

SENATE AMENDMENTS TO RESOLVE CONFLICTS TO A-ENGROSSED HOUSE BILL 3137

By COMMITTEE ON HOUSING AND DEVELOPMENT

May 21

1 On page 1 of the printed A-engrossed bill, line 2, delete “and”.

2 In line 4, after “696.290,” insert “696.294,”.

3 In line 5, after “696.990” insert “; and repealing sections 14 and 18, chapter ___, Oregon Laws
4 2025 (Enrolled House Bill 2373)”.

5 On page 4, after line 21, insert:

6 “**SECTION 1a. If House Bill 2373 becomes law, section 1 of this 2025 Act (amending ORS
7 696.010) is repealed and ORS 696.010, as amended by section 1, chapter ___, Oregon Laws 2025
8 (Enrolled House Bill 2373), is amended to read:**

9 “696.010. As used in ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870, 696.990 and
10 696.995 **and sections 13 and 20 of this 2025 Act**, unless the context requires otherwise:

11 “(1) ‘Associated with’ means to be employed, engaged or otherwise supervised by, with respect
12 to the relationship between:

13 “(a) A real estate broker and a [*principal real estate broker*] **managing principal broker;**

14 “(b) A licensed real estate property manager and a [*principal real estate broker*] **managing
15 principal broker;** or

16 “(c) A licensed real estate property manager and another licensed real estate property manager.

17 “(2) ‘Bank’ includes any bank or trust company, savings bank, mutual savings bank, savings and
18 loan association or credit union that maintains a head office or a branch in this state in the capacity
19 of a bank or trust company, savings bank, mutual savings bank, savings and loan association or
20 credit union.

21 “(3)(a) ‘Branch office’ means a business location, other than the main office designated under
22 ORS 696.200, where professional real estate activity is regularly conducted or that is advertised to
23 the public as a place where professional real estate activity may be regularly conducted.

24 “(b) Model units or temporary structures used solely for the dissemination of information and
25 distribution of lawfully required public reports shall not be considered branch offices. A model unit
26 means a permanent residential structure located in a subdivision or development used for such dis-
27 semination and distribution, so long as the unit is at all times available for sale, lease, lease option
28 or exchange.

29 “(4) ‘Business day’ means a day other than Saturday or Sunday or a federal or State of Oregon
30 legal holiday.

31 “(5) ‘Commingle’ means the mixing of funds from any source, including personal funds, with trust
32 funds as defined in ORS 696.241, by a licensed real estate property manager or [*principal real estate
33 broker*] **managing principal broker**, except as specifically authorized by this chapter.

34 “(6) ‘Compensation’ means valuable consideration for services rendered or to be rendered,
35 whether contingent or otherwise.

1 “(7) ‘Competitive market analysis’ means a method or process used by a real estate licensee in
2 pursuing a listing agreement or in formulating an offer to acquire real estate in a transaction for
3 the sale, lease, lease-option or exchange of real estate. The objective of competitive market analysis
4 is a recommended listing, selling or purchase price or a lease or rental consideration. A competitive
5 market analysis may be expressed as an opinion of the value of the real estate in a contemplated
6 transaction. Competitive market analysis may include but is not limited to an analysis of market
7 conditions, public records, past transactions and current listings of real estate.

8 “(8) ‘Expired’ means, in the context of a real estate licensee, that the license has not been re-
9 newed in a timely manner, but may still be renewed.

10 “(9) ‘Inactive’ means, in the context of a real estate licensee, that the licensee is not authorized
11 to engage in professional real estate activity. The inactive status of a license continues until the
12 license is reactivated or the license expires or lapses.

13 “(10) ‘Lapsed’ means, in the context of a real estate licensee, that the license has not been re-
14 newed in a timely manner and is not eligible for renewal.

15 “(11) ‘Letter opinion’ has the meaning given that term in ORS 696.294.

16 “(12) ‘Licensed real estate property manager’ means an individual who holds an active real es-
17 tate property manager’s license issued under ORS 696.022.

18 “(13) ‘Main office’ means the office designated by a [*principal real estate broker*] **managing**
19 **principal broker** or licensed real estate property manager pursuant to ORS 696.200.

20 “(14) ‘Management of rental real estate’ means:

21 “(a) Representing the owner of real estate under a property management agreement in the rental
22 or lease of the real estate and includes but is not limited to:

23 “(A) Advertising the real estate for rent or lease;

24 “(B) Procuring prospective tenants to rent or lease the real estate;

25 “(C) Negotiating with prospective tenants;

26 “(D) Accepting deposits from prospective tenants;

27 “(E) Checking the qualifications and creditworthiness of prospective tenants;

28 “(F) Charging and collecting rent or lease payments;

29 “(G) Representing the owner in inspection or repair of the real estate;

30 “(H) Contracting for repair or remodeling of the real estate;

31 “(I) Holding trust funds or property received in managing the real estate and accounting to the
32 owner for the funds or property;

33 “(J) Advising the owner regarding renting or leasing the real estate;

34 “(K) Providing staff and services to accommodate the tax reporting and other financial or ac-
35 counting needs of the real estate;

36 “(L) Providing copies of records of acts performed on behalf of the owner of the real estate; and

37 “(M) Offering or attempting to do any of the acts described in this paragraph for the owner of
38 the real estate; or

39 “(b) Representing a tenant or prospective tenant when renting or leasing real estate for which
40 a real estate property manager has a property management agreement with the owner of the real
41 estate and includes but is not limited to:

42 “(A) Consulting with tenants or prospective tenants about renting or leasing real estate;

43 “(B) Assisting prospective tenants in renting or leasing real estate;

44 “(C) Assisting prospective tenants in qualifying for renting or leasing real estate;

45 “(D) Accepting deposits or other funds from prospective tenants for renting or leasing real es-

1 tate and holding the funds in trust for the prospective tenants;

2 “(E) Representing tenants or prospective tenants renting or leasing real estate; and

3 “(F) Offering or attempting to do any of the acts described in this paragraph for a tenant or
4 prospective tenant.

