

2 I hereby agree and stipulate to the above findings of fact and conclusions of law and
3 understand that the order which follows hereafter may be completed and signed by the Real
4 Estate Commissioner or may be rejected by the Real Estate Commissioner, in which case an
5 amended notice of intent may be issued in this matter. I understand that, in accordance with
6 the provisions of ORS 696.445(3), notice of this order shall be published in the Oregon Real
7 Estate News Journal.

8 ORDER

9 IT IS HEREBY ORDERED that pursuant to ORS 696.990(1) to (9) and based upon the
10 violation set forth above, Remmers pay a civil penalty in the sum of \$1,100.00, said penalty to
11 be paid to the General Fund of the State Treasury by paying the same to the OREA. The civil
12 penalty is computed in accordance with ORS 696.990(4) and (9) in that each 30-day period of
13 unlicensed activity is considered one violation. In this instance, there were three 30-day
14 periods of unlicensed activity.

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16 IT IS SO STIPULATED:

IT IS SO ORDERED:

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19 ANNE TRACEE REMMERS

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21
22 Date 10/1/15

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19 GENE BENTLEY

20 Real Estate Commissioner

21 Date 10-2-15

22
23
24 DATE of service: 10-2-2015

**REAL ESTATE BOARD
REGULATION DIVISION REPORT
December 7, 2015**

Regulation Division Manager: Selina Barnes
Compliance Specialist 3 (Compliance Coordinator): Deanna Hewitt
Financial Investigators (Investigator-Auditor): Peter Bale, Jeremy Brooks, Aaron Grimes,
Frances Hlawatsch, Philip Johnson, Meghan Lewis, Rob Pierce
Compliance Specialist 2: Carolyn Kalb
Compliance Specialists 1: Denise Lewis, Lindsey Nunes, Danette Rozell
Administrative Specialist: Vacant

Division Overview

The Regulation Division receives complaints and determines validity and assignment for investigation. Investigators gather facts (from interviews and documents), prepare a detailed written report and submit to the Manager for review. The Manager determines whether the evidence supports charging a person with a violation of Agency statutes or administrative rules, as well the appropriate resolution. The Manager conducts settlement conferences to resolve cases without a contested case hearing. If a hearing is requested, the investigator works with the Assistant Attorney General in preparing for and presenting the case at hearing.

The Compliance Specialists are responsible for conducting: mail-in audits of licensee's clients' trust accounts (CTA), continuing education (CE) audit investigations, expired activity investigations, background checks and self-administered compliance reviews. They also respond to inquiries regarding regulations and filing complaints from the public, licensees, and other governmental agencies.

Workload and Activity Indicators

The Regulation Division will have held two full day off-site conferences (November 3rd and December 1st) exploring issues/ideas related to clients' trust accounts and division processes.

Selina Barnes will be presenting the training "Tips for Staying Out of Trouble with the Agency" (the revised "Dos & Don'ts") following the board meeting.

Selina will also be making a presentation at the Oregon Land Title Association Annual Seminar on March 12, 2016.

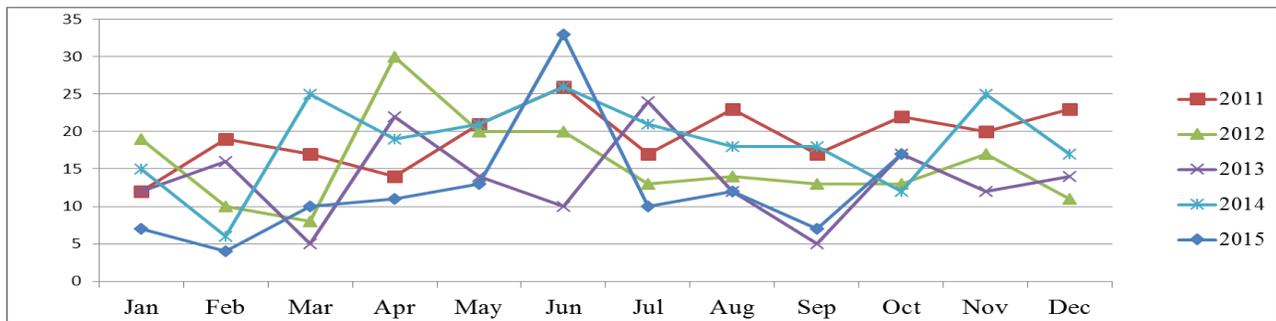
For information on investigations resulting in administrative actions, please review the "Administrative Actions Summary" section of the Board packet.

