

Requested by SENATE COMMITTEE ON HOUSING AND DEVELOPMENT

**PROPOSED AMENDMENTS TO RESOLVE CONFLICTS TO
A-ENGROSSED HOUSE BILL 3137**

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, chap-
4 ter ___, Oregon Laws 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**
7 **Act (amending ORS 696.010) is repealed and ORS 696.010, as amended**
8 **by section 1, chapter ___, Oregon Laws 2025 (Enrolled House Bill 2373),**
9 **is amended to read:**

10 “696.010. As used in ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to
11 696.870, 696.990 and 696.995 **and sections 13 and 20 of this 2025 Act**, unless
12 the context requires otherwise:

13 “(1) ‘Associated with’ means to be employed, engaged or otherwise super-
14 vised by, with respect to the relationship between:

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

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

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

21 “(2) ‘Bank’ includes any bank or trust company, savings bank, mutual

1 savings bank, savings and loan association or credit union that maintains a
2 head office or a branch in this state in the capacity of a bank or trust
3 company, savings bank, mutual savings bank, savings and loan association
4 or credit union.

5 “(3)(a) ‘Branch office’ means a business location, other than the main of-
6 fice designated under ORS 696.200, where professional real estate activity is
7 regularly conducted or that is advertised to the public as a place where
8 professional real estate activity may be regularly conducted.

9 “(b) Model units or temporary structures used solely for the dissemination
10 of information and distribution of lawfully required public reports shall not
11 be considered branch offices. A model unit means a permanent residential
12 structure located in a subdivision or development used for such dissem-
13 ination and distribution, so long as the unit is at all times available for sale,
14 lease, lease option or exchange.

15 “(4) ‘Business day’ means a day other than Saturday or Sunday or a fed-
16 eral or State of Oregon legal holiday.

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

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

23 “(7) ‘Competitive market analysis’ means a method or process used by a
24 real estate licensee in pursuing a listing agreement or in formulating an of-
25 fer to acquire real estate in a transaction for the sale, lease, lease-option or
26 exchange of real estate. The objective of competitive market analysis is a
27 recommended listing, selling or purchase price or a lease or rental consid-
28 eration. A competitive market analysis may be expressed as an opinion of the
29 value of the real estate in a contemplated transaction. Competitive market
30 analysis may include but is not limited to an analysis of market conditions,

1 public records, past transactions and current listings of real estate.

2 “(8) ‘Expired’ means, in the context of a real estate licensee, that the li-
3 cense has not been renewed in a timely manner, but may still be renewed.

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

8 “(10) ‘Lapsed’ means, in the context of a real estate licensee, that the li-
9 cense has not been renewed in a timely manner and is not eligible for re-
10 newal.

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

12 “(12) ‘Licensed real estate property manager’ means an individual who
13 holds an active real estate property manager’s license issued under ORS
14 696.022.

15 “(13) ‘Main office’ means the office designated by a [*principal real estate*
16 *broker*] **managing principal broker** or licensed real estate property man-
17 ager pursuant to ORS 696.200.

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

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

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

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

24 “(C) Negotiating with prospective tenants;

25 “(D) Accepting deposits from prospective tenants;

26 “(E) Checking the qualifications and creditworthiness of prospective ten-
27 ants;

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;

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

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

4 “(K) Providing staff and services to accommodate the tax reporting and
5 other financial or accounting needs of the real estate;

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

8 “(M) Offering or attempting to do any of the acts described in this para-
9 graph for the owner of the real estate; or

10 “(b) Representing a tenant or prospective tenant when renting or leasing
11 real estate for which a real estate property manager has a property man-
12 agement agreement with the owner of the real estate and includes but is not
13 limited to:

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

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

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

19 “(D) Accepting deposits or other funds from prospective tenants for rent-
20 ing or leasing real estate and holding the funds in trust for the prospective
21 tenants;

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

24 “(F) Offering or attempting to do any of the acts described in this para-
25 graph for a tenant or prospective tenant.

26 “(15) **‘Managing principal broker’ means an individual who is a**
27 **principal real estate broker and who has registered or assumed re-**
28 **sponsibility for a business name under this chapter.**

29 “[~~(15)~~] (16) ‘Nonlicensed individual’ means an individual:

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

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

3 “[(16)] (17) ‘Principal real estate broker’ means an individual who holds
4 an active license as a principal real estate broker issued under ORS 696.022.