5 **“(15) ‘Managing principal broker’ means an individual who is a principal real estate bro-
6 ker and who has registered or assumed responsibility for a business name under this chap-
7 ter.**

8 “[(15)] (16) ‘Nonlicensed individual’ means an individual:

9 “(a) Who has not obtained a real estate license; or

10 “(b) Whose real estate license is lapsed, expired, inactive, suspended, surrendered or revoked.

11 “[(16)] (17) ‘Principal real estate broker’ means an individual who holds an active license as a
12 principal real estate broker issued under ORS 696.022.

13 “[(17)] (18) ‘Professional real estate activity’ means any of the following actions, when engaged
14 in for another and for compensation or with the intention or in the expectation or upon the promise
15 of receiving or collecting compensation, by any person who:

16 “(a) Sells, exchanges, purchases, rents or leases real estate;

17 “(b) Offers to sell, exchange, purchase, rent or lease real estate;

18 “(c) Negotiates, offers, attempts or agrees to negotiate the sale, exchange, purchase, rental or
19 leasing of real estate;

20 “(d) Lists, offers, attempts or agrees to list real estate for sale;

21 “(e) Offers, attempts or agrees to perform or provide a competitive market analysis or letter
22 opinion, to represent a taxpayer under ORS 305.239 or 309.100 or to give an opinion in any admin-
23 istrative or judicial proceeding regarding the value of real estate for taxation, except when the ac-
24 tivity is performed by a state certified appraiser or state licensed appraiser;

25 “(f) Auctions, offers, attempts or agrees to auction real estate;

26 “(g) Buys, sells, offers to buy or sell or otherwise deals in options on real estate;

27 “(h) Engages in management of rental real estate;

28 “(i) Purports to be engaged in the business of buying, selling, exchanging, renting or leasing real
29 estate;

30 “(j) Assists or directs in the procuring of prospects, calculated to result in the sale, exchange,
31 leasing or rental of real estate;

32 “(k) Assists or directs in the negotiation or closing of any transaction calculated or intended to
33 result in the sale, exchange, leasing or rental of real estate;

34 “(L) Except as otherwise provided in ORS 696.030 (12), advises, counsels, consults or analyzes
35 in connection with real estate values, sales or dispositions, including dispositions through eminent
36 domain procedures;

37 “(m) Advises, counsels, consults or analyzes in connection with the acquisition or sale of real
38 estate by an entity if the purpose of the entity is investment in real estate; or

39 “(n) Performs real estate marketing activity as described in ORS 696.600.

40 “[(18)] (19) ‘Property management agreement’ means a written contract for the management of
41 rental real estate between a real estate property manager and the owner of the rental real estate.

42 “[(19)] (20) ‘Real estate’ includes leaseholds and licenses to use including, but not limited to,
43 timeshare estates and timeshare licenses as defined in ORS 94.803, as well as any and every interest
44 or estate in real property, whether corporeal or incorporeal, whether freehold or nonfreehold,
45 whether held separately or in common with others and whether the real property is situated in this

1 state or elsewhere.

2 “[(20)] (21) ‘Real estate broker’ means an individual who holds an active license as a real estate
3 broker issued under ORS 696.022.

4 “[(21)] (22) ‘Real estate licensee’ means an individual who holds an active license or an active
5 limited license as a real estate broker, principal real estate broker, licensed real estate property
6 manager or timeshare sales agent.

7 “[(22)] (23) ‘Real estate property manager’ means a real estate licensee who engages in the
8 management of rental real estate and is:

9 “(a) A licensed real estate property manager[.];

10 “(b) **A managing principal broker; or**

11 “(c) A principal real estate broker or a real estate broker who is associated with and supervised
12 by a [*principal real estate broker*] **managing principal broker.**

13 “[(23)] (24) ‘Registered business name’ means a name registered with the Real Estate Agency
14 under which the individual registering the name engages in professional real estate activity.

15 “[(24)] (25) ‘Timeshare’ has the meaning given that term in ORS 94.803.

16 “[(25)] (26) ‘Timeshare sales agent’ means an individual who holds an active license as a
17 timeshare sales agent issued under ORS 696.022 and is not a real estate broker [*or*], principal real
18 estate broker **or managing principal broker.”.**

19 On page 7, after line 19, insert:

20 “**SECTION 2a. If House Bill 2373 becomes law, section 2 of this 2025 Act (amending ORS**
21 **696.010) is repealed and ORS 696.010, as amended by section 10, chapter 3, Oregon Laws 2024,**
22 **and section 2, chapter __, Oregon Laws 2025 (Enrolled House Bill 2373), is amended to read:**

23 “696.010. As used in ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870, 696.990 and
24 696.995 and sections 1 to 9, chapter 3, Oregon Laws 2024, **and sections 13 and 20 of this 2025 Act,**
25 unless the context requires otherwise:

26 “(1) ‘Associated with’ means to be employed, engaged or otherwise supervised by, with respect
27 to the relationship between:

28 “(a) A real estate broker and a [*principal real estate broker*] **managing principal broker;**

29 “(b) A licensed real estate property manager and a [*principal real estate broker*] **managing**
30 **principal broker; or**

31 “(c) A licensed real estate property manager and another licensed real estate property manager.

32 “(2) ‘Bank’ includes any bank or trust company, savings bank, mutual savings bank, savings and
33 loan association or credit union that maintains a head office or a branch in this state in the capacity
34 of a bank or trust company, savings bank, mutual savings bank, savings and loan association or
35 credit union.

36 “(3)(a) ‘Branch office’ means a business location, other than the main office designated under
37 ORS 696.200, where professional real estate activity is regularly conducted or that is advertised to
38 the public as a place where professional real estate activity may be regularly conducted.

39 “(b) Model units or temporary structures used solely for the dissemination of information and
40 distribution of lawfully required public reports shall not be considered branch offices. A model unit
41 means a permanent residential structure located in a subdivision or development used for such dis-
42 semination and distribution, so long as the unit is at all times available for sale, lease, lease option
43 or exchange.

44 “(4) ‘Business day’ means a day other than Saturday or Sunday or a federal or State of Oregon
45 legal holiday.

