AGENDA ITEM NO.
I.D.

Oregon
Kate Brown, Governor

Real Estate Agency
Equitable Center
530 Center St. NE, Suite 100
Salem, Oregon 97301-2505
Phone: (503) 378-4170
Regulations Fax: (503) 373-7153
Admin. Fax: (503) 378-2491
www.oregon.gov/rea

Notice of Agenda

OREGON REAL ESTATE BOARD

Regular Meeting Agenda
Oregon Real Estate Agency
530 Center St. NE, Suite 100
Salem, OR 97301

December 2, 2019

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

I. BOARD BUSINESS – Chair Hunter
- A. Call to Order
- B. Welcome new board members
- C. Chair Hunter comments/Roll Call
- D. Approval of the Agenda and Order of Business
- E. Approval of 10.07.19, regular meeting minutes
- F. Date of the Next Meeting: 2.3.20 location to be determined and meeting to begin at 10am

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

III. REQUESTS FOR WAIVERS – Chair Hunter. None.

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Chair Hunter- Approval of petition log.
- A. Alethea "Tia" Politi to appear in person.
- B. Richard Gann, to appear by phone.

V. BOARD ADVICE/ACTION – Commissioner Strode
- A. **Proposed 2020 Board meeting dates and locations:**
  - February 3 - Eugene
  - April 6 - Florence
  - June 1 - McMinnville
  - August 3 - Salem
  - October 5 - Bend
  - December 7 - Salem

VI. REPORTS – Chair Hunter
- A. Agency division reports-Commissioner Strode
  1. Regulations, Selina Barnes
  2. Land Development, Michael Hanifin
  3. Administration, Anna Higley
  4. Licensing and Education, Maddy Alvarado

VII. NEW BUSINESS – Deputy Commissioner Higley - Oregon Government Ethics law, Monica Walker, Program Analyst/Trainer, Oregon Government Ethics Commission

VIII. ANNOUNCEMENTS – Chair Hunter. Next board meeting: 2.3.20, location to be determined and meeting to begin at 10am.

IX. ADJOURNMENT – Chair Hunter

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

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OREGON REAL ESTATE BOARD

Regular Meeting Minutes
Holiday Inn Express & Suites
204 West Marine Drive
Astoria, OR 97103

Monday, October 7, 2019

BOARD MEMBERS PRESENT:
Jef Farley, Chair
Lawnae Hunter, Vice-Chair
Debra Gisriel
Jose Gonzalez
Dave Hamilton
Pat Ihnat
Dave Koch

BOARD MEMBERS ABSENT:
Alex MacLean, excused
Susan Glen, excused

OREA STAFF PRESENT:
Steve Strode, Commissioner
Anna Higley, Deputy Commissioner of Administration
Selina Barnes, Deputy Commissioner of Regulations
Maddy Alvarado, Customer Service Manager

GUESTS PRESENT:
Paula Marie Simantel, Larcon Realty Group, Inc.
Charles Lewin, Nonprofit Home Inspections
Debbie Morrow, Clatsop Assoc. of Realtors
Jerry Regan, Clatsop Association of Realtors
Kendrick George, Pacific Pro Realty
Sheena Martin, RE/MAX River & Sea
Leigh Mortlack, Exp. Realty LLC
Ashley Nichols, Exp. Realty LLC
Julia Redditz, Totem Properties, LLC
Robin Risley, Clatsop Assoc. of Realtors Cascade Sothebys
Adam Sehwend, Exp. Realty, LLC

I. BOARD BUSINESS – Chair Farley

A. Call to Order. Chair Farley called the meeting to order at 10am.

B. Chair Farley comments/Roll Call. Chair Farley asked the board liaison to take roll call, board members/REA staff to introduce themselves, and explained the role/function of the board.

C. Approval of the Agenda and Order of Business.

MOTION TO APPROVE APPROVAL OF THE AGENDA AND ORDER OF BUSINESS BY LAWNAE HUNTER
SECOND BY PAT IHNAT
MOTION CARRIED BY UNANIMOUS VOTE

D. Approval of 8.5.19 regular meeting minutes.

MOTION TO APPROVE THE 8.5.19 REGULAR MEETING MINUTES BY DAVE KOCH
SECOND BY DEBRA GISRIEL
MOTION CARRIED BY UNANIMOUS VOTE

E. Date of the Next Meeting: 12.2.19, in Salem, OR venue to be determined, to begin at 10am. Chair Farley announced that the 12.2.19 board meeting will be held at the Oregon Real Estate Agency, 530 Center St. NE, Suite 100, Salem, OR 97301.

II. PUBLIC COMMENT – Chair Farley. None.

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

III. NEW BUSINESS – Chair Farley

A. Election of Chair and Vice Chair. Commissioner Strode explained that Lawnae Hunter was willing to serve as Chair and Alex MacLean was also willing to serve a Vice-Chair for 2019.

MOTION TO APPROVE LAWNAE HUNTER AS BOARD CHAIR AND ALEX MACLEAN AS BOARD VICE CHAIR BY DEBRA GISRIEL
SECOND BY DAVE HAMILTON
MOTION CARRIED BY UNANIMOUS VOTE

IV. REQUESTS FOR WAIVERS – Chair Farley. None.

V. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Chair Farley – CEP Log

A. Nonprofit Home Inspections, Charles Lewis to appear in person. Mr. Lewis appeared in person and explained that Nonprofit Home Inspections is a nonprofit 501(c) (3) organization with the goal of making home inspections and the benefits of home inspections available to all. He also stated that another component to the organization is home inspector training. Chair Farley asked Mr. Lewis what the qualifications are for someone to be eligible for a home inspection. Mr. Lewis responded it is based on income. Ms. Gisriel asked Mr. Lewis if he was familiar with the recordkeeping requirements for certified education providers and Mr. Lewis responded that he was familiar with the requirements. Vice Chair Hunter asked Mr. Lewis if his organization has a board of directors and he responded that they did. Mr. Hamilton asked Mr. Lewis where the organization receives funding from and he responded the majority of funding comes from the fees for services. Ms. Ihnat asked Mr. Lewis if he would be the instructor providing the continuing education and he indicated that he would be one of the instructors. Nonprofit Home Inspections offer courses that include the following topics: Real estate property evaluation, appraisal, or valuation, and environmental protection issues in real estate, which are all considered acceptable course topics.

MOTION TO APPROVE NONPROFIT HOME INSPECTIONS'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH
SECOND BY DAVE HAMILTON
MOTION CARRIED BY UNANIMOUS VOTE

B. Andrew Varcak, Mr. Varcak to appear by phone. Mr. Varcak appeared by phone and explained that he has been in the mortgage business for over 15 years, previously approved through another company, and had since become an independent instructor. Chair Farley asked Mr. Varcak if he was familiar with the recordkeeping requirements for certified education providers and he responded that he was familiar with the requirements. Ms. Ihnat asked Mr. Varcak if he was responsible for recordkeeping at his previous company and he responded that he was responsible for recordkeeping and turned all those records over to the regional manager with the understanding that the records must be maintained. Mr. Varcak offers courses that include the following topics: Real estate property evaluation, appraisal, or valuation, which are considered acceptable course topics.

MOTION TO APPROVE ANDERW VARCAK'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH
SECOND BY LAWNAE HUNTER
MOTION CARRIED BY UNANIMOUS VOTE

C. Green Training USA, Kelly Caplenas to appear by phone. Ms. Caplenas appeared by phone and explained Green Training USA has focused on making home owners and agents aware of the importance of energy efficiency, clean air, and healthy homes. Chair Farley asked Ms. Caplenas if she was familiar with the recordkeeping requirements for certified education providers and she responded that her staff is familiar with the recordkeeping requirements. Chair Farley also asked Ms. Caplenas if her company was strictly an online provider and she responded that the company was not strictly an online provider. Mr. Koch asked Ms. Caplenas if her company had a timing system in place to track student activity and she responded that a system was in place to track student activity. Vice Chair Hunter asked Ms. Caplenas what type of training Green Training USA provided other than continuing education and Ms. Caplenas responded that the company has provided training on various energy efficiency measures. Green Training USA offers courses that include the following topics: Real estate property evaluation, appraisal, or valuation, and environmental protection issues in real estate, which are considered acceptable course topics. Ms. Higley and Ms. Alvarado stated that the Agency would provide an updated draft of the petition to include more information for petitioners to consider at the 12.2.19 board meeting for the board to review. **DISCUSSION:** Mr. Koch stated the energy audit requirement in Portland makes this topic very relevant. He also explained that Ms. Caplenas has shown a clear understanding of and has a system in place for recordkeeping.