5 “[(17)] (18) ‘Professional real estate activity’ means any of the following
6 actions, when engaged in for another and for compensation or with the in-
7 tention or in the expectation or upon the promise of receiving or collecting
8 compensation, by any person who:

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

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

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

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

14 “(e) Offers, attempts or agrees to perform or provide a competitive market
15 analysis or letter opinion, to represent a taxpayer under ORS 305.239 or
16 309.100 or to give an opinion in any administrative or judicial proceeding
17 regarding the value of real estate for taxation, except when the activity is
18 performed by a state certified appraiser or state licensed appraiser;

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

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

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

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

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

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

30 “(L) Except as otherwise provided in ORS 696.030 (12), advises, counsels,

1 consults or analyzes in connection with real estate values, sales or dispo-
2 sitions, including dispositions through eminent domain procedures;

3 “(m) Advises, counsels, consults or analyzes in connection with the ac-
4 quisition or sale of real estate by an entity if the purpose of the entity is
5 investment in real estate; or

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

7 “[18] **(19)** ‘Property management agreement’ means a written contract
8 for the management of rental real estate between a real estate property
9 manager and the owner of the rental real estate.

10 “[19] **(20)** ‘Real estate’ includes leaseholds and licenses to use including,
11 but not limited to, timeshare estates and timeshare licenses as defined in
12 ORS 94.803, as well as any and every interest or estate in real property,
13 whether corporeal or incorporeal, whether freehold or nonfreehold, whether
14 held separately or in common with others and whether the real property is
15 situated in this state or elsewhere.

16 “[20] **(21)** ‘Real estate broker’ means an individual who holds an active
17 license as a real estate broker issued under ORS 696.022.

18 “[21] **(22)** ‘Real estate licensee’ means an individual who holds an active
19 license or an active limited license as a real estate broker, principal real
20 estate broker, licensed real estate property manager or timeshare sales agent.

21 “[22] **(23)** ‘Real estate property manager’ means a real estate licensee
22 who engages in the management of rental real estate and is:

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

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

25 “**(c)** A principal real estate broker or a real estate broker who is associ-
26 ated with and supervised by a [*principal real estate broker*] **managing prin-**
27 **icipal broker.**

28 “[23] **(24)** ‘Registered business name’ means a name registered with the
29 Real Estate Agency under which the individual registering the name engages
30 in professional real estate activity.

1 “[~~(24)~~] **(25)** ‘Timeshare’ has the meaning given that term in ORS 94.803.

2 “[~~(25)~~] **(26)** ‘Timeshare sales agent’ means an individual who holds an ac-
3 tive license as a timeshare sales agent issued under ORS 696.022 and is not
4 a real estate broker [*or*], principal real estate broker **or managing principal**
5 **broker.**”.

6 On page 7, after line 19, insert:

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

11 “696.010. As used in ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to
12 696.870, 696.990 and 696.995 and sections 1 to 9, chapter 3, Oregon Laws 2024,
13 **and sections 13 and 20 of this 2025 Act**, unless the context requires oth-
14 erwise:

15 “(1) ‘Associated with’ means to be employed, engaged or otherwise super-
16 vised by, with respect to the relationship between:

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

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

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

23 “(2) ‘Bank’ includes any bank or trust company, savings bank, mutual
24 savings bank, savings and loan association or credit union that maintains a
25 head office or a branch in this state in the capacity of a bank or trust
26 company, savings bank, mutual savings bank, savings and loan association
27 or credit union.

28 “(3)(a) ‘Branch office’ means a business location, other than the main of-
29 fice designated under ORS 696.200, where professional real estate activity is
30 regularly conducted or that is advertised to the public as a place where

1 professional real estate activity may be regularly conducted.

2 “(b) Model units or temporary structures used solely for the dissemination
3 of information and distribution of lawfully required public reports shall not
4 be considered branch offices. A model unit means a permanent residential
5 structure located in a subdivision or development used for such dissem-
6 ination and distribution, so long as the unit is at all times available for sale,
7 lease, lease option or exchange.

8 “(4) ‘Business day’ means a day other than Saturday or Sunday or a fed-
9 eral or State of Oregon legal holiday.