1 “(5) ‘Commingle’ means the mixing of funds from any source, including personal funds, with trust
2 funds as defined in ORS 696.241, by a licensed real estate property manager or [*principal real estate*
3 *broker*] **managing principal broker**, except as specifically authorized by this chapter.

4 “(6) ‘Compensation’ means valuable consideration for services rendered or to be rendered,
5 whether contingent or otherwise.

6 “(7) ‘Competitive market analysis’ means a method or process used by a real estate licensee in
7 pursuing a listing agreement or in formulating an offer to acquire real estate in a transaction for
8 the sale, lease, lease-option or exchange of real estate. The objective of competitive market analysis
9 is a recommended listing, selling or purchase price or a lease or rental consideration. A competitive
10 market analysis may be expressed as an opinion of the value of the real estate in a contemplated
11 transaction. Competitive market analysis may include but is not limited to an analysis of market
12 conditions, public records, past transactions and current listings of real estate.

13 “(8) ‘Expired’ means, in the context of a real estate licensee, that the license has not been re-
14 newed in a timely manner, but may still be renewed.

15 “(9) ‘Inactive’ means, in the context of a real estate licensee, that the licensee is not authorized
16 to engage in professional real estate activity. The inactive status of a license continues until the
17 license is reactivated or the license expires or lapses.

18 “(10) ‘Lapsed’ means, in the context of a real estate licensee, that the license has not been re-
19 newed in a timely manner and is not eligible for renewal.

20 “(11) ‘Letter opinion’ has the meaning given that term in ORS 696.294.

21 “(12) ‘Licensed real estate property manager’ means an individual who holds an active real es-
22 tate property manager’s license issued under ORS 696.022.

23 “(13) ‘Main office’ means the office designated by a [*principal real estate broker*] **managing**
24 **principal broker** or licensed real estate property manager pursuant to ORS 696.200.

25 “(14) ‘Management of rental real estate’ means:

26 “(a) Representing the owner of real estate under a property management agreement in the rental
27 or lease of the real estate and includes but is not limited to:

28 “(A) Advertising the real estate for rent or lease;

29 “(B) Procuring prospective tenants to rent or lease the real estate;

30 “(C) Negotiating with prospective tenants;

31 “(D) Accepting deposits from prospective tenants;

32 “(E) Checking the qualifications and creditworthiness of prospective tenants;

33 “(F) Charging and collecting rent or lease payments;

34 “(G) Representing the owner in inspection or repair of the real estate;

35 “(H) Contracting for repair or remodeling of the real estate;

36 “(I) Holding trust funds or property received in managing the real estate and accounting to the
37 owner for the funds or property;

38 “(J) Advising the owner regarding renting or leasing the real estate;

39 “(K) Providing staff and services to accommodate the tax reporting and other financial or ac-
40 counting needs of the real estate;

41 “(L) Providing copies of records of acts performed on behalf of the owner of the real estate; and

42 “(M) Offering or attempting to do any of the acts described in this paragraph for the owner of
43 the real estate; or

44 “(b) Representing a tenant or prospective tenant when renting or leasing real estate for which
45 a real estate property manager has a property management agreement with the owner of the real

1 estate and includes but is not limited to:

2 “(A) Consulting with tenants or prospective tenants about renting or leasing real estate;

3 “(B) Assisting prospective tenants in renting or leasing real estate;

4 “(C) Assisting prospective tenants in qualifying for renting or leasing real estate;

5 “(D) Accepting deposits or other funds from prospective tenants for renting or leasing real es-
6 tate and holding the funds in trust for the prospective tenants;

7 “(E) Representing tenants or prospective tenants renting or leasing real estate; and

8 “(F) Offering or attempting to do any of the acts described in this paragraph for a tenant or
9 prospective tenant.

10 **“(15) ‘Managing principal broker’ means an individual who is a principal real estate bro-**
11 **ker and who has registered or assumed responsibility for a business name under this chap-**
12 **ter.**

13 “[15] (16) ‘Nonlicensed individual’ means an individual:

14 “(a) Who has not obtained a real estate license; or

15 “(b) Whose real estate license is lapsed, expired, inactive, suspended, surrendered or revoked.

16 “[16] (17) ‘Principal real estate broker’ means an individual who holds an active license as a
17 principal real estate broker issued under ORS 696.022.

18 “[17] (18) ‘Professional real estate activity’ means any of the following actions, when engaged
19 in for another and for compensation or with the intention or in the expectation or upon the promise
20 of receiving or collecting compensation, by any person who:

21 “(a) Sells, exchanges, purchases, rents or leases real estate;

22 “(b) Offers to sell, exchange, purchase, rent or lease real estate;

23 “(c) Negotiates, offers, attempts or agrees to negotiate the sale, exchange, purchase, rental or
24 leasing of real estate;

25 “(d) Lists, offers, attempts or agrees to list real estate for sale;

26 “(e) Offers, attempts or agrees to perform or provide a competitive market analysis or letter
27 opinion, to represent a taxpayer under ORS 305.239 or 309.100 or to give an opinion in any admin-
28 istrative or judicial proceeding regarding the value of real estate for taxation, except when the ac-
29 tivity is performed by a state certified appraiser or state licensed appraiser;

30 “(f) Auctions, offers, attempts or agrees to auction real estate;

31 “(g) Buys, sells, offers to buy or sell or otherwise deals in options on real estate;

32 “(h) Engages in management of rental real estate;

33 “(i) Purports to be engaged in the business of buying, selling, exchanging, renting or leasing real
34 estate;

35 “(j) Assists or directs in the procuring of prospects, calculated to result in the sale, exchange,
36 leasing or rental of real estate;

37 “(k) Assists or directs in the negotiation or closing of any transaction calculated or intended to
38 result in the sale, exchange, leasing or rental of real estate;

39 “(L) Except as otherwise provided in ORS 696.030 (12), advises, counsels, consults or analyzes
40 in connection with real estate values, sales or dispositions, including dispositions through eminent
41 domain procedures;

42 “(m) Advises, counsels, consults or analyzes in connection with the acquisition or sale of real
43 estate by an entity if the purpose of the entity is investment in real estate; or

44 “(n) Performs real estate marketing activity as described in ORS 696.600.