MOTION TO APPROVE GREEN TRAINING USA'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH
SECOND BY PAT IHNAT
MOTION CARRIED BY 6 AYES (JEF FARLEY, LAWNAE HUNTER, PAT IHNAT, DEBRA GISRIEL, DAVE KOCH, AND JOSE GONZALEZ) AND 1 ABSENTIA (DAVE HAMILTON)

D. Oregon State Credit Union, Lyndora Taylor to appear by phone. Ms. Taylor appeared by phone and explained that OSCU has been providing community education for more than 15 years. Chair Farley asked Ms. Taylor if OSCU has been actively teaching classes under other certified educations providers and she responded that they have not. He also asked if the courses would be live courses with instructors and Ms. Taylor responded that the courses would be live with instructors. Mr. Koch asked Ms. Taylor if she was prepared to meet the recordkeeping requirements for certified education providers and she said that she is familiar with the recordkeeping requirements. He also asked if the courses that will be offered were already offered for the benefit of consumers and she responded that the courses will be specifically for realtors. Mr. Farley asked if Ms. Taylor would be personally instructing the courses and she responded that she along with other staff members would be instructing. OSCU will offer courses that include the following topics: Real estate finance, real estate property evaluation, appraisal, or valuation, which are all considered acceptable course topics.

MOTION TO APPROVE OREGON STATE CREDIT UNION'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY JOSE GONZALEZ
SECOND BY DAVE HAMILTON
MOTON CARRIED BY UNANIMOUS VOTE

VI. BOARD ADVICE/ACTION – Commissioner Strode

A. Approval of 8.4.19 LARRC Committee meeting minutes. Not addressed.
B. 2020 – 2021 Law and Rule Required Course (LARRC) Required Topics – Make recommendations to adopt the LARRC Outline developed by the LARRC Committee. Commissioner Strode referred the board members to the Draft LARRC outline and thanked the LARRC Committee members for their participation in the development process. **DISCUSSION:** Mr. Koch asked if approval of the LARRC outline is needed beyond Commissioner Strode. Mr. Strode explained that the final step in the process is for the board to adopt the LARCC outline.

MOTION TO ADOPT THE LARRC OUTLINE DEVELOPED BY THE LARRC COMMITTEE BY DAVE HAMILTON
SECOND BY DEBRA GISRIEL
MOTION CARRIED BY UNANIMOUS VOTE

VII. REPORTS – Chair Farley

A. Commissioner Strode**.** Mr. Strode recognized outgoing board members, Chair Jef Farley and Dave Koch. He also explained that the Agency was working with the Governor's Office through the selection process for the replacements of the outgoing board members and anyone interested should go to Oregon.gov and search Boards and Commissions where information about applying for board appointment can be found. He also stated that the goal was to have the two new board members in place by the 12.2.19 board meeting.

1. PMAR Broker Management Meeting
   - Mr. Strode presented an overview of the Agency's role/function/processes.
2. OAR Panel Discussion
   - REA staff presented an overview of the Agency's role/function/processes
3. Business Issues Key Committee – Not addressed
4. CLEAR and ARELLO Conferences
   - Agency has attended the ARELLO (Association of Real Estate License Law Officials) conferences on a regular basis for many years and has had an active rule with the organization
   - Mr. Strode and Ms. Higley attended the CLEAR (Council on Licensure, Enforcement and Regulation), which a variety of licensed industries attend.
5. Occupational Licensure Developments
   - Bills that passed which had an impact on the Agency:
     - SB 855 –Directs professional licensing boards to develop pathways to licensure, certification or other authorization to practice occupation or profession for specified persons] study manner in which persons who are immigrants or refugees become authorized to practice occupation or profession. Directs boards to reduce barriers to authoriza11tion to practice for immigrants or refugees. Agencies, including REA, are required to report what they may do to make entrance into occupations easier for immigrants and refugees to the Legislature.
     - SB 688 – Directs licensing boards to issue annually report to interim committee of Legislative Assembly related to veterans information about temporary authorizations to practice occupational or professional service for spouses or domestic partners of members of Armed Forces of the United States who are stationed in this state. Agency will outline the process of issuing temporary licenses in this situation and present to the board at a later date.

B. Agency Division Reports

1. Regulations, Selina Barnes. Ms. Barnes summarized the statistics/information provided in the division report, announced that two new investigators, Cidia Nanez and Benjamin McBride, have joined the Agency as of 10.1.19. She also explained that she would be presenting the "Attn: Violation Prevention" class following the board meeting. Ms. Barnes gave a brief report regarding the ARELLO conference that she attended and explained that staff would be attending various trainings in the upcoming months. She also reviewed the Administrative Actions Summary and explained the corresponding Orders would be emailed to the board members.
2. Administration and Land Development, Anna Higley. Ms. Higley presented a budget update and explained that the Agency's current licensing database, eLicense, will be replaced next biennium. She also followed up from the last board meeting regarding the renovation of the Agency's reception area for security purposes. Ms. Higley reported that quotes were received, suggestions from the board regarding keeping the Agency structure personable are being considered, and the expectation was to have the renovation completed by the end of 2019. Ms. Higley summarized the statistics/information provided in the Land Development division report.
3. Licensing and Education, Madeline Alvarado. Ms. Alvarado summarized the statistics/information provided in the division report and outlined the following projects that the Agency would be participating in during 2020:
   - Partnering with PSI to review the exam process which will include forming a committee of subject matter experts.
   - Implementation of mandatory educator reviews

VIII. ANNOUNCEMENTS – Chair Farley. Next board meeting: 12.02.19 at the Oregon Real Estate Agency, 530 Center St. NE, Salem, OR 97301, to begin at 10am.

IX. ADJOURNMENT

Respectfully submitted,

_____
STEVE STRODE, COMMISSIONER

Respectfully submitted,

_____
LAWNAE HUNTER, BOARD CHAIR

AGENDA ITEM NO. IV.

OREGON REAL ESTATE BOARD - CEP LOG (2016-2019)