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

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

16 “(7) ‘Competitive market analysis’ means a method or process used by a
17 real estate licensee in pursuing a listing agreement or in formulating an of-
18 fer to acquire real estate in a transaction for the sale, lease, lease-option or
19 exchange of real estate. The objective of competitive market analysis is a
20 recommended listing, selling or purchase price or a lease or rental consid-
21 eration. A competitive market analysis may be expressed as an opinion of the
22 value of the real estate in a contemplated transaction. Competitive market
23 analysis may include but is not limited to an analysis of market conditions,
24 public records, past transactions and current listings of real estate.

25 “(8) ‘Expired’ means, in the context of a real estate licensee, that the li-
26 cense has not been renewed in a timely manner, but may still be renewed.

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

1 “(10) ‘Lapsed’ means, in the context of a real estate licensee, that the li-
2 cense has not been renewed in a timely manner and is not eligible for re-
3 newal.

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

5 “(12) ‘Licensed real estate property manager’ means an individual who
6 holds an active real estate property manager’s license issued under ORS
7 696.022.

8 “(13) ‘Main office’ means the office designated by a [*principal real estate*
9 *broker*] **managing principal broker** or licensed real estate property man-
10 ager pursuant to ORS 696.200.

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

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

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

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

17 “(C) Negotiating with prospective tenants;

18 “(D) Accepting deposits from prospective tenants;

19 “(E) Checking the qualifications and creditworthiness of prospective ten-
20 ants;

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

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

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

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

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

27 “(K) Providing staff and services to accommodate the tax reporting and
28 other financial or accounting needs of the real estate;

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

1 “(M) Offering or attempting to do any of the acts described in this para-
2 graph for the owner of the real estate; or

3 “(b) Representing a tenant or prospective tenant when renting or leasing
4 real estate for which a real estate property manager has a property man-
5 agement agreement with the owner of the real estate and includes but is not
6 limited to:

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

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

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

12 “(D) Accepting deposits or other funds from prospective tenants for rent-
13 ing or leasing real estate and holding the funds in trust for the prospective
14 tenants;

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

17 “(F) Offering or attempting to do any of the acts described in this para-
18 graph for a tenant or prospective tenant.

19 “(15) **‘Managing principal broker’ means an individual who is a**
20 **principal real estate broker and who has registered or assumed re-**
21 **sponsibility for a business name under this chapter.**

22 “[15] (16) ‘Nonlicensed individual’ means an individual:

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

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

26 “[16] (17) ‘Principal real estate broker’ means an individual who holds
27 an active license as a principal real estate broker issued under ORS 696.022.

28 “[17] (18) ‘Professional real estate activity’ means any of the following
29 actions, when engaged in for another and for compensation or with the in-
30 tention or in the expectation or upon the promise of receiving or collecting

1 compensation, by any person who:

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

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

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

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

7 “(e) Offers, attempts or agrees to perform or provide a competitive market
8 analysis or letter opinion, to represent a taxpayer under ORS 305.239 or
9 309.100 or to give an opinion in any administrative or judicial proceeding
10 regarding the value of real estate for taxation, except when the activity is
11 performed by a state certified appraiser or state licensed appraiser;

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

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

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

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

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

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

23 “(L) Except as otherwise provided in ORS 696.030 (12), advises, counsels,
24 consults or analyzes in connection with real estate values, sales or dispo-
25 sitions, including dispositions through eminent domain procedures;

26 “(m) Advises, counsels, consults or analyzes in connection with the ac-
27 quisition or sale of real estate by an entity if the purpose of the entity is
28 investment in real estate; or

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

30 “[18] **(19)** ‘Property management agreement’ means a written contract

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

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

9 “[~~(20)~~] (21) ‘Real estate broker’ means an individual who holds an active
10 license as a real estate broker issued under ORS 696.022.

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

14 “[~~(22)~~] (23) ‘Real estate property manager’ means a real estate licensee
15 who engages in the management of rental real estate and is:

16 “(a) A licensed real estate property manager[,];

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

18 “(c) A principal real estate broker or a real estate broker who is associ-
19 ated with and supervised by a [*principal real estate broker*] **managing prin-**
20 **cipal broker.**

21 “[~~(23)~~] (24) ‘Registered business name’ means a name registered with the
22 Real Estate Agency under which the individual registering the name engages
23 in professional real estate activity.