45 “[18] (19) ‘Property management agreement’ means a written contract for the management of

1 rental real estate between a real estate property manager and the owner of the rental real estate.

2 “[(19)] (20) ‘Real estate’ includes leaseholds and licenses to use including, but not limited to,
3 timeshare estates and timeshare licenses as defined in ORS 94.803, as well as any and every interest
4 or estate in real property, whether corporeal or incorporeal, whether freehold or nonfreehold,
5 whether held separately or in common with others and whether the real property is situated in this
6 state or elsewhere.

7 “[(20)] (21) ‘Real estate broker’ means an individual who holds an active license as a real estate
8 broker issued under ORS 696.022.

9 “[(21)] (22) ‘Real estate licensee’ means an individual who holds an active license or an active
10 limited license as a real estate broker, principal real estate broker, licensed real estate property
11 manager or timeshare sales agent.

12 “[(22)] (23) ‘Real estate property manager’ means a real estate licensee who engages in the
13 management of rental real estate and is:

14 “(a) A licensed real estate property manager[.];

15 “(b) **A managing principal broker; or**

16 “(c) A principal real estate broker or a real estate broker who is associated with and supervised
17 by a [principal real estate broker] **managing principal broker.**

18 “[(23)] (24) ‘Registered business name’ means a name registered with the Real Estate Agency
19 under which the individual registering the name engages in professional real estate activity.

20 “[(24)] (25) ‘Timeshare’ has the meaning given that term in ORS 94.803.

21 “[(25)] (26) ‘Timeshare sales agent’ means an individual who holds an active license as a
22 timeshare sales agent issued under ORS 696.022 and is not a real estate broker [or], principal real
23 estate broker **or managing principal broker.**”.

24 After line 37, insert:

25 “**SECTION 3a. If House Bill 2373 becomes law, section 3 of this 2025 Act (amending ORS**
26 **696.020) is repealed and ORS 696.020, as amended by section 3, chapter __, Oregon Laws 2025**
27 **(Enrolled House Bill 2373), is amended to read:**

28 “696.020. (1) The Real Estate Agency may issue a real estate license only to an individual.

29 “(2) An individual may not engage in, carry on, advertise or purport to engage in or carry on
30 professional real estate activity, or act in the capacity of a real estate licensee, within this state
31 unless the individual holds an active license as provided for in this chapter.

32 “(3) Real estate brokers, **managing principal brokers** and principal real estate brokers are
33 bound by and subject to the requirements of ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to
34 696.870, 696.990 and 696.995 while:

35 “(a) Engaging in professional real estate activity; or

36 “(b) Acting on the licensee’s own behalf in the sale, exchange, lease option or purchase of real
37 estate or in the offer or negotiations for the sale, exchange, lease option or purchase of real estate.

38 “(4) A real estate broker, **managing principal broker**, principal real estate broker or licensed
39 real estate property manager is bound by and subject to the requirements of ORS 696.010 to 696.495,
40 696.600 to 696.785, 696.890, 696.990 and 696.995 while engaging in the management of rental real
41 estate.

42 “(5) A timeshare sales agent is bound by and subject to the requirements of ORS 696.010 to
43 696.495, 696.600 to 696.785, 696.800 to 696.870, 696.990 and 696.995 while selling or offering to sell
44 timeshares.

45 “(6) The agency by rule may establish provisions for a nonlicensed individual whose license is

1 inactive or suspended and who acts on the licensee's own behalf in the sale, exchange, lease option
2 or purchase of real estate or in the offer or negotiations for the sale, exchange, lease option or
3 purchase of real estate.”.

4 On page 9, after line 41, insert:

5 “**SECTION 4a. If House Bill 2373 becomes law, section 4 of this 2025 Act (amending ORS**
6 **696.022) is repealed and ORS 696.022, as amended by section 4, chapter __, Oregon Laws 2025**
7 **(Enrolled House Bill 2373), is amended to read:**

8 “696.022. (1) The Real Estate Agency shall establish by rule a system for licensing real estate
9 brokers, principal real estate brokers, licensed real estate property managers and timeshare sales
10 agents. The system shall establish, at a minimum:

11 “(a) The form and content of applications for licensing under each category of real estate pro-
12 fessional licensed by the agency;

13 “(b) A licensing examination for each category of license;

14 “(c) Schedules and procedures for issuing and renewing licenses, including limited licenses under
15 ORS 696.125; and

16 “(d) The term of a license in each category.

17 “(2)(a) A real estate broker may engage in professional real estate activity only if the broker is
18 associated with [*and supervised by a principal real estate broker*] **a managing principal broker and**
19 **supervised by the same managing principal broker.** Except as provided in paragraph (c) of this
20 subsection, a real estate broker may not employ, engage or supervise the professional real estate
21 activity of another real estate licensee.

22 “(b) For an applicant to qualify for a real estate broker's license, the Real Estate Commissioner
23 must receive:

24 “(A) Certification by the applicant that the applicant has a high school diploma or a certificate
25 for passing an approved high school equivalency test such as the General Educational Development
26 (GED) test or the international equivalent, or other equivalent education acceptable to the com-
27 missioner;

28 “(B) Proof that the applicant:

29 “(i) Has successfully completed the basic real estate broker's educational courses required by
30 the agency by rule; and

31 “(ii) Has passed the real estate broker's examination required by the agency by rule; and

32 “(C) Certification that the applicant is at least 18 years of age.

33 “(c) A real estate broker who has acquired three years of active experience as a real estate
34 broker may supervise for up to 90 days the professional real estate activity of another real estate
35 licensee due to unforeseen circumstances or the temporary absence of a sole [*principal real estate*
36 *broker*] **managing principal broker**, as provided by the agency by rule.