6.6.16	Kenneth Holman	WITHDRAWN	Mr. Holman withdrew his petition and indicated his intention to re-petition the board as a trade association at a later date.
6.6.16	CMPS Institute (Gibran Nicholas)	APPROVED	**FACTS**: Chair Hermanski asked CMPS to summarize the basis of their petition. Gibran Nicholas explained that CMPS Institute has provided education across the country and is approved in 10 states to provide CE to real estate agents. Mr. Nicholas also explained CMPS Institute offers the following acceptable course topics: advertising; regulation; consumer protection; real estate taxation; and finance. Chair Hermanski asked if they were familiar with the record keeping requirements and Ms. Nicholas responded that they are familiar with the record keeping requirements **MOTION TO APPROVE CMPS INSTITUTE'S PETITION TO QUALIFY AS A CONTINUING EDCUATION PROVIDER BY MARCIA EDWARDS** **SECOND BY LAWNAE HUNTER** **MOTION CARRIED BY UNANIMOUS VOTE**
10.3.16	Michelle Moore	APPROVED	**FACTS:** Ms. Moore explained that she had nine years of experience in providing continuing education courses covering the following topics: real estate consumer protection, risk management, dispute resolution, and negotiation, which are considered acceptable course topics. Dave Koch asked Ms. Moore if she was familiar with the record keeping requirements involved with being a provider and she responded that she was aware of the requirements. **MOTION TO APPROVE BY DAVE KOCH** **SECOND BY LAWNAE HUNTER** **MOTION CARRIED BY UNANIMOUS VOTE**
12.05.16	Brix Law LLP	APPROVED	**FACTS:** Laura Craska Cooper and Brad Miller appeared by phone and Mr. Miller explained Brix Law LP specializes in real estate and land use transactions and both he and Ms. Craska Cooper had an extensive amount of experience in the following areas: real estate leasing, acquisitions, development, financing, general business, and negotiations. Chair Hermanski asked Mr. Miller and Ms. Craska Cooper if they were familiar with the record keeping requirements as a certified education instructor and Mr. Miller responded that they were familiar this requirement.
02.06.17	Systems Effect LLC	APPROVED	**FACTS:** Mr. Jordan appeared by phone and explained that Systems Effect LLC is a distance learning company that has been in business since 2008 and is currently approved to provide real estate continuing education courses in Arizona, Kansas, Minnesota, Missouri, and Ohio. He also stated that the courses offered cover the following acceptable topics: Principal broker record keeping and supervision, trust accounts, agency relationships, misrepresentation, disclosure, contracts, appraisal, fair housing, risk management, water rights, environmental protection, land use, real estate law, negotiation, and others. Dave Koch asked Mr. Jordan if a tracking device was in place to monitor class time and he responded that there is a timer in place to verify that students meet the required course time. Alex MacLean asked Mr. Jordan I there is a resource for student assistance with questions they might have and Mr. Jordan responded that there is a FAQ information, email system, and staff available for students.
02.06.17	American Dream Real Estate School LLC	APPROVED	**FACTS:** Herbert Nagamatsu appeared by phone and explained that American Dream Real Estate School created, administered and delivered online courses and training programs to students since 2005. He also stated that the courses offered cover the following acceptable topics: Contracts, Risk Management, and real estate finance. Dave Koch asked Mr. Nagamatsu how he derived the questions for the courses and he responded that the topics covered meet with rule and law. Alex MacLean asked Mr. Nagamatsu how students communicate with instructors he responded that contact information for instructors is posted online for students. Mr. Koch asked Mr. Nagamatsu how class time was tracked and he responded timing mechanisms were in place behind the scenes. Mr. Koch also asked Mr. Nagamatsu to explain his record keeping process and he responded records are kept for minimum of 3 years and backup for seven years.
02.06.17	Asset Preservation Inc.	APPROVED	**FACTS:** Elisa Mas appeared by phone and explained that Asset Preservation, Inc. has provided 1031 exchange courses for continuing education to real estate professionals all over the nations for over 25 years and was also approved to teach continuing education courses in Texas, New York, Florida, Colorado, Washington, Oklahoma, New Jersey, and Arizona as well as Oregon, previously. She also stated that the courses offered cover the following acceptable topics: Real estate taxation and Real Estate Finance. Alex MacLean asked Ms. Mas when her company was certified and she responded approximately one year ago. Mr. MacLean also asked Ms. Mas is her company was currently certified and if not, to explain the gap in time. Ms. Mas explained the previous administrator was expired and now they want to be certified again.
02.06.17	Military Mortgage Boot Camp	APPROVED	**FACTS:** Mike Fischer appeared by phone and explained the current class offered is a 2 or 3 hour version which covers appraisal, VA assistance, and transaction coordination. Chair Edwards asked Mr. Fischer which acceptable topics were covered in the courses offered and he responded that consumer protection was the topic covered. Dave Hamilton stated he would like to see Oregon's program incorporated in the course and Mr. Fischer responded they could incorporate Oregon's program. Chair Edwards clarified that although, incorporating Oregon's program was not a requirement or contingency, it was encouraged.
02.06.17	Fairway Independent Mortgage Corp.	APPROVED	**FACTS:** Kate Myers appeared before the board and explained Fairway Independent Mortgage Corp. was one of the mortgage companies that is allowed to handle VA loans. Chair Edwards asked Ms. Myers which acceptable course topics are covered in their courses and she responded that real estate finance was the topic offered. Dave Koch asked Ms. Myers if there was a record keeping mechanism in place and she responded there is an administrator who would be assigned the record keeping duties
04.03.17	Envoy	APPROVED	**FACTS:** Mr. Varcak appeared by phone and explained he has taught first time home buyers courses and facilitated other trainings. He also said he teaches courses covering the topic of Real Estate Finance, which is an acceptable course topic. Mr. Varcak indicated that his goal was to provide a more structured training program through Envoy. Coni Rathbone asked Mr. Varcak if he has kept track of continuing education credits and he responded that although he had not kept track of credits in the past, he did review all the record keeping requirements and was prepared to follow them. Dave Koch of he intended to use instructors to provide variety of topics and Mr. Varcak responded that he did intend to utilize other instructors. Commissioner Bentley

			asked Mr. Varcak if he had considered being an instructor rather than a provider and Mr. Varcak responded that his company wanted to provide their own coursework.
04.03.17	Oregon Rental Housing Association Education Inc.	APPROVED	**FACTS:** Ms. Pate appeared and explained ORHA Education Inc. is seeking a grant to provide supplemental education to landlords, tenants, and public education. Chair Edwards asked Ms. Pate which location records would be kept and she responded that she believed the Salem office located on Commercial St. would house the records. Commissioner Bentley asked Ms. Pate to clarify the topics that would be offered and she explained she intended to offer courses covering the following topics: Property management, advertising, any type of fair housing issue, real contracts, business ethics, and dispute resolution, which are all acceptable course topics.
06.05.17	Mason McDuffie Mortgage Corp.	APPROVED	**FACTS:** Mason McDuffie Mortgage Corp., Jesse Rivera appeared by phone and explained that he used his experience as a former real estate agent and high school teacher as a way to build good relationships. Mr. Rivera also explained that he would be teaching the following topics during his classes: Real estate finance, contracts, advertising, how to manage brokers, and business ethics, which are acceptable course topics.
8.7.17	Real Estate Training Institute, a division of Certified Training Institution	APPROVED	**FACTS:** Real Estate Training Institute, a division of Certified Training Institution, Ms. Teri Francis and Jenny MacDowel appeared by phone and explained that CTI is a distance learning provider with a total of 16 real estate courses approved by ARELLO and cover the following topics: principal broker supervision responsibilities, agency relationships and responsibilities for broker, principal brokers, or property managers, disclosure requirements, consumer protection, real estate contracts, real estate taxation, fair housings laws or policy, business ethics, risk management, real estate finance, and environmental protections issues, which are acceptable course topics.
10.02.17	Housing and Community Services Agency of Lane County	APPROVED	Mr. Baker explained he is the landlord liaison at HACSA and is in charge of maintaining the line of communication with landlords. He also stated that HACSA manages the section 8 program for all of Lane County. Mr. Baker explained the courses he offers cover the following topics: fair housing laws and policies, risk management, & advertising regulations, which are acceptable course topics. Chair Edwards asked Mr. Baker if he was familiar with the recordkeeping requirements for continuing education providers. Mr. Baker responded based on the recordkeeping requirements HACSA intends to maintain records both electronically and paper. Farley: Have you been offering courses both and working under a provider? Baker-currently we are partnering with the rental owners association of Lane Co who is a licensed provider-the reason we are asking for our agency is basically not being able to offer classes to the public at large being able to only offer classes to members of the association as well as property managers having to pay for those credits-we want to offer those credits for free. Edwards: excellent resource in Lane County I appreciate your outreach efforts.
10.02.17	Lumos Academy	APPROVED	Ms. Mueller explained Lumos is designed to provide exemplary real estate education and our goal is really to do our best to raise the competency level of the brokers throughout the State-better educated broker is better for the client-currently we have 3 instructors. Ms. Mueller explained that the courses offered by Lumos cover the following course topics: principal real estate broker supervision responsibilities, agency relationship and responsibilities, misrepresentation in real estate transactions, advertising regulations, real estate disclosure requirements, real estate consumer protection, fair housing, business ethics, risk management, dispute resolution, real estate escrow, real estate economics, real estate law and regulations, and negotiation, which are considered acceptable course topics.
12.04.17	Jesse Rivera	APPROVED	Jesse Rivera appeared in person and explained that he has extensive experience as an instructor and the courses he currently offers include the following course topics: Contracts, compliance with social media, real estate finance, real estate valuation, & negotiation, which are considered acceptable course topics. Ms. Rathbone asked Mr. Rivera what other topics he would be offering and he responded that he planned on giving instruction on advertising.
12.04.17	Carl W. Salvo	APPROVED	Carl Salvo appeared by phone. Mr. Salvo explained that he had been in the industry since 1997 and has been asked by several industry members to teach classes. Chair Edwards asked Mr. Salvo if he was familiar with the record keeping requirements as a certified continuing education provider and he responded that he was familiar with the record keeping requirements. He also explained the courses he offered cover the following course topics: how rates are determined, loan estimation, & appraisals, which are acceptable course topics.
04.02.18	Stephanie Shapiro	APPROVED	**FACTS:** Ms. Shapiro explained she has been involved in some capacity of teaching since 2007. She also explained she has been teaching home energy classes and would like to expand her courses. Chair Farley asked Ms. Shapiro if her company provided services to real estate brokers and Ms. Shapiro indicated that she does provide services to real estate industry. Ms. Shapiro has taught courses under the following topics: consumer protection, disclosure requirements, and real estate law/regulation, which are acceptable course topics. **MOTION TO APROVE MS. SHAPIRO'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE HAMILTON** **SECOND BY ALEX MACLEAN** **MOTION CARRIED BY UNANIMOUS VOTE**
04.02.18	Sirmon Training & Consulting Group – Jason Sirmon	APPROVED	**FACTS:** Sirmon Training & Consulting Group, Jason Sirmon will appear by phone. Mr. Sirmon explained that his goal was to educate licensees about veterans who are currently on active duty or recently discharged. Chair Farley asked Mr. Sirmon if he was aware he could provide courses as an instructor rather than an continuing education provider and Mr. Sirmon responded that his reason for his petition was based on his approval in 20 different states as a provider and since he is not an instructor it is difficult to manage out of state instructors. Mr. Sirmon offers courses that cover the following topics: NC Mandaotry Update, NC Broker-in-Charge Update, REBAC-Green and Sustainable Housing, REBAC-Short Sales and Foreclosures, Client-Level Negotiation, Commercial and Investment Real Estate, and Ethics in Today's Real Estate, which are acceptable course topics. **MOTION TO APPROVE SIRMON TRAINING & CONSULTING GROUP'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY CONI RATHBONE** **SECOND BY DAVE HAMILTON** **MOTION CARRIED BY UNANIMOUS VOTE**
6.4.18	Finance of America Mortgage	Approved	**FACTS:** Finance of America Mortgage, Austin Strode will appear in person. Christina Danish appeared by phone and explained the petition was based on the company specializing in reverse mortgages. She also explained that the company is responsible for educating the real estate professionals about