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

25 “[~~(25)~~] (26) ‘Timeshare sales agent’ means an individual who holds an ac-
26 tive license as a timeshare sales agent issued under ORS 696.022 and is not
27 a real estate broker [*or*], principal real estate broker **or managing principal**
28 **broker.”.**

29 On page 7, after line 37, insert:

30 **“SECTION 3a. If House Bill 2373 becomes law, section 3 of this 2025**

1 **Act (amending ORS 696.020) is repealed and ORS 696.020, as amended**
2 **by section 3, chapter __, Oregon Laws 2025 (Enrolled House Bill 2373),**
3 **is amended to read:**

4 “696.020. (1) The Real Estate Agency may issue a real estate license only
5 to an individual.

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

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

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

14 “(b) Acting on the licensee’s own behalf in the sale, exchange, lease op-
15 tion or purchase of real estate or in the offer or negotiations for the sale,
16 exchange, lease option or purchase of real estate.

17 “(4) A real estate broker, **managing principal broker**, principal real
18 estate broker or licensed real estate property manager is bound by and sub-
19 ject to the requirements of ORS 696.010 to 696.495, 696.600 to 696.785, 696.890,
20 696.990 and 696.995 while engaging in the management of rental real estate.

21 “(5) A timeshare sales agent is bound by and subject to the requirements
22 of ORS 696.010 to 696.495, 696.600 to 696.785, 696.800 to 696.870, 696.990 and
23 696.995 while selling or offering to sell timeshares.

24 “(6) The agency by rule may establish provisions for a nonlicensed indi-
25 vidual whose license is inactive or suspended and who acts on the licensee’s
26 own behalf in the sale, exchange, lease option or purchase of real estate or
27 in the offer or negotiations for the sale, exchange, lease option or purchase
28 of real estate.”.

29 On page 9, after line 41, insert:

30 **“SECTION 4a. If House Bill 2373 becomes law, section 4 of this 2025**

1 **Act (amending ORS 696.022) is repealed and ORS 696.022, as amended**
2 **by section 4, chapter __, Oregon Laws 2025 (Enrolled House Bill 2373),**
3 **is amended to read:**

4 “696.022. (1) The Real Estate Agency shall establish by rule a system for
5 licensing real estate brokers, principal real estate brokers, licensed real es-
6 tate property managers and timeshare sales agents. The system shall estab-
7 lish, at a minimum:

8 “(a) The form and content of applications for licensing under each cate-
9 gory of real estate professional licensed by the agency;

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

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

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

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

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

22 “(A) Certification by the applicant that the applicant has a high school
23 diploma or a certificate for passing an approved high school equivalency test
24 such as the General Educational Development (GED) test or the interna-
25 tional equivalent, or other equivalent education acceptable to the commis-
26 sioner;

27 “(B) Proof that the applicant:

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

30 “(ii) Has passed the real estate broker’s examination required by the

1 agency by rule; and

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

3 “(c) A real estate broker who has acquired three years of active experi-
4 ence as a real estate broker may supervise for up to 90 days the professional
5 real estate activity of another real estate licensee due to unforeseen cir-
6 cumstances or the temporary absence of a sole [*principal real estate broker*]
7 **managing principal broker**, as provided by the agency by rule.

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

10 “**(3)(a) A principal real estate broker may engage in professional**
11 **real estate activity when the principal real estate broker is a managing**
12 **principal broker or is associated with a managing principal broker and**
13 **is supervised by the same managing principal broker.**

14 “(b) A principal real estate broker may conduct professional real estate
15 activity in conjunction with other real estate brokers, principal real estate
16 brokers or licensed real estate property managers. A principal real estate
17 broker may employ, engage or supervise the professional real estate activity
18 of another real estate licensee **only if the principal real estate broker is**
19 **a managing principal broker or if the principal real estate broker has**
20 **a written supervisory agreement permitting the principal real estate**
21 **broker to employ, engage or supervise the professional real estate ac-**
22 **tivity of another real estate licensee.**

23 “(c) For an applicant to qualify for a principal real estate broker’s li-
24 cense, the commissioner must receive:

25 “(A) Certification by the applicant that the applicant has a high school
26 diploma or a certificate for passing an approved high school equivalency test
27 such as the General Educational Development (GED) test or the interna-
28 tional equivalent, or other equivalent education acceptable to the commis-
29 sioner;

30 “(B) Proof that the applicant:

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

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

5 “(iii) Has successfully completed the brokerage administration and sales
6 supervision course required by the agency by rule; and

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

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

11 “(b) A licensed real estate property manager may employ, engage or su-
12 pervise the professional real estate activity of another licensed real estate
13 property manager.