**REAL ESTATE BOARD
LAND DEVELOPMENT DIVISION
December 7th, 2015**

Division Manager: Michael Hanifin

Section Overview: The Land Development Division reviews filings made with the agency related to condominiums, timeshares, subdivisions, manufactured home subdivisions, and membership campgrounds. The section reviews the foundational documents creating these properties, as well as later amendments to those documents, to verify compliance with statutory requirements. We also issue the Disclosure Statement (sometimes referred to as a Public Report) required for sales of these interests to Oregonians. The Disclosure Statement protects consumer expectations, as it summarizes key information about the interest for sale. (Using a car lot as an analogy, the Disclosure Statement is a combination of both the window sticker and the owner's manual.)

Workload and Activity Indicators:



Current Projects:

Design of website section related to Land Development.

Rulemaking Update:

On October 6th, 2015 this office met with stakeholder representatives to present the proposed rule and answer questions. The response was favorable, in that there were no objections. One person suggested a stepped-in fee increase, under the assumption that we had not already calculated operation costs, but this issue was answered (we performed the calculations prior to beginning work on the rule change).

On October 15th, 2015, a notice letter was sent out by the agency to everyone who filed for a condominium-related approval in the last 5 years. Public comment commenced on October 15th.

Notice of Rulemaking regarding the section fee increase was filed with the Secretary of State's office in the last week of October. Notice was then published November 1st in the November edition of the Oregon Bulletin. The hearing will be held at the Real Estate Agency on December 21st, 2015. The final date for comment is also the 21st of December.

**REAL ESTATE BOARD
BUSINESS AND LICENSING SERVICES DIVISION REPORT
December 7, 2015**

Manager: Dean Owens
Accountant: Caty Karayel
Systems Administrator: Tiffani Miller
Efficiency Specialist: Anna Higley
Program Analyst: Madeline Alvarado
Licensing Specialists: Tami Schemmel and Ruslan Putintsev
Receptionist: Sue Davenport

Section Overview

The Business and Licensing Services Division acts as support to the Agency. This division manages budget/allotment preparation, accounting, purchasing and contracting, inventory control, facilities, payroll, special projects, Information Technology (IT), and licensing services.

Licensing services include assisting real estate brokers, principal brokers, property managers and escrow agencies as they manage their licenses using eLicense, assisting customers as they process registered business names and branch office registrations in eLicense, registering membership campground contract brokers, completing license applicant criminal background check investigations, processing escrow licensing and security/bonding files, maintaining all licensing history records, electronic processing of fees, and providing general reception services. Please see related statistics on the following page.

2015 Budget Update

Personal Services: No estimated remaining limitation;

- The Agency's Information Systems Specialist 3 position is eliminated in the 2015 budget.
- Services & Supplies: Remaining limitation of \$488,651.
- Agency Budget – total savings of \$468,318 of our limitation.

Revenue: The final revenue for the 13-15 biennium is **\$5.67 million**. The Agency began the biennium with a balance of **\$1.9 million** (cash reserves). Five months of operating expenses would total approximately \$1.2 million. The Agency has ended the biennium with a \$1.0 million ending balance.

LICENSING STATISTICS – TOTAL LICENSES			
Individuals (Persons)	Sep	Oct	Nov
Broker - Total	12,770	12,835	12,872
Active	11,220	11,287	11,320
Inactive	1,550	1,548	1,552
Principal Broker - Total	6,391	6,401	6,400
Active	5,998	6,005	6,004
Inactive	393	396	396
ALL BROKERS Total	19,161	19,236	19,272
Active	17,218	17,292	17,324
Inactive	1,943	1,944	1,948
Property Manager - Total	845	853	847
Active	781	787	784
Inactive	64	66	63
MCC Salesperson	91	91	92
MCC Broker	2	2	2
TOTAL INDIVIDUALS	20,099	20,182	20,213
Active	18,092	18,172	18,202
Inactive	2,007	2,010	2,011
Facilities (Companies)			
REMO	4	4	4
Registered Business Name (RBN)	3,282	3,281	3,274
Registered Branch Office (RBO)	701	702	708
Escrow Organization	49	50	50
Escrow Branch	150	150	150
PBLN	712	705	705
PMLN	153	154	154
CEP	315	320	324
MCC Operator	25	25	25
TOTAL FACILITIES	5,391	5,391	5,394
TOTAL INDIVIDUALS & FACILITIES	25,490	25,573	25,607