			reverse mortgage/home equity mortgage process. Chair Farley asked Ms. Danish if she was aware that her company could provide education in Oregon as an instructor and Ms. Danish responded she was not aware of this process. Ms. Danish explained the courses FAR offers cover the following topics: reverse mortgage and finance, which are considered acceptable course topics. **MOTION TO APROVE FINANCE OF AMERICA MORTGAGE'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY PAT IHNAT** **SECOND BY DEBRA GISRIEL** **MOTION CARRIED BY UNANIMOUS VOTE**
10.8.18	Lumen Mortgage Corporation	APPROVED	**FACTS:** Lumen Mortgage Corporation, David Blackmon will appear by phone. Mr. Blackmon explained that he was the President of Lumen Mortgage Corporation and his company partners with title and escrow companies to provide continuing education courses specific to condominium financing options as well as investment properties. He also explained that the courses offered include the following topics: Real estate finance; Condominiums; and Unit Owner Associations. Chair Farley asked Mr. Blackmon if the classes he offers are through another continuing education provider and Mr. Blackmon responded confirmed. Chair Farley inquired as to the length and level of experience in providing education. Mr. Blackmon explained he had been offering condominium for the last year and prior to that he provided education regarding condominium financing and unit owner association for 10 years. Dave Koch asked Mr. Blackmon what resources he draws in order to teach classes regarding condominium and unit owner associations and he responded that the structure of the courses is shaped through condominium financing eligibility. Debra Gisriel asked Mr. Blackmon if he was familiar with the record keeping requirements required for continuing education providers and confirmed he was familiar with these requirements. **MOTION TO APPROVE LUMEN MORTGAGE CORPORATION'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE HAMILTON** **SECOND BY LAWNAE HUNTER** **MOTION CARRIED BY UNANIMOUS VOTE**
10.8.18	HD home Inspections LLC	APPROVED	HD home Inspections LLC, Russell Lucas will appear by phone. Mr. Lucas explained he provides education regarding building components and inspection issues and the acceptable course topic falls under Real estate property valuation, appraisal, or valuation and Real estate law or valuation. Pat Ihnat asked Mr. Lucas if he was familiar with the requirements involved in being a continuing education provider and he responded that he was familiar with the all requirements including recordkeeping. Dave Koch asked Mr. Lucas how many photos are involved in the inspections portion of the classes offered and Mr. Lucas responded he uses approximately 50 slides during his presentation. Jose Gonzalez asked Mr. Lucas to describe his interaction with first time buyers and Mr. Lucas explained that as an inspector he provides practical guidance and clarity for home buyers. **MOTION TO APPROVE HD HOME INSPECTION'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY PAT IHNAT** **SECOND BY DAVE HAMILTON** **MOTION CARRIED BY UNANIMOUS VOTE**
10.8.18	Scott Harris	APPROVED	Scott Harris will appear by phone. Mr. Harris explained he is a home inspector and engineer for many years. He also stated that he offers classes which include the following topics: Commercial real estate; Real estate property evaluation, appraisal, or valuation; Risk management; Real estate finance; Real estate development; and Real estate economics, which are all considered acceptable course topics. Mr. Koch asked Mr. Harris to give a brief profile of what the risk management course looked like and Mr. Harris responded this classes include information on how to find out about potential risks involved with properties. Mr. Koch also asked if Mr. Harris was aware of the recordkeeping requirements involved as a continuing education provider and Mr. Harris confirmed his awareness. **DISCUSSION:** Mr. Owens added that it is critical for licensees to consult with experts regarding home inspections. **MOTION TO APPROVE SCOTT HARRIS'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY LAWNAE HUNTER** **MOTION CARRIED BY UNANIMOUS VOTE**
12.10.18	Julia Felsman	APPROVED	Julia L. Felsman, Ms. Felsman explained she offers courses which include the following topics: Real estate taxation, real estate escrows, appraisals, real estate finance, RESPA, TILA, TRID, Condominium conversions, real estate investing, investment property analysis, economic trends, financial markets, and managing transactions, which are considered acceptable course topics. She also stated that she is very familiar with the record keeping requirements involved in being a continuing education provider. **MOTION TO APPROVE JULIA FELSMAN'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY PAT IHNAT** **SECOND BY DAVE HAMILTON** **MOTION CARRIED BY UNANIMOUS VOTE**
12.10.18	Chris Jacobsen	CONTINUED	Chris Jacobsen will appear by phone. Mr. Jacobsen explained offers courses that include the following topics: loan information, reverse mortgage, down payment assistance, home purchases, and rehabilitation loans. Chair Farley asked Mr. Jacobsen if he familiarized himself with the record keeping requirements associated with being a continuing education provider and Mr. Jacobsen responded that he had not reviewed the requirements. Lawnae Hunter suggested that Mr. Jacobsen's petition be revisited at the next board meeting. Chair Farley also recommended that Mr. Jacobsen's petition be continued to the 2.4.19 meeting agenda to allow him to review ORS Chapter 696 and OAR Chapter 863 regarding continuing education provider requirements.
12.10.18	Paul Davis	APPROVED	Paul Davis, Julie Peck will appear by phone. Ms. Peck explained she offers courses that include the following topics: property management, risk management, and commercial real estate, which are considered acceptable course topics. Chair Farley asked Ms. Peck if she was with the record keeping requirements associated with being a continuing education provider and she responded that she was very familiar with the requirements.