14 “(c) For an applicant to qualify for a real estate property manager’s li-
15 cense, the commissioner must receive:

16 “(A) Certification by the applicant that the applicant has a high school
17 diploma or a certificate for passing an approved high school equivalency test
18 such as the General Educational Development (GED) test or the interna-
19 tional equivalent, or other equivalent education acceptable to the commis-
20 sioner;

21 “(B) Proof that the applicant:

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

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

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

27 “(5)(a) The only professional real estate activity an individual who holds
28 a timeshare sales agent license may engage in is selling or offering to sell
29 timeshares. A timeshare sales agent must be associated with and supervised
30 by a [*principal real estate broker*] **managing principal broker**. A timeshare

1 sales agent may not employ, engage or supervise the professional real estate
2 activity of another real estate licensee.

3 “(b) For an applicant to qualify for a timeshare sales agent license, the
4 commissioner must receive:

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

7 “(i) Ethics;

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

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

10 “(B) Proof that the applicant has passed the timeshare sales agent’s ex-
11 amination required by the agency by rule; and

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

13 “(6)(a) A license for a real estate broker, principal real estate broker, li-
14 censed real estate property manager or timeshare sales agent may be granted
15 only to an individual who is trustworthy and competent to conduct profes-
16 sional real estate activity in a manner that protects the public interest. As
17 a condition of licensing, the commissioner may require proof of competence
18 and trustworthiness that the commissioner deems necessary to protect the
19 public interest.

20 “(b) In implementing this subsection, the commissioner shall require fin-
21 gerprints and criminal offender information of an applicant for initial li-
22 censing and may require fingerprints and criminal offender information of
23 an applicant for license renewal. Fingerprints acquired under this sub-
24 section may be used for the purpose of requesting a state or nationwide
25 criminal records check under ORS 181A.195.

26 “(7) An individual licensed to engage in professional real estate activity
27 in another state or country may qualify for a principal real estate broker
28 license, real estate broker license, real estate property manager license or
29 timeshare sales agent license if the individual successfully completes the
30 course of study for and passes the license examination corresponding to the

1 license for which the individual applies, both as prescribed by agency rule,
2 and if the individual meets the other requirements for licensure in this
3 chapter.

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

8 “(9) The Real Estate Board may determine that an applicant for a prin-
9 cipal real estate broker’s license has experience related to professional real
10 estate activity that is equivalent to the experience required under subsection
11 (3) of this section.”.

12 On page 16, after line 11, insert:

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

17 “696.174. (1) To renew an active license or to reactivate a license for the
18 first time since the license was renewed to an inactive status, a real estate
19 licensee, other than a timeshare sales agent, must complete 30 hours of real
20 estate continuing education courses that are eligible for credit under ORS
21 696.182 during the two years preceding the renewal or reactivation. The 30
22 hours must include:

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

26 **“(b) At least two hours in a course approved by the Real Estate**
27 **Board on state and federal fair housing laws; and**

28 “[*(b)(A)*] **(c)(A)** If the real estate broker is renewing an active license for
29 the first time or reactivating a license for the first time since renewing the
30 license to an inactive status, an advanced course in real estate practices

1 approved by the Real Estate Agency;

2 “(B) If a licensed real estate property manager is renewing an active li-
3 cense for the first time or reactivating a license for the first time since re-
4 newing the license to an inactive status, an advanced course in property
5 management practices approved by the agency; or

6 “(C) If a principal real estate broker is renewing an active license for the
7 first time or reactivating a license for the first time since renewing the li-
8 cense to an inactive status, an advanced course in brokerage practices ap-
9 proved by the agency.