37 “[*(3)(a) A principal real estate broker may engage in professional real estate activity.*]

38 “**(3)(a) A principal real estate broker may engage in professional real estate activity when**
39 **the principal real estate broker is a managing principal broker or is associated with a man-**
40 **aging principal broker and is supervised by the same managing principal broker.**

41 “(b) A principal real estate broker may conduct professional real estate activity in conjunction
42 with other real estate brokers, principal real estate brokers or licensed real estate property man-
43 agers. A principal real estate broker may employ, engage or supervise the professional real estate
44 activity of another real estate licensee **only if the principal real estate broker is a managing**
45 **principal broker or if the principal real estate broker has a written supervisory agreement**

1 **permitting the principal real estate broker to employ, engage or supervise the professional**
2 **real estate activity of another real estate licensee.**

3 “(c) For an applicant to qualify for a principal real estate broker’s license, the commissioner
4 must receive:

5 “(A) Certification by the applicant that the applicant has a high school diploma or a certificate
6 for passing an approved high school equivalency test such as the General Educational Development
7 (GED) test or the international equivalent, or other equivalent education acceptable to the com-
8 missioner;

9 “(B) Proof that the applicant:

10 “(i) Has three years of active licensed experience as a licensed real estate broker or a licensed
11 real estate salesperson in this state or another state;

12 “(ii) Has passed the principal real estate broker’s examination required by the agency by rule;
13 and

14 “(iii) Has successfully completed the brokerage administration and sales supervision course re-
15 quired by the agency by rule; and

16 “(C) Certification that the applicant is at least 18 years of age.

17 “(4)(a) An individual who holds a real estate property manager license may engage only in the
18 management of rental real estate under a property management agreement with the owner of the
19 rental real estate.

20 “(b) A licensed real estate property manager may employ, engage or supervise the professional
21 real estate activity of another licensed real estate property manager.

22 “(c) For an applicant to qualify for a real estate property manager’s license, the commissioner
23 must receive:

24 “(A) Certification by the applicant that the applicant has a high school diploma or a certificate
25 for passing an approved high school equivalency test such as the General Educational Development
26 (GED) test or the international equivalent, or other equivalent education acceptable to the com-
27 missioner;

28 “(B) Proof that the applicant:

29 “(i) Has successfully completed the basic real estate property manager’s educational courses
30 required by the agency by rule; and

31 “(ii) Has passed the real estate property manager’s license examination required by the agency
32 by rule; and

33 “(C) Certification that the applicant is at least 18 years of age.

34 “(5)(a) The only professional real estate activity an individual who holds a timeshare sales agent
35 license may engage in is selling or offering to sell timeshares. A timeshare sales agent must be as-
36 sociated with and supervised by a [*principal real estate broker*] **managing principal broker**. A
37 timeshare sales agent may not employ, engage or supervise the professional real estate activity of
38 another real estate licensee.

39 “(b) For an applicant to qualify for a timeshare sales agent license, the commissioner must re-
40 ceive:

41 “(A) Proof that the applicant has successfully completed at least 14 hours of instruction in:

42 “(i) Ethics;

43 “(ii) The applicable laws and rules relating to timeshares; and

44 “(iii) The principles and practices of selling timeshares;

45 “(B) Proof that the applicant has passed the timeshare sales agent’s examination required by the

1 agency by rule; and

2 “(C) Certification that the applicant is at least 18 years of age.

3 “(6)(a) A license for a real estate broker, principal real estate broker, licensed real estate
4 property manager or timeshare sales agent may be granted only to an individual who is trustworthy
5 and competent to conduct professional real estate activity in a manner that protects the public in-
6 terest. As a condition of licensing, the commissioner may require proof of competence and
7 trustworthiness that the commissioner deems necessary to protect the public interest.

8 “(b) In implementing this subsection, the commissioner shall require fingerprints and criminal
9 offender information of an applicant for initial licensing and may require fingerprints and criminal
10 offender information of an applicant for license renewal. Fingerprints acquired under this sub-
11 section may be used for the purpose of requesting a state or nationwide criminal records check
12 under ORS 181A.195.

13 “(7) An individual licensed to engage in professional real estate activity in another state or
14 country may qualify for a principal real estate broker license, real estate broker license, real estate
15 property manager license or timeshare sales agent license if the individual successfully completes
16 the course of study for and passes the license examination corresponding to the license for which
17 the individual applies, both as prescribed by agency rule, and if the individual meets the other re-
18 quirements for licensure in this chapter.

19 “(8) In order to satisfy the educational requirements under subsections (2) to (5) and (7) of this
20 section, a course must be approved by the commissioner. The commissioner shall determine the final
21 examination score acceptable as evidence of successful completion for each required course.

22 “(9) The Real Estate Board may determine that an applicant for a principal real estate broker’s
23 license has experience related to professional real estate activity that is equivalent to the experi-
24 ence required under subsection (3) of this section.”.

25 On page 16, after line 11, insert:

26 **“SECTION 9a. If House Bill 2373 becomes law, section 9 of this 2025 Act (amending ORS**
27 **696.174) is repealed and ORS 696.174, as amended by section 9, chapter __, Oregon Laws 2025**
28 **(Enrolled House Bill 2373), is amended to read:**

29 “696.174. (1) To renew an active license or to reactivate a license for the first time since the
30 license was renewed to an inactive status, a real estate licensee, other than a timeshare sales agent,
31 must complete 30 hours of real estate continuing education courses that are eligible for credit under
32 ORS 696.182 during the two years preceding the renewal or reactivation. The 30 hours must include:

33 “(a) At least *[three]* **two** hours in a course approved by the Real Estate Board on *[state and*
34 *federal fair housing laws and]* recent changes in real estate rule and law; *[and]*

35 **“(b) At least two hours in a course approved by the Real Estate Board on state and fed-**
36 **eral fair housing laws; and**

37 **“[(b)(A)] (c)(A)** If the real estate broker is renewing an active license for the first time or re-
38 activating a license for the first time since renewing the license to an inactive status, an advanced
39 course in real estate practices approved by the Real Estate Agency;

40 **“(B)** If a licensed real estate property manager is renewing an active license for the first time
41 or reactivating a license for the first time since renewing the license to an inactive status, an ad-
42 vanced course in property management practices approved by the agency; or

43 **“(C)** If a principal real estate broker is renewing an active license for the first time or reakti-
44 vating a license for the first time since renewing the license to an inactive status, an advanced
45 course in brokerage practices approved by the agency.