			MOTION TO APPROVE PAUL DAVIS'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY LAWNAE HUNTER **SECOND BY DAVE KOCH** **MOTION CARRIED BY UNANIMOUS VOTE**
02.04.19	Matt Fellman	APPROVED	Matt Fellman.. Mr. Fellman appeared before the board and explained that he offers the following topics in his classes: Consumer Protection, Real Estate Contracts, and Dispute Resolution, which are all considered acceptable course topics. **MOTION TO APPROVED MATT FELLMAN'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY PAT IHNAT** **MOTION PASSED BY UNANIMOUS VOTE**
02.04.19	Chris Jacobsen	APPROVED	Chris Jacobsen continued from 12.10.18 board meeting to allow Mr. Jacobsen to research ORS Chapter 696 and OAR Chapter 863 regarding CEP responsibilities. Mr. Jacobsen appeared by phone and explained that he had reviewed the rules and laws regarding provider responsibilities. **DISCUSSION:** Dave Hamilton stated that the board needed to be more selective in approving continuing education provider petitions. Debra Gisriel indicated she was not able to find a reason to deny Mr. Jacobsen's petition. Mr. Owens clarified that as industry practitioners, the board uses their knowledge and discretion to make these decisions. **MOTION TO APPROVE CHRIS JACOBSEN'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY DEBRA GISRIEL** **MOTION CARRIED BY SEVEN AYES (JEF FARLEY, DEBRA GISRIEL, SUSAN GLEN, JOSE GONZALEZ, DAVE KOCH, PAT IHNAT, AND ALEX MACLEAN) AND ONE NAY (DAVE HAMILTON)**
02.04.19	Kathy Kemper-Zanck	APPROVED	Kathy Kemper-Zanck. Ms. Kemper-Zanck appeared by phone and explained she had 11 years of experience as a mortgage broker and 3 as an educator. She also explained the primary course she offers covers the topic of Real Estate Finance, which is considered an acceptable course topic. Ms. Kemper indicated she could provide education on the following topics in the future: Advertising Regulations, Real Estate Contracts, Real Estate Property Evaluation, Appraisal or Valuation, Real Estate Title, Real Estate Escrows, and Condominiums, which are all considered acceptable course topics. **MOTION TO APPROVE KATHY KEMPER-ZANCK'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY ALEX MACLEAN** **MOTION CARRIED BY UNANIMOUS VOTE**
6.3.19	Old Republic Exchange Company, Ashley Stefan	APROVED	Ashley Stefan appeared by phone. Pat Ihnat commented on Old Republic Title Company being a sister company in Portland Metro area. Dave Koch asked since it is an exchange company would classes be exchange-related. Ihnat asked who the instructor is, if they are an employee of the exchange company, and if classes would be live. Susan Glen asked about other classes and if they would offer classes besides 1031 exchange courses. **DISCUSSION:** Debra Gisriel asked question about criteria for approval. Jef Farley responded it changes depending on board members, explained history and considerations. Gisriel commented historically seem market driven. Pat Ihnat said if course quality poor, brokers will say so. Lawnae Hunter said she wrestled with this also. Agrees with Ihnat that it is self-regulating. Steve Strode commented we approve providers, not instructors. Will convene continuing education workgroup later this year. Hunter said wants to be on workgroup and commented on other states requirements. Commented on requirement to be timed online for CE. Strode said good conversations to have at workgroup. Jose Gonzalez commented if someone calls his office to teach, can tell right away if it is for marketing. Asked to keep in mind availability for small office. Dave Koch said he inquires whether applicants understand record keeping requirements and if instructor is qualified. Ihnat said live instruction is so much better. **MOTION TO APPROVE OLD REPUBLIC EXCHANGE COMPANY'S PETITION TO QUALIFIY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY LAWNAE HUNTER** **MOTION CARRIED BY UNANIMOUS VOTE**
10.7.19	Nonprofit Home Inspections	APPROVED	Nonprofit Home Inspections, Charles Lewis to appear in person. Mr. Lewis appeared in person and explained that Nonprofit Home Inspections is a nonprofit 501(c) (3) organization with the goal of making home inspections and the benefits of home inspections available to all. He also stated that another component to the organization is home inspector training. Chair Farley asked Mr. Lewis what the qualifications are for someone to be eligible for a home inspection. Mr. Lewis responded it is based on income. Ms. Gisriel asked Mr. Lewis if he was familiar with the recordkeeping requirements for certified education providers and Mr. Lewis responded that he was familiar with the requirements. Vice Chair Hunter asked Mr. Lewis if his organization has a board of directors and he responded that they did. Mr. Hamilton asked Mr. Lewis where the organization receives funding from and he responded the majority of funding comes from the fees for services. Ms. Ihnat asked Mr. Lewis if he would be the instructor providing the continuing education and he indicated that he would be one of the instructors. Nonprofit Home Inspections offer courses that include the following topics: Real estate property evaluation, appraisal, or valuation, and environmental protection issues in real estate, which are all considered acceptable course topics. **MOTION TO APPROVE NONPROFIT HOME INSPECTIONS'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY DAVE HAMILTON** **MOTION CARRIED BY UNANIMOUS VOTE**
10.07.19	Andrew Varcak	APPROVED	Andrew Varcak, Mr. Varcak to appear by phone. Mr. Varcak appeared by phone and explained that he has been in the mortgage business for over 15

			years, previously approved through another company, and had since become an independent instructor. Chair Farley asked Mr. Varcak if he was familiar with the recordkeeping requirements for certified education providers and he responded that he was familiar with the requirements. Ms. Ihnat asked Mr. Varcak if he was responsible for recordkeeping at his previous company and he responded that he was responsible for recordkeeping and turned all those records over to the regional manager with the understanding that the records must be maintained. Mr. Varcak offers courses that include the following topics: Real estate property evaluation, appraisal, or valuation, which are considered acceptable course topics. **MOTION TO APPROVE ANDERW VARCAK'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY LAWNAE HUNTER** **MOTION CARRIED BY UNANIMOUS VOTE**
10.07.19	Green Training USA	APPROVED	Green Training USA, Kelly Caplenas to appear by phone. Ms. Caplenas appeared by phone and explained Green Training USA has focused on making home owners and agents aware of the importance of energy efficiency, clean air, and healthy homes. Chair Farley asked Ms. Caplenas if she was familiar with the recordkeeping requirements for certified education providers and she responded that her staff is familiar with the recordkeeping requirements. Chair Farley also asked Ms. Caplenas if her company was strictly an online provider and she responded that the company was not strictly an online provider. Mr. Koch asked Ms. Caplenas if her company had a timing system in place to track student activity and she responded that a system was in place to track student activity. Vice Chair Hunter asked Ms. Caplenas what type of training Green Training USA provided other than continuing education and Ms. Caplenas responded that the company has provided training on various energy efficiency measures. Green Training USA offers courses that include the following topics: Real estate property evaluation, appraisal, or valuation, and environmental protection issues in real estate, which are considered acceptable course topics. Ms. Higley and Ms. Alvarado stated that the Agency would provide an updated draft of the petition to include more information for petitioners to consider at the 12.2.19 board meeting for the board to review. **DISCUSSION:** Mr. Koch stated the energy audit requirement in Portland makes this topic very relevant. He also explained that Ms. Caplenas has shown a clear understanding of and has a system in place for recordkeeping. **MOTION TO APPROVE GREEN TRAINING USA'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY DAVE KOCH** **SECOND BY PAT IHNAT** **MOTION CARRIED BY 6 AYES (JEF FARLEY, LAWNAE HUNTER, PAT IHNAT, DEBRA GISRIEL, DAVE KOCH, AND JOSE GONZALEZ) AND 1 ABSENTIA (DAVE HAMILTON)**
10.07.19	Oregon State Credit Union	APPROVED	Oregon State Credit Union, Lyndora Taylor to appear by phone. Ms. Taylor appeared by phone and explained that OSCU has been providing community education for more than 15 years. Chair Farley asked Ms. Taylor if OSCU has been actively teaching classes under other certified educations providers and she responded that they have not. He also asked if the courses would be live courses with instructors and Ms. Taylor responded that the courses would be live with instructors. Mr. Koch asked Ms. Taylor if she was prepared to meet the recordkeeping requirements for certified education providers and she said that she is familiar with the recordkeeping requirements. He also asked if the courses that will be offered were already offered for the benefit of consumers and she responded that the courses will be specifically for realtors. Mr. Farley asked if Ms. Taylor would be personally instructing the courses and she responded that she along with other staff members would be instructing. OSCU will offer courses that include the following topics: Real estate finance, real estate property evaluation, appraisal, or valuation, which are all considered acceptable course topics. **MOTION TO APPROVE OREGON STATE CREDIT UNION'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY JOSE GONZALEZ** **SECOND BY DAVE HAMILTON** **MOTON CARRIED BY UNANIMOUS VOTE**

AGENDA ITEM NO.
IV. A.

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER

Rev. 1/2017

RECEIVED
OCT 31 2019
REAL ESTATE AGENCY
SALEM, OREGON

Real Estate Agency
530 Center St. NE Ste. 100
Salem OR 97301
Phone: (503) 378-4170

INSTRUCTIONS

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it by e-mail to madeline.c.alvarado@state.or.us a least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act.

IMPORTANT:

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

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

PETITIONER

Name Alethea "Tia" J. Politi Phone Number 541-953-4142

Physical Address 84408 N Enterprise Road Address Cont.

City Pleasant Hill State OR Zip Code 97455 County Lane

E-mail tia172@yahoo.com

Mailing Address (if different) Address Cont.

City State Zip Code County

AUTHORIZED CONTACT PERSON

Prefix Ms. First Name Tia Last Name Politi

Phone Number 541-953-4142 E-mail tia172@yahoo.com

Indicate who will appear before the board on behalf of the Petitioner: Alethea "Tia" J. Politi

AGENCY USE ONLY

Approved by Board YES NO

Review Date

Continue on page 2

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFICATION INFORMATION

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

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

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

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

Please refer to attached sheet for instructor qualifications.
863-020-0035(4)(a) & 4(f)

AUTHORIZATION AND ATTESTATION

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I acknowledge that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.

Alethea "Tia" J. Politi

Printed Name of Authorized Individual

Date 10/29/2019

Tia J. Politi

Signature of Authorized Individual

Alethea "Tia" J. Politi - Application qualifications for Certified Continuing Education Provider

Education

- B.S. Journalism, University of Oregon, 1987
- Hundreds of hours of Continuing Education in Property Management

Industry Experience & Involvement

- President of the Rental Owners Association of Lane County (ROA) for the past four years and board member for nearly 10 years. Current provider of landlord Helpline services for the Lane Association and the Coos Bay Association.
- Instructor for ROA classes for almost 10 years.
- Secretary for the Oregon Rental Housing Association (ORHA) for more than two years and board delegate for more than six years. Head of the Forms Committee and editor of both the ORHA Forms Manual and ORHA Law Book.
- Instructor for ORHA associations for four years.
- Secretary for ORHA Education, Inc., a non-profit dedicated to providing impartial, fact-based education to housing providers and renters.
- Instructor for ORHA Education, Inc., since August 2018.
- Property Management licensee in good standing, holding an inactive license - #200902012.
- Employed as a property manager and eviction specialist in both private and public sectors for more than 10 years. Valley Investment Properties, Eugene, OR; Acorn Property Management, Springfield, OR; Homes for Good Housing Agency, Springfield, OR.
- Regular author of educational articles for landlords, some of which have been published statewide.