NEW LICENSES			
Individuals (Persons)	Sep-15	Oct-15	Nov-15
Broker	145	137	120
Principal Broker	8	5	6
TOTAL BROKERS	153	142	126
Property Manager	10	16	9
MCC Salesperson			1
MCC Broker			
TOTAL INDIVIDUALS	163	158	136
Facilities (Companies)			
REMO			
Registered Business Name	32	18	12
Registered Branch Office	4	4	8
PBLN	6	4	6
PMLN	1	3	
Escrow Organization		1	
Escrow Branch			
MCC Operator			
TOTAL FACILITIES	43	30	26
TOTAL INDIVIDUALS & FACILITIES	206	188	162
CEP	1	7	3

Real Estate Agency

2015-17 Budget - Biennium to Date Through June 30th 2017

<i>Budget Codes</i>		<u>Legislative Approved Budget</u>	<u>Expenditures for Biennium (current)</u>	<u>Expected Remaining Limitation at end of Biennium</u>
	Total Personal Services	5,363,015	5,343,439	19,576
4100 & 4125	In-State Travel & Out-of-State Travel	101,946	88,970	12,976
4150	Employee Training (OS Lodging)	34,368	26,799	7,569
4375	Employee Recruitment	7,198	1,000	6,198
4175	Office Expenses	109,191	53,513	55,678
4400	Dues & Subscriptions	8,895	3,867	5,028
4700	Expendable Property \$250-\$5000	27,079	98,376	(71,297)
4650	Other Services & Supplies	161,805	105,947	55,858
4275	Publicity & Publications	53,398	1,497	51,901
4200	Telecom/Tech Services & Support	27,988	50,538	(22,550)
4250	Data Processing	39,632	96,155	(56,523)
4300 & 4315	Professional Services & IT Professional Services	146,813	323,407	(176,594)
4715	IT Expendable Property	76,404	101,584	(25,180)
4225	State Government Services	167,847	178,654	(10,807)
4325	Attorney General Legal Fees	232,178	185,450	46,729
4425	Facilities Rent & Taxes	296,982	76,396	220,586
4475	Facilities Maintenance	4,199	0	4,199
4575	Agency Program Related S&S	38,376	1,617	36,759
	Total Services & Supplies and Capital Outlay	1,534,299	1,393,768	140,531
	Totals	6,897,314	6,737,207	160,107

**REAL ESTATE BOARD
EDUCATION DIVISION REPORT
December 8, 2015**

Manager: Deputy Commissioner

Division Overview

This division carries out the Agency's mission by providing for the advancement of education and research in connection with the educational requirements for the securing of licenses for real estate licensees. The division does this by approving pre-license and post-license courses, certifying continuing education providers, developing and maintaining exams and test items, developing informational publications and providing customer services via phone and electronic mail.

Workload and Activity Indicators

	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>
<u>Exams Administered</u>			
ALL LICENSING EXAMS Total	367	383	327
Broker	303	321	249
Property Manager	26	22	28
Principal Broker	38	40	50

Pass Rates

PSI, the Agency's examination provider, implemented the following new examinations on January 1, 2013:

- Broker State: 50 items, Broker National: 80 items
- Principal Broker State: 50 items, Principal Broker National: 80 items
- Property Manager: 130 items

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2015</u>	<u>2015</u>	<u>2015</u>	<u>2015</u>
<u>First Time Pass Rate Percentage</u>				<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>
Broker State	76	65	72	69	71	74	77	71
Broker National	78	77	78	79	85	82	82	82
Principal Broker (pre 1/1/13)	81	n/a						
Principal Broker State (post 1/1/13)	n/a	46	61	62	68	59	71	67
Principal Broker National(post 1/1/13)	n/a	86	86	66	84	71	83	77
Property Manager	72	55	61	55	65	67	50	50
	<u>2015</u>							
	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	
Broker State	66	68	67	69	64	67		
Broker National	81	82	71	72	72	79		
Principal Broker (pre 1/1/13)	n/a							
Principal Broker State (post 1/1/13)	37	65	69	63	67	55		
Principal Broker National(post 1/1/13)	67	82	85	89	85	70		
Property Manager	60	56	63	76	58	54		

*Pass rate statistics include exam candidates from all schools. Exam candidates may have completed the course prior to the new course requirements effective January 1, 2013.