1 “(2) The agency, in consultation with real estate professionals and educators, shall develop a
2 reporting format to ensure that a real estate licensee, other than a timeshare sales agent, has
3 completed the number of hours required by subsection (1) of this section. The reporting format must
4 include:

5 “(a) The date, name and length of time of each course attended;

6 “(b) The name of the real estate continuing education provider that offered the course;

7 “(c) The name of the instructor who taught the course; and

8 “(d) Any other information that the agency requires by rule.

9 “(3) The agency may waive any portion of the requirements of this section for a real estate
10 licensee who submits satisfactory evidence that poor health or other circumstances beyond the real
11 estate licensee’s control prevented the real estate licensee from attending part or all of the contin-
12 uing education courses required by subsection (1) of this section.

13 “(4) **To renew an active license for the first time or to reactivate a license for the first**
14 **time since the license was renewed to an inactive status, a real estate licensee, other than**
15 **a timeshare sales agent, shall pass an assessment of licensee proficiency, in a manner ap-**
16 **proved by the Real Estate Agency.”.**

17 On page 20, after line 22, insert:

18 “**SECTION 14a. If House Bill 2373 becomes law, section 14 of this 2025 Act (amending ORS**
19 **696.241) is repealed and ORS 696.241, as amended by section 10, chapter __, Oregon Laws 2025**
20 **(Enrolled House Bill 2373), is amended to read:**

21 “696.241. (1) As used in this section, ‘trust funds’ means money belonging to others that is re-
22 ceived or handled by a licensed real estate property manager or principal real estate broker in the
23 course of conducting professional real estate activity and in the real estate licensee’s fiduciary ca-
24 pacity.

25 “(2) A licensed real estate property manager, or a [*principal real estate broker*] **managing**
26 **principal broker** who engages in the management of rental real estate, shall open and maintain in
27 this state one or more separate federally insured bank accounts that are designated clients’ trust
28 accounts under ORS 696.245. A [*principal real estate broker*] **managing principal broker** who en-
29 gages in the management of rental real estate or a licensed real estate property manager shall de-
30 posit in a clients’ trust account all trust funds received or handled by the [*principal real estate*
31 *broker*] **managing principal broker**, licensed real estate property manager or real estate licensees,
32 other than a timeshare sales agent, subject to the supervision of the [*principal real estate broker*]
33 **managing principal broker**.

34 “(3)(a) A [*principal real estate broker*] **managing principal broker** who receives or handles trust
35 funds and does not deposit the trust funds in a licensed neutral escrow depository as described in
36 paragraph (b) of this subsection shall open and maintain in this state one or more separate federally
37 insured bank accounts that are designated clients’ trust accounts under ORS 696.245. Pursuant to
38 written agreement of all parties to a real estate transaction having an interest in the trust funds,
39 the [*principal real estate broker*] **managing principal broker** shall immediately place the trust funds
40 in a clients’ trust account.

41 “(b) A [*principal real estate broker*] **managing principal broker** may deposit trust funds in a
42 licensed neutral escrow depository in this state.

43 “(4) A [*principal real estate broker*] **managing principal broker** or licensed real estate property
44 manager who opens a clients’ trust account under subsection (2) or (3) of this section, or to whom
45 ownership of a clients’ trust account is transferred, is liable for all deposits and disbursements made

1 using the clients' trust account until the principal real estate broker or licensed real estate property
2 manager closes the account or transfers ownership of the account.

3 “(5) A principal real estate broker or licensed real estate property manager may not commingle
4 any other funds with the trust funds held in a clients' trust account, except for:

5 “(a) Earned interest on a clients' trust account as provided in subsections (7) and (8) of this
6 section; and

7 “(b) Earned compensation as provided in subsection (9) of this section.

8 “(6) If a licensed real estate property manager or [*principal real estate broker*] **managing prin-**
9 **cipal broker** maintains a separate clients' trust account in a branch office, a separate bookkeeping
10 system must be maintained in the branch office and a copy of the records required under ORS
11 696.280 must be maintained in the main office of the licensed real estate property manager or
12 [*principal real estate broker*] **managing principal broker**.

13 “(7) Trust funds received by a licensed real estate property manager or [*principal real estate*
14 *broker*] **managing principal broker** may be deposited by the licensed real estate property manager
15 or [*principal real estate broker*] **managing principal broker** in a federally insured interest-bearing
16 bank account that is designated a clients' trust account under ORS 696.245, but only with the prior
17 written approval of all parties who have an interest in the trust funds. The earnings of the
18 interest-bearing account inure to the benefit of the licensed real estate property manager or [*prin-*
19 *cipal real estate broker*] **managing principal broker** only if expressly approved in writing by all
20 parties who have an interest in the trust funds before deposit of the trust funds.

21 “(8) With prior written notice to all parties who have an interest in the trust funds, a [*principal*
22 *real estate broker*] **managing principal broker** may place trust funds received by the [*principal real*
23 *estate broker*] **managing principal broker** in a real estate sales, purchase or exchange transaction
24 in a federally insured interest-bearing bank account that is designated a clients' trust account under
25 ORS 696.245, the earnings of which inure to the benefit of a public benefit corporation, as defined
26 in ORS 65.001, for distribution to organizations and individuals for first-time homebuying assistance
27 and for development of affordable housing. The [*principal real estate broker*] **managing principal**
28 **broker** shall select a qualified public benefit corporation to receive the interest earnings.

29 “(9) In connection with a real estate sales, purchase or exchange transaction, a principal real
30 estate broker is not entitled to any part of any interest earnings on trust funds deposited under
31 subsection (7) of this section or to any part of the earnest money or other money paid to the prin-
32 cipal real estate broker as part or all of the principal real estate broker's compensation until the
33 transaction has been completed or terminated. The principal real estate broker and the seller shall
34 negotiate and agree in writing to the disposition of forfeited earnest money at the time of execution
35 by the seller of any listing agreement or earnest money agreement. An agreement about the dispo-
36 sition of forfeited earnest money must be initialed by the seller or immediately precede the seller's
37 signature.