References available upon request

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER

Rev. 1/2017

Real Estate Agency
530 Center St. NE Ste. 100
Salem OR 97301
Phone: (503) 378-4170

INSTRUCTIONS

To petition the Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it by e-mail to madeline.c.alvarado@state.or.us a least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act.

IMPORTANT:

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

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

PETITIONER

Name Richard D. Gann, Esq. Phone Number (503) 858-7729

Physical Address 4800 Meadows Road Address Cont. Suite 300

City Lake Oswego State OR Zip Code 97035 County Clackamas

E-mail rick@1031capitalsolutions.com

Mailing Address (if different) Address Cont.

City State Zip Code County

AUTHORIZED CONTACT PERSON

Prefix Mr. First Name Richard Last Name Gann

Phone Number (503) 858-7729 E-mail rick@1031capitalsolutions.com

Indicate who will appear before the board on behalf of the Petitioner: Richard Gann (telephonically)

AGENCY USE ONLY

Approved by Board YES NO

Review Date

Continue on page 2

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

QUALIFICATION INFORMATION

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

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

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

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

I (Richard D. Gann) have been a member of the California State Bar since 1997 (#188294). I was also formerly licensed as real estate broker in California (#01837709). During my time as an executive at Grubb & Ellis (the first commercial real estate firm listed on a stock exchange), I ran the training program for the entire country. I developed courses for teaching everything from leases to investment analysis to sales presentations. Based on my training seminars in the latter topic, I wrote a book entitled "How to Give Presentations that Win", now available on Amazon. I also have been certified by virtually all states to deliver CE to insurance-licensed financial advisers and nationally certified by NASBA to deliver CE to Certified Public Accountants. In the 10 years after leaving Grubb & Ellis, I worked for two sponsors of nationally-syndicated real estate programs. Over that time, I developed and delivered hundreds of education presentations to financial professionals nationwide. Today, I am a partner with 1031 Capital Solutions, with offices in California and Oregon. We provide investment options for landlords seeking passive replacement properties for their 1031 exchanges. This specialized niche requires deep expertise in real estate investment fundamentals, tax law, IRS procedures and securities regulations. Because our programs are private placements, we rely heavily on referrals from real estate agents/brokers, accountants and other professionals. As a result, we have become adept at educating service providers on the various facets of 1031 exchanges and the investment analysis tools necessary to determine what options may be suitable for investor clients.

AUTHORIZATION AND ATTESTATION

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I acknowledge that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.
- I attest that petitioner knows and understands the responsibilities of a certified continuing education provider under OAR 863-020-0050.
- I attest that petitioner knows and understands the requirements of an instructor under ORS 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020 -0060.

Richard D. Gann

Printed Name of Authorized Individual

Date October 28, 2019

Signature of Authorized Individual

Specifically, I have the experience and expertise to teach CE for real estate agents/brokers in the following topics:

- Basic federal taxation of real estate
- 1031 exchange procedures
    - Basic
    - Advanced
- Qualified Opportunity Zones as alternatives to 1031 exchanges
- Basic rental property investment analysis
- Fractional-interest solutions for 1031 exchanges
    - Delaware Statutory Trust (DST) interests
    - Tenant-in-Common (TIC) interests
- Impact of developments in state tenant law on individual landlords

These subjects correspond to the following topics listed under 863-020-0035, *Courses Offered by Continuing Education Providers*, Section (4):

(m) Real estate taxation.

(n) Real estate property evaluation, appraisal, or valuation.

(ee) Real estate economics.

(ff) Real estate law or regulation.

I am a third-generation real-estate professional. As an attorney, I have both an appreciation and obligation to uphold all of the rules and regulations pertaining to real estate licensing. But perhaps most importantly, my credibility with my audience—real estate agents and brokers—is critical to our business success. Please be assured that I will deliver relevant, valuable and accurate information to the Oregon real estate community, while complying fully with all procedural requirements.

Thank you to the Board for your time and consideration.

AGENDA ITEM NO.
VI. A. 1.

REAL ESTATE BOARD
REGULATION DIVISION REPORT
December 2, 2019

Deputy Commissioner: Selina Barnes
Compliance Specialists 3 (Compliance Coordinator): Deanna Hewitt, Rob Pierce
Financial Investigators (Investigator-Auditor): Jeremy Brooks, Aaron Grimes, Liz Hayes, Meghan Lewis, Lisa Montellano, Cidia Nañez, Lindsey Nunes, 1 Vacancy
Compliance Specialist 2: Carolyn Kalb
Compliance Specialists 1: Denise Lewis
Administrative Specialist: Vacant

Division Overview

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

The Compliance Specialists are responsible for conducting: clients' trust accounts (CTA) mail-in reviews, expired activity investigations, and background check investigations. They also respond to inquiries regarding regulations and filing complaints from the public, licensees, and other governmental agencies.

Workload and Activity Indicators

Average # in this Status at the time	**2014**	**2015**	**2016**	**2017**	**2018**	**Current 11/20/19**
Complaint	40	44	33	25	20	48
Pending Assignment	3	4	24	16	26	33
Investigation	47	52	49	50	38	57
PENDING & INVESTIGATION	**50**	**56**	**73**	**66**	**64**	**90**
(# of Investigators)	*6*	*7*	*7*	*7*	*7**	*7*
Admin Review	27	33	28	40	35	89

* *One investigator on medical leave.*

Cidia Nañez has successfully completed the internal investigator training program and is beginning to work assigned investigations. A recruitment to fill the remaining investigator vacancy is proceeding.

During 2019, Selina Barnes presented "ATTENTION: Violation Prevention" seven times to 274 attendees (average 39 attendees per presentation).

ADMINISTRATIVE ACTIONS for OREA Board
9/18/2019 through 11/18/2019
(corresponding orders are attached)

Revocations
None

Suspensions
None

Reprimands
None

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

Stewart Title Company, Stipulated Order dated October 31, 2019 levying a $5,000.00 civil penalty.

REAL ESTATE AGENCY
BEFORE THE REAL ESTATE COMMISSIONER

In the Matter of the Escrow Agent License of STEWART TITLE COMPANY	STIPULATED FINAL ORDER

The Real Estate Agency (OREA) and Stewart Title Company (Stewart Title) do hereby agree and stipulate to the following:

FINDINGS OF FACT
&
CONCLUSIONS OF LAW

1.

1.1 At all times mentioned herein, Stewart Title was licensed as an escrow agent in Oregon.

1.2 The Agency received a complaint from Larry LaRue (LaRue) against Stewart Title Company (Stewart Title). The complaint related to the sale of 12640 SE Huron St., Clackamas OR (subject property).

1.3 At the time of the sale the house was owned by Susan LaRue, but according to the Stipulated General Judgement of Dissolution of Marriage and Money Award Section 3.1.1 states, "He is awarded all proceeds remaining from the sale of 12640 SE Huron St., Clackamas, OR 97015 AFTER Susan Marie LaRue receives $80,800.00 and all realtor and closing fees are paid."

1.4 Richard Fowlks (Fowlks) was the attorney who represented LaRue during his divorce from Susan LaRue. Fowlks recorded an attorney lien on the subject property for services performed in the amount of $20,152.89, plus costs of $4,417.25, totaling $24,570.14.

///

1.5 In late May 2015 both LaRue and Susan LaRue signed Escrow Instructions-Holdback, which stated the escrow agent would withhold $66,950.00 from the proceeds of the sale.

1.6 On July 10, 2015, Fowlks signed a Release of Lien form. On or around July 13, 2015, Stewart Title sent payment to Fowlks in exchange for Fowlks releasing his lien on the subject property.

1.7 Payment to Larry LaRue for the remaining $40,781.53 of the holdback funds did not occur until on or after August 19, 2015.

(1) Violation: By delaying payment of the remaining holdback funds to Larry LaRue, Stewart Title violated ORS 696.535(1)(h) (2015 Edition) which states the real estate commissioner may discipline an escrow agent's license if the escrow agent failed to deliver within a reasonable time to persons entitled to receive funds, property or documents or other things of value held or agreed to be delivered by the licensee, as and when paid for and due to be delivered.

1.8 The July 10, 2015, Release of Lien form signed by Fowlks was not filed with Clackamas County until August 25, 2015, or later.

(2) Violation: By failing to timely file the Release of Lien form with the county, Stewart Title violated ORS 696.535(1)(b) (2015 Edition) which states the real estate commissioner may discipline an escrow agent's license if the escrow agent demonstrated incompetence to transact the business of an escrow agent.