10 “(2) The agency, in consultation with real estate professionals and edu-
11 cators, shall develop a reporting format to ensure that a real estate licensee,
12 other than a timeshare sales agent, has completed the number of hours re-
13 quired by subsection (1) of this section. The reporting format must include:

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

15 “(b) The name of the real estate continuing education provider that of-
16 fered the course;

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

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

19 “(3) The agency may waive any portion of the requirements of this section
20 for a real estate licensee who submits satisfactory evidence that poor health
21 or other circumstances beyond the real estate licensee’s control prevented
22 the real estate licensee from attending part or all of the continuing educa-
23 tion courses required by subsection (1) of this section.

24 “(4) **To renew an active license for the first time or to reactivate a**
25 **license for the first time since the license was renewed to an inactive**
26 **status, a real estate licensee, other than a timeshare sales agent, shall**
27 **pass an assessment of licensee proficiency, in a manner approved by**
28 **the Real Estate Agency.”.**

29 On page 20, after line 22, insert:

30 “**SECTION 14a. If House Bill 2373 becomes law, section 14 of this**

1 **2025 Act (amending ORS 696.241) is repealed and ORS 696.241, as**
2 **amended by section 10, chapter __, Oregon Laws 2025 (Enrolled House**
3 **Bill 2373), is amended to read:**

4 “696.241. (1) As used in this section, ‘trust funds’ means money belonging
5 to others that is received or handled by a licensed real estate property
6 manager or principal real estate broker in the course of conducting profes-
7 sional real estate activity and in the real estate licensee’s fiduciary capacity.

8 “(2) A licensed real estate property manager, or a [*principal real estate*
9 *broker*] **managing principal broker** who engages in the management of
10 rental real estate, shall open and maintain in this state one or more separate
11 federally insured bank accounts that are designated clients’ trust accounts
12 under ORS 696.245. A [*principal real estate broker*] **managing principal**
13 **broker** who engages in the management of rental real estate or a licensed
14 real estate property manager shall deposit in a clients’ trust account all trust
15 funds received or handled by the [*principal real estate broker*] **managing**
16 **principal broker**, licensed real estate property manager or real estate
17 licensees, other than a timeshare sales agent, subject to the supervision of
18 the [*principal real estate broker*] **managing principal broker**.

19 “(3)(a) A [*principal real estate broker*] **managing principal broker** who
20 receives or handles trust funds and does not deposit the trust funds in a li-
21 censed neutral escrow depository as described in paragraph (b) of this sub-
22 section shall open and maintain in this state one or more separate federally
23 insured bank accounts that are designated clients’ trust accounts under ORS
24 696.245. Pursuant to written agreement of all parties to a real estate trans-
25 action having an interest in the trust funds, the [*principal real estate*
26 *broker*] **managing principal broker** shall immediately place the trust funds
27 in a clients’ trust account.

28 “(b) A [*principal real estate broker*] **managing principal broker** may de-
29 posit trust funds in a licensed neutral escrow depository in this state.

30 “(4) A [*principal real estate broker*] **managing principal broker** or li-

1 censed real estate property manager who opens a clients' trust account under
2 subsection (2) or (3) of this section, or to whom ownership of a clients' trust
3 account is transferred, is liable for all deposits and disbursements made us-
4 ing the clients' trust account until the principal real estate broker or li-
5 censed real estate property manager closes the account or transfers
6 ownership of the account.

7 “(5) A principal real estate broker or licensed real estate property man-
8 ager may not commingle any other funds with the trust funds held in a
9 clients' trust account, except for:

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

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

13 “(6) If a licensed real estate property manager or [*principal real estate*
14 *broker*] **managing principal broker** maintains a separate clients' trust ac-
15 count in a branch office, a separate bookkeeping system must be maintained
16 in the branch office and a copy of the records required under ORS 696.280
17 must be maintained in the main office of the licensed real estate property
18 manager or [*principal real estate broker*] **managing principal broker**.

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

30 “(8) With prior written notice to all parties who have an interest in the

1 trust funds, a [*principal real estate broker*] **managing principal broker** may
2 place trust funds received by the [*principal real estate broker*] **managing**
3 **principal broker** in a real estate sales, purchase or exchange transaction in
4 a federally insured interest-bearing bank account that is designated a clients'
5 trust account under ORS 696.245, the earnings of which inure to the benefit
6 of a public benefit corporation, as defined in ORS 65.001, for distribution to
7 organizations and individuals for first-time homebuying assistance and for
8 development of affordable housing. The [*principal real estate broker*] **man-**
9 **aging principal broker** shall select a qualified public benefit corporation
10 to receive the interest earnings.