38 “(10) Trust funds in a clients' trust account are not subject to execution or attachment on any
39 claim against a licensed real estate property manager or principal real estate broker.

40 “(11) The Real Estate Agency by rule shall establish an optional procedure by which a principal
41 real estate broker may elect to disburse disputed funds held in relation to the sale, exchange or
42 purchase of real estate from a clients' trust account to the person who delivered the funds to the
43 principal real estate broker. The procedure must allow disbursal not more than 20 days after a re-
44 quest is made for the disbursal. A disbursal pursuant to the procedure does not affect the claim of
45 any other person to the funds.

1 “(12) The agency may provide by rule for other records to be maintained and for the manner in
2 which trust funds are deposited, held and disbursed. The rules adopted under this subsection may
3 include requirements for interest or compensation held in a clients’ trust account pursuant to sub-
4 section (5) of this section to be disbursed from the clients’ trust account to a licensed real estate
5 property manager or principal real estate broker.

6 “(13) A real estate broker [or], principal real estate broker **or managing principal broker** who,
7 for the purpose of transmitting a check, receives the check from a buyer or tenant that is payable
8 to a property owner or seller is exempt from the deposit requirements of subsections (2) and (3) of
9 this section.

10 “(14) A licensed real estate property manager who, for the purpose of transmitting a check, re-
11 ceives the check from a tenant that is payable to a property owner is exempt from the deposit re-
12 quirements of subsection (2) of this section.

13 “(15) A timeshare sales agent who, for the purpose of transmitting a check, receives the check
14 from a buyer that is payable to a property owner or seller is exempt from the deposit requirements
15 of subsection (3) of this section.

16 “(16) The agency may determine by rule the records that must be maintained for checks received
17 as described in subsections (13), (14) and (15) of this section and the manner in which the checks
18 must be transmitted.”.

19 On page 23, after line 39, insert:

20 “**SECTION 17a.** If House Bill 2373 becomes law, ORS 696.290, as amended by section 17 of this
21 2025 Act, is amended to read:

22 “696.290. (1)(a) Except as provided in this subsection, a real estate licensee may not offer,
23 promise, allow, give, pay or rebate, directly or indirectly, any part or share of the licensee’s com-
24 pensation arising or accruing from any real estate transaction or pay a finder’s fee to any person
25 who is not a real estate licensee licensed under ORS 696.022, including a nonlicensed individual
26 described in ORS 696.030.

27 “(b) A managing principal broker may pay a finder’s fee or a share of the real estate licensee’s
28 compensation on a cooperative sale when the payment is made to a licensed real estate broker in
29 another state or country, provided that:

30 “(A) The state or country in which the nonresident real estate broker is licensed has a law
31 permitting real estate brokers to cooperate with managing principal brokers in this state; and

32 “(B) The nonresident real estate broker does not conduct in this state any acts constituting
33 professional real estate activity and for which compensation is paid. If a country does not license
34 real estate brokers, the payee must be a citizen or resident of the country and represent that the
35 payee is in the business of real estate brokerage in the other country.

36 “(c) A real estate licensee may offer, promise, allow, give, pay or rebate, directly or indirectly,
37 parts or shares of the licensee’s compensation, arising or accruing from any real estate transaction,
38 to a charitable organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code.

39 “(2) A real estate licensee, **other than a timeshare sales agent**, associated with a managing
40 principal broker may not accept compensation from any person other than the managing principal
41 broker with whom the real estate licensee is associated at the time.

42 “(3) A managing principal broker may not make payment to the real estate broker of another
43 managing principal broker except through the managing principal broker with whom the real estate
44 broker is associated.

45 “(4) Notwithstanding ORS 696.010 to 696.495, 696.600 to 696.785 and 696.800 to 696.870, a prin-

1 cipal real estate broker or a real estate licensee, **other than a timeshare sales agent**, associated
2 with a managing principal broker may create a corporation, limited liability company, limited li-
3 ability partnership or other lawfully constituted business organization for the purpose of receiving
4 compensation. The real estate licensee may not conduct professional real estate activity under a
5 business organization created pursuant to this subsection.

6 “(5) Nothing in this section prevents payment of compensation earned by a real estate broker
7 or principal real estate broker while licensed because of the real estate broker’s or principal real
8 estate broker’s association with a different managing principal broker or because of inactivation of
9 the real estate broker’s or principal real estate broker’s license. The compensation may be paid di-
10 rectly to the real estate licensee by the managing principal broker with whom the real estate
11 licensee was associated at the time the professional real estate activity for which the compensation
12 was earned was conducted.

13 “(6) Nothing in subsection (1) of this section prohibits a managing principal broker or licensed
14 real estate property manager who has a property management agreement with the owner of a resi-
15 dential building or facility from authorizing the payment of a referral fee, rent credit or other
16 compensation to an existing tenant of the owner or real estate licensee, or a former tenant if the
17 former tenant resided in the building or facility within the previous six months, as compensation for
18 referring new tenants to the real estate licensee.

19 “(7)(a) Nothing in subsection (1) of this section prevents an Oregon managing principal broker
20 from sharing compensation on a cooperative nonresidential real estate transaction with a person
21 who holds an active real estate license in another state or country, provided:

22 “(A) Before the out-of-state real estate licensee performs any act in this state that constitutes
23 professional real estate activity, the real estate licensee and the cooperating Oregon managing
24 principal broker agree in writing that the acts constituting professional real estate activity con-
25 ducted in this state will be under the supervision and control of the cooperating Oregon managing
26 principal broker and will comply with all applicable Oregon laws;

27 “(B) The cooperating Oregon managing principal broker or a real estate licensee, **other than**
28 **a timeshare sales agent**, associated with the managing principal broker accompanies the out-of-
29 state real estate licensee and the client during any property showings or negotiations conducted in
30 this state; and

31 “(C) All property showings and negotiations regarding nonresidential real estate located in this
32 state are conducted under the supervision and control of the cooperating Oregon managing principal
33 broker.

34 “(b) As used in this subsection, ‘nonresidential real estate’ means real property that is improved
35 or available for improvement by commercial structures or five or more residential dwelling units.