STIPULATION & WAIVER

I have read and reviewed the above findings of fact and conclusions of law which have been submitted to me by OREA and further, the order which follows hereafter. I understand that the findings of fact, conclusions of law and this stipulation and waiver embody the full and complete agreement and stipulation between OREA and Stewart Title. I further understand that if Stewart Title does not agree with this stipulation Stewart Title has the right to request a hearing on this matter and to be represented by legal counsel at such a hearing. Hearings are conducted in accordance with the procedures set forth in ORS Chapter 183 and in accordance with the Rules of Practice and Procedure adopted by the Attorney General of the State of Oregon. Stewart Title freely and voluntarily waives its rights to a hearing, to representation by legal counsel at such a hearing, and to judicial review of this matter.

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

ORDER

IT IS HEREBY ORDERED that, pursuant to ORS 696.585 and based upon the violation(s) set forth above, Stewart Title Company pay a civil penalty in the sum of $5,000.00 ($3,00.00 for violation 1, $2,000.00 for violation 2), said penalty to be paid to the General Fund of the State Treasury by paying the same to the OREA.

IT IS SO STIPULATED:

By Mary Payne Thomas

Title: VP/Regulatory Compliance Counsel

Stewart Title Company

Date 10/29/2019

IT IS SO ORDERED:

Steven Strode

REAL ESTATE COMMISSIONER

Date 31 OCTOBER 2019

Date of Service: 10/31/2019

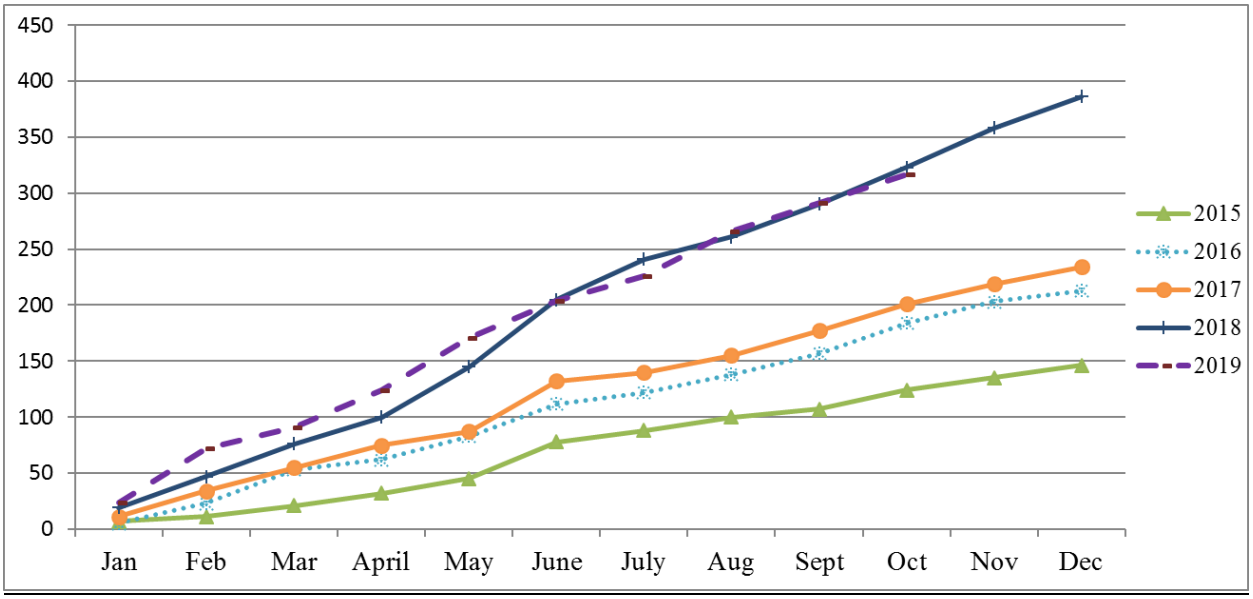
AGENDA ITEM NO.
VI. A. 2.

Report to the Real Estate Board
Land Development Division
2 December 2019

Division Manager: Michael Hanifin

Section Overview:
The Land Development Division reviews and approves filings related to condominiums, timeshares, subdivisions, manufactured home subdivisions, and membership campgrounds. The section reviews and approves the foundational documents creating these types of properties, as well as later amendments to those documents, to verify compliance with statutory requirements. We also issue the Disclosure Statement (sometimes referred to as a Public Report) required for sales of these interests to Oregonians. The Disclosure Statement summarizes key information about the condominium for the consumer, somewhat like the owner's manual for a car.

Workload and Activity Indicators



Overall filing volume in 2019 remains high and closely tracks the elevated filing volume seen in 2018. Average filing volume from 2010 thru 2017 was 207 filings per year. In 2018 we received 386 filings, which is 186% of average, and 2019 is on course to close out the year similarly.

Current Activity:
In light of the sustained increase in filing volume we've seen between last year and this year, the Land Development Division has been allocated 50% staff time from an existing agency employee. This person receives, inventories and performs data entry on filings received by the division as well as processing out completed filings. This allows the one full-time staff member in the section (Colleen Peissig) to perform an initial review on a portion of the condominium filings (followed by final review/approval by myself).

AGENDA ITEM NO. VI. A. 3 & 4

REAL ESTATE BOARD
ADMINISTRATIVE SERVICES DIVISION REPORT
December 2, 2019

Administrative Services Manager: Anna Higley
Communications Coordinator: Mesheal Heyman
Accountant: Caty Karayel
Systems Administrator: Tiffani Miller
Program Analyst: Rus Putintsev
Operations & Policy Analyst: Denise Lewis
Administrative Specialist: Leandra Hagedorn

Customer Service Manager: Madeline Alvarado
Compliance Specialist: Tami Schemmel
Compliance Specialist: Danette Rozell
Compliance Specialist: Jenifer Wetherbee
Administrative Specialist: Elizabeth Hardwick
Administrative Specialist: Rick Marsland
Administrative Specialist: Nenah Darville

Section Overview

The Administrative Services Division acts as support to the Agency as well as the first point of contact for the public and services the business functions of the Agency overall. This division manages budget preparation, accounting, purchasing and contracting, inventory control, facilities, payroll, human resources, special projects, information technology (IT), reception, licensing services, communications and education.

Budget Update

Financials: The Legislative Adopted Budget for the 2019-2021 biennium is **$8.5 million.** The Agency cash balance as of October 31st is **$3.0 million**. Revenues continue to exceed projections in business applications, renewals, individual applications and land development filing fees. Biennium to date, the Agency has averaged a monthly surplus of just under $100,000. Although it is not expected to continue at this same rate through the remainder of the biennium. The Agency has had several vacancies which have lowered the overall personal services expense. As positions are filled and with the projection of a downward trend in new applications, this monthly surplus will likely narrow as we progress through the biennium. Though deficit spending is not anticipated in this period.

Education

- The annual Continuing Education Providers renewal period is underway. As of November 20th, 107 of 313 (34%) have completed the annual renewal. Providers that expire on January 1st, 2020 will be required to reapply.
- In the October meeting, Board Members requested that the Agency update the CE Provider Petition form in an effort to more explicitly outline the requirements of being a provider and obtain attestation from the applicants that they understand those responsibilities. The Agency has developed a secondary document for board use only which outlines the requirements of the provider. This may be used by the board as a tool when interviewing a petitioner. Both documents will be found at the end of the Admin Report. This item will be included in the February Board meeting agenda for discussion.
- In January and February of 2020, a group of subject matter experts and Agency staff will meet with PSI (Oregon Real Estate Examination Provider) at the Agency to conduct a review of all license examinations.