11 “(9) In connection with a real estate sales, purchase or exchange trans-
12 action, a principal real estate broker is not entitled to any part of any in-
13 terest earnings on trust funds deposited under subsection (7) of this section
14 or to any part of the earnest money or other money paid to the principal real
15 estate broker as part or all of the principal real estate broker’s compensation
16 until the transaction has been completed or terminated. The principal real
17 estate broker and the seller shall negotiate and agree in writing to the dis-
18 position of forfeited earnest money at the time of execution by the seller of
19 any listing agreement or earnest money agreement. An agreement about the
20 disposition of forfeited earnest money must be initialed by the seller or im-
21 mediately precede the seller’s signature.

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

25 “(11) The Real Estate Agency by rule shall establish an optional proce-
26 dure by which a principal real estate broker may elect to disburse disputed
27 funds held in relation to the sale, exchange or purchase of real estate from
28 a clients’ trust account to the person who delivered the funds to the princi-
29 pal real estate broker. The procedure must allow disbursal not more than 20
30 days after a request is made for the disbursal. A disbursal pursuant to the

1 procedure does not affect the claim of any other person to the funds.

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

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

13 “(14) A licensed real estate property manager who, for the purpose of
14 transmitting a check, receives the check from a tenant that is payable to a
15 property owner is exempt from the deposit requirements of subsection (2) of
16 this section.

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

21 “(16) The agency may determine by rule the records that must be main-
22 tained for checks received as described in subsections (13), (14) and (15) of
23 this section and the manner in which the checks must be transmitted.”.

24 On page 23, after line 39, insert:

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

27 “696.290. (1)(a) Except as provided in this subsection, a real estate
28 licensee may not offer, promise, allow, give, pay or rebate, directly or indi-
29 rectly, any part or share of the licensee’s compensation arising or accruing
30 from any real estate transaction or pay a finder’s fee to any person who is

1 not a real estate licensee licensed under ORS 696.022, including a nonli-
2 censed individual described in ORS 696.030.

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

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

10 “(B) The nonresident real estate broker does not conduct in this state any
11 acts constituting professional real estate activity and for which compen-
12 sation is paid. If a country does not license real estate brokers, the payee
13 must be a citizen or resident of the country and represent that the payee is
14 in the business of real estate brokerage in the other country.

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

19 “(2) A real estate licensee, **other than a timeshare sales agent**, asso-
20 ciated with a managing principal broker may not accept compensation from
21 any person other than the managing principal broker with whom the real
22 estate licensee is associated at the time.

23 “(3) A managing principal broker may not make payment to the real es-
24 tate broker of another managing principal broker except through the man-
25 aging principal broker with whom the real estate broker is associated.

26 “(4) Notwithstanding ORS 696.010 to 696.495, 696.600 to 696.785 and 696.800
27 to 696.870, a principal real estate broker or a real estate licensee, **other**
28 **than a timeshare sales agent**, associated with a managing principal broker
29 may create a corporation, limited liability company, limited liability part-
30 nership or other lawfully constituted business organization for the purpose

1 of receiving compensation. The real estate licensee may not conduct profes-
2 sional real estate activity under a business organization created pursuant to
3 this subsection.

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

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

21 “(7)(a) Nothing in subsection (1) of this section prevents an Oregon man-
22 aging principal broker from sharing compensation on a cooperative nonresi-
23 dential real estate transaction with a person who holds an active real estate
24 license in another state or country, provided:

25 “(A) Before the out-of-state real estate licensee performs any act in this
26 state that constitutes professional real estate activity, the real estate
27 licensee and the cooperating Oregon managing principal broker agree in
28 writing that the acts constituting professional real estate activity conducted
29 in this state will be under the supervision and control of the cooperating
30 Oregon managing principal broker and will comply with all applicable

1 Oregon laws;

2 “(B) The cooperating Oregon managing principal broker or a real estate
3 licensee, **other than a timeshare sales agent**, associated with the manag-
4 ing principal broker accompanies the out-of-state real estate licensee and the
5 client during any property showings or negotiations conducted in this state;
6 and

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

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

13 **“SECTION 17b.** If House Bill 2373 becomes law, ORS 696.294, as amended
14 by section 13, chapter ___, Oregon Laws 2025 (Enrolled House Bill 2373), is
15 amended to read:

16 “696.294. (1) As used in this section, ‘letter opinion’ means:

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

22 “(b) A document that expresses a timeshare sales agent’s conclusion re-
23 garding a recommended listing, selling or purchase price of a timeshare and
24 that results from the licensee’s competitive market analysis.