36 “**SECTION 17b.** If House Bill 2373 becomes law, ORS 696.294, as amended by section 13, chap-
37 ter ___, Oregon Laws 2025 (Enrolled House Bill 2373), is amended to read:

38 “696.294. (1) As used in this section, ‘letter opinion’ means:

39 “(a) A document that expresses a real estate broker’s, principal real estate broker’s, **managing**
40 **principal broker’s** or licensed real estate property manager’s conclusion regarding a recommended
41 listing, selling or purchase price or a rental or lease consideration of certain real estate and that
42 results from the licensee’s competitive market analysis; or

43 “(b) A document that expresses a timeshare sales agent’s conclusion regarding a recommended
44 listing, selling or purchase price of a timeshare and that results from the licensee’s competitive
45 market analysis.

1 “(2) The Real Estate Commissioner by rule shall specify the minimum contents of a letter opin-
2 ion, including but not limited to the distinction between a letter opinion and a real estate
3 appraisal.”.

4 On page 24, after line 34, insert:

5 “**SECTION 18a. If House Bill 2373 becomes law, section 14, chapter __, Oregon Laws 2025**
6 **(Enrolled House Bill 2373) (amending ORS 696.301), is repealed.**”.

7 On page 26, after line 36, insert:

8 “**SECTION 21a. If House Bill 2373 becomes law, section 21 of this 2025 Act (amending ORS**
9 **696.310) is repealed and ORS 696.310, as amended by section 15, chapter __, Oregon Laws 2025**
10 **(Enrolled House Bill 2373), is amended to read:**

11 “696.310. *[(1) If two or more principal real estate brokers are associated with the same registered*
12 *business name, the principal real estate brokers shall:]*

13 “[*(a) Execute one or more written supervisory agreements between them that:*]

14 “**(1) Two or more principal real estate brokers may supervise real estate activities of real**
15 **estate licensees associated with the same registered business name, only if a managing**
16 **principal broker and a principal real estate broker:**

17 “**(a) Execute one or more written supervisory agreements between the managing princi-**
18 **pal broker and principal real estate broker that:**

19 “**(A) [Fully] Allocate all or some of the supervisory control and responsibility for the profes-**
20 **sional real estate activities of all real estate [brokers and timeshare sales agents] licensees associ-**
21 **ated with the registered business name;**

22 “**(B) Include a default allocation of supervisory control and responsibility for any real estate**
23 **[brokers and timeshare sales agents] licensees who associate with the registered business name in**
24 **the future or who are otherwise omitted from the written supervisory agreement; [and]**

25 “**(C) Include any supervisory control and responsibility of [one principal real estate broker] the**
26 **managing principal broker over [another] the principal real estate broker;**

27 “**(D) Include any supervisory control and responsibility of one principal real estate broker**
28 **over another principal real estate broker in the event that multiple principal real estate**
29 **brokers execute supervisory agreements with the managing principal broker;**

30 “**(E) Include a succession plan that:**

31 “**(i) Addresses scenarios where the managing principal broker becomes deceased or in-**
32 **capacitated or the principal managing broker’s license becomes inactive, expired or associ-**
33 **ated with a different registered business name; and**

34 “**(ii) Describes how supervisory control and responsibility for the registered business**
35 **name will flow to a remaining principal real estate broker who will assume the managing**
36 **principal broker role; and**

37 “**(F) Expressly state that the managing principal broker’s responsibility for professional**
38 **real estate activities of all real estate licensees associated with the registered business name**
39 **may not be limited by the supervisory agreement;**

40 “**(b) Update the written supervisory agreement if another principal real estate broker**
41 **executes a written supervisory agreement with the managing principal broker; and**

42 “[*(b)] (c) Update the written supervisory agreement if the disassociation of a principal real es-*
43 *tate broker occurs that affects the allocation of supervisory control or responsibility[; and].*

44 “[*(c) Share equal supervisory control and responsibility for any professional real estate activity*
45 *conducted by real estate brokers and timeshare sales agents associated with the registered business*

1 *name that is not otherwise covered by the written supervisory agreement.]*

2 “(2) If a licensed real estate property manager is associated with the same registered business
3 name as any combination of licensed real estate property managers and principal real estate bro-
4 kers, the licensed real estate property managers and [*principal real estate*] **managing principal**
5 brokers shall:

6 “(a) Execute one or more written supervisory agreements between them that:

7 “(A) [*Fully allocates*] **Allocate all or some of the** supervisory control and responsibility for
8 management of rental real estate conducted by all [*principal real estate brokers*] **real estate**
9 **licensees** and licensed real estate property managers associated with the registered business name;
10 [*and*]

11 “(B) [*Includes*] **Include** any arrangement for supervisory control and responsibility over the
12 management of rental real estate conducted by the licensed real estate property managers and
13 principal real estate brokers, **including opening and maintaining clients’ trust accounts under**
14 **ORS 696.241 and 696.245;**

15 “(C) **Include any supervisory control and responsibility of one real estate licensee or li-**
16 **censed real estate property manager over another real estate licensee or licensed real estate**
17 **property manager in the event that multiple supervisory agreements are executed; and**

18 “(D) **Include a succession plan in the event the real estate licensee or licensed real estate**
19 **property manager dies or is incapacitated, describing any allocation of supervisory control**
20 **and responsibility for the registered business name that will flow to the surviving real estate**
21 **licensees or licensed real estate property managers;**

22 “(b) Update the written supervisory agreement if another licensed real estate property manager
23 or principal real estate broker associates with the registered business name; and

24 “(c) Update the written supervisory agreement if the disassociation of a licensed real estate
25 property manager or principal real estate broker occurs that affects the allocation of supervisory
26 control or responsibility over management of rental real estate.

27 “(3) Licensed real estate property managers and [*principal real estate*] **managing principal** bro-
28 kers who do not exercise administrative or supervisory control over one another are each respon-
29 sible for their own management of rental real estate.”.

30 On page 28, after line 31, insert:

31 “**SECTION 27a. If House Bill 2373 becomes law, section 18, chapter __, Oregon Laws 2025**
32 **(Enrolled House Bill 2373) (amending ORS 696.710), is repealed.”.**