Licensing

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

RBN Renewal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Eligible to Renew	423	344	376	347	318	320	256	279	264	290		
Failed to Renew	26	15	14	22	14	16	9	16	22	8		
% Renewed	94%	96%	96%	94%	96%	95%	96%	94%	92%	97%		

Licensing Statistics

Total Licensee Counts by Month:

Individuals (Persons)	Sept-19	Oct-19
Broker – Total	**16,308**	**16,340**
Active	14,602	14,611
Inactive	1,706	1,729
Principal Broker - Total	**6,431**	**6,433**
Active	6,048	6,052
Inactive	383	381
ALL BROKERS Total	**22,739**	**22,773**
Active	20,650	20,663
Inactive	2,089	2,110
Property Manager - Total	**935**	**934**
Active	806	808
Inactive	129	126
MCC Salesperson	**22**	**23**
MCC Broker	**1**	**1**
TOTAL INDIVIDUALS	**23,697**	**23,731**
Active	21,479	21,495
Inactive	2,218	2,236
Facilities (Companies)		
REMO	5	5
Registered Business Name (RBN)	3,863	3,860
Registered Branch Office (RBO)	745	746
Escrow Organization	62	64
Escrow Branch	145	145
PBLN	NA	NA
PMLN	NA	NA
CEP	308	313
MCC Operator	25	25
TOTAL FACILITIES	**5,153**	**5,158**
TOTAL INDIVIDUALS & FACILITIES	**28,850**	**28,889**

New Licenses by Month:

Individuals (Persons)	Sept-19	Oct-19
Broker	125	136
Principal Broker	13	21
TOTAL BROKERS	**138**	**157**
Property Manager	9	6
MCC Salesperson	0	2
MCC Broker	0	0
TOTAL INDIVIDUALS	**147**	**165**
Facilities (Companies)		
Continuing Education Provider (CEP)	1	5
REMO	0	0
Registered Business Name	28	32
Registered Branch Office	10	9
Escrow Organization	1	2
Escrow Branch	0	0
MCC Operator	0	0
TOTAL FACILITIES	**39**	**43**
TOTAL INDIVIDUALS & FACILITIES	**186**	**208**

Exam Statistics

October 2019 *ALL LICENSING EXAMS*	Total
Broker	364
Property Manager	20
Principal Broker	57
Reactivation	3

Pass Rates

First Time Pass Rate Percentage	*2015*	*2016*	*2017*	*2018*	*2019*
Broker State	69	64	61	58	57
Broker National	78	74	73	72	69
Principal Broker State	62	59	58	59	49
Principal Broker National	78	75	76	77	69
Property Manager	59	64	69	67	64

Oregon Real Estate Agency

Administrative Services Division
Licensee Application & Renewal
2019 Data

New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Brokers	328	259	300	280	287	278	233	245	227	260			2697
Principal Brokers	47	32	39	25	32	24	36	14	23	32			304
Property Managers	17	18	24	39	25	22	20	21	19	24			229
Total	392	309	363	344	344	324	289	280	269	316			3230

Renewal Activity														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	415	398	473	426	485	521	534	503	550	497			**4802**
	Inactive	43	41	35	33	38	33	49	37	46	40			**395**
Late	Active	42	25	37	47	67	40	52	32	50	35			**427**
	Inactive	7	14	9	6	13	7	7	11	17	10			**101**
Lapse		79	103	102	96	102	87	99	116	103	105			**992**
Total		586	581	656	608	705	688	741	699	766	687			6717

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	211	188	208	215	205	243	250	258	243	215			**2236**
	Inactive	18	9	11	5	8	8	12	8	10	13			**102**
Late	Active	12	7	8	15	12	11	12	12	10	11			**110**
	Inactive	1	2	1	4	3	1	4	2	3	4			**25**
Lapse		29	28	28	20	33	24	27	23	24	21			**257**
Total		271	234	256	259	261	287	305	303	290	264			2730

Administrative Services Division
Licensee Application & Renewal
2019 Data

Property Managers		**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Total**
On Time	Active	40	28	24	22	35	32	24	32	30	27			**294**
	Inactive	6	3	3	5	2	2	3	3	1	4			**32**
Late	Active	4	2	1	1	3	0	1	1	2	1			**16**
	Inactive	1	0	0	0	0	0	0	0	2	0			**3**
Lapse		5	8	15	8	7	10	6	8	9	8			**84**
Total		**56**	**41**	**43**	**36**	**47**	**44**	**34**	**44**	**44**	**40**			**429**

Grand Total (Brokers, Principal Brokers, Property Managers)														
		Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Total**
Total Eligible to Renew		**913**	**856**	**955**	**903**	**1013**	**1019**	**1080**	**1046**	**1100**	**991**			**9876**
On Time	Active	666	614	705	663	725	796	808	793	823	739			**7332**
	Inactive	67	53	49	43	48	43	64	48	57	57			**529**
Late	Active	58	34	46	63	82	51	65	45	62	47			**553**
	Inactive	9	16	10	10	16	8	11	13	22	14			**129**
Total Renewed		**800**	**717**	**810**	**779**	**871**	**898**	**948**	**899**	**964**	**857**			**8543**
Lapse		**113**	**139**	**145**	**124**	**142**	**121**	**132**	**147**	**136**	**134**			**1333**

% On Time		**80.3%**	**77.9%**	**79.0%**	**78.2%**	**76.3%**	**82.3%**	**80.7%**	**80.4%**	**80.0%**	**80.3%**			**79.6%**
% Late		**7.3%**	**5.8%**	**5.9%**	**8.1%**	**9.7%**	**5.8%**	**7.0%**	**5.5%**	**7.6%**	**6.2%**			**6.9%**
% Failed to Renew(Lapsed)		**12.4%**	**16.2%**	**15.2%**	**13.7%**	**14.0%**	**11.9%**	**12.2%**	**14.1%**	**12.4%**	**13.5%**			**13.5%**
Total		**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Oregon Real Estate Agency

Administrative Services Division
Licensee Application & Renewal
2018 Data

New Applications													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Brokers	322	303	352	353	302	325	271	293	270	236	260	231	3518
Principal Brokers	48	32	34	25	41	30	26	33	42	38	30	23	402
Property Managers	26	30	20	18	20	25	19	16	23	29	20	20	266
Total	396	365	406	396	363	380	316	342	335	303	310	274	4186

Renewed & Lapsed Licenses														
Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	453	430	469	483	481	469	483	464	496	492	436	499	5655
	Inactive	56	48	45	37	47	33	39	40	36	44	44	36	505
Late	Active	34	21	40	39	42	27	28	37	32	33	41	28	402
	Inactive	2	10	4	7	13	9	12	11	7	10	10	10	105
Lapse		96	80	97	87	113	84	87	96	88	109	68	81	1086
Total		641	589	655	653	696	622	649	648	659	688	599	654	7753

Principal Brokers		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
On Time	Active	227	241	233	238	245	249	203	222	238	208	216	211	2731
	Inactive	11	10	10	17	15	17	15	12	8	8	14	12	149
Late	Active	8	8	12	16	13	12	12	11	14	9	12	8	135
	Inactive	1	2	2	3	2	3	1	4	2	2	1	3	26
Lapse		21	18	22	18	21	18	23	14	25	19	32	20	251
Total		268	279	279	292	296	299	254	263	287	246	275	254	3292

Administrative Services Division
Licensee Application & Renewal
2018 Data

Property Managers		**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Total**
On Time	Active	23	33	28	21	31	22	31	35	20	27	23	30	**324**
	Inactive	0	2	2	1	2	0	1	0	1	1	2	4	**16**
Late	Active	1	2	0	0	3	2	3	2	0	3	0	0	**16**
	Inactive	0	0	0	0	1	2	1	0	0	1	0	1	**6**
Lapse		10	10	5	8	5	2	7	9	11	7	9	10	**93**
Total		**34**	**47**	**35**	**30**	**42**	**28**	**43**	**46**	**32**	**39**	**34**	**45**	**455**

Grand Total (Brokers, Principal Brokers, Property Managers)														
		Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Total**
Total Eligible to Renew		**943**	**915**	**969**	**975**	**1034**	**949**	**946**	**957**	**978**	**973**	**908**	**953**	**11500**
On Time	Active	703	704	730	742	757	740	717	721	754	727	675	740	**8710**
	Inactive	67	60	57	55	64	50	55	52	45	53	60	52	**670**
Late	Active	43	31	52	55	58	41	43	50	46	45	53	36	**553**
	Inactive	3	12	6	10	16	14	14	15	9	13	11	14	**137**
Total Renewed		**816**	**807**	**845**	**862**	**895**	**845**	**829**	**838**	**854**	**838**	**799**	**842**	**10070**
Lapse		**127**	**108**	**124**	**113**	**139**	**104**	**117**	**119**	**124**	**135**	**109**	**111**	**1430**

% On Time		**81.7%**	**83.5%**	**81.2%**	**81.7%**	**79.4%**	**83.2%**	**81.6%**	**80.8%**	**81.7%**	**80.2%**	**80.9%**	**83.1%**	**81.6%**
% Late		**4.9%**	**4.7%**	**6.0%**	**6.7%**	**7.2%**	**5.8%**	**6.0%**	**6.8%**	**5.6%**	**6.0%**	**7.0%**	**5.2%**	**6.0%**
% Lapsed (failed to renew in grace period)		**13.5%**	**11.8%**	**12.8%**	**11.6%**	**13.4%**	**11.0%**	**12.4%**	**12.4%**	**12.7%**	**13.9%**	**12.0%**	**11.6%**	**12.4%**
Total		**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Oregon Real Estate Agency

Administrative Services Division

Phone Counts

(minutes: seconds)	Jan – 19	Feb – 19	Mar – 19	Apr – 19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov--19	Dec