25 “(2) The Real Estate Commissioner by rule shall specify the minimum
26 contents of a letter opinion, including but not limited to the distinction be-
27 tween a letter opinion and a real estate appraisal.”.

28 On page 24, after line 34, insert:

29 **“SECTION 18a.** If House Bill 2373 becomes law, section 14, chapter
30 ___, Oregon Laws 2025 (Enrolled House Bill 2373) (amending ORS

1 **696.301), is repealed.”.**

2 On page 26, after line 36, insert:

3 **“SECTION 21a. If House Bill 2373 becomes law, section 21 of this**
4 **2025 Act (amending ORS 696.310) is repealed and ORS 696.310, as**
5 **amended by section 15, chapter __, Oregon Laws 2025 (Enrolled House**
6 **Bill 2373), is amended to read:**

7 *“696.310. [(1) If two or more principal real estate brokers are associated*
8 *with the same registered business name, the principal real estate brokers*
9 *shall:]*

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

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

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

18 *“(A) [Fully] Allocate all or some of the supervisory control and respon-*
19 *sibility for the professional real estate activities of all real estate [brokers*
20 *and timeshare sales agents] licensees associated with the registered business*
21 *name;*

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

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

29 **“(D) Include any supervisory control and responsibility of one**
30 **principal real estate broker over another principal real estate broker**

1 in the event that multiple principal real estate brokers execute su-
2 pervisory agreements with the managing principal broker;

3 “(E) Include a succession plan that:

4 “(i) Addresses scenarios where the managing principal broker be-
5 comes deceased or incapacitated or the principal managing broker’s
6 license becomes inactive, expired or associated with a different regis-
7 tered business name; and

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

11 “(F) Expressly state that the managing principal broker’s responsi-
12 bility for professional real estate activities of all real estate licensees
13 associated with the registered business name may not be limited by
14 the supervisory agreement;

15 “(b) Update the written supervisory agreement if another principal
16 real estate broker executes a written supervisory agreement with the
17 managing principal broker; and

18 “[*b*] (c) Update the written supervisory agreement if the disassociation
19 of a principal real estate broker occurs that affects the allocation of super-
20 visory control or responsibility[; *and*].

21 “[*c*] *Share equal supervisory control and responsibility for any professional*
22 *real estate activity conducted by real estate brokers and timeshare sales agents*
23 *associated with the registered business name that is not otherwise covered by*
24 *the written supervisory agreement.*]

25 “(2) If a licensed real estate property manager is associated with the same
26 registered business name as any combination of licensed real estate property
27 managers and principal real estate brokers, the licensed real estate property
28 managers and [*principal real estate*] **managing principal** brokers shall:

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

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

5 “(B) [*Includes*] **Include** any arrangement for supervisory control and re-
6 sponsibility over the management of rental real estate conducted by the li-
7 censed real estate property managers and principal real estate brokers,
8 **including opening and maintaining clients’ trust accounts under ORS**
9 **696.241 and 696.245;**

10 “(C) **Include any supervisory control and responsibility of one real**
11 **estate licensee or licensed real estate property manager over another**
12 **real estate licensee or licensed real estate property manager in the**
13 **event that multiple supervisory agreements are executed; and**

14 “(D) **Include a succession plan in the event the real estate licensee**
15 **or licensed real estate property manager dies or is incapacitated, de-**
16 **scribing any allocation of supervisory control and responsibility for the**
17 **registered business name that will flow to the surviving real estate**
18 **licensees or licensed real estate property managers;**

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

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

26 “(3) Licensed real estate property managers and [*principal real estate*]
27 **managing principal** brokers who do not exercise administrative or super-
28 visory control over one another are each responsible for their own manage-
29 ment of rental real estate.”.

30 On page 28, after line 31, insert:

1 **“SECTION 27a. If House Bill 2373 becomes law, section 18, chapter**
2 **___, Oregon Laws 2025 (Enrolled House Bill 2373) (amending ORS**
3 **696.710) is repealed.”.**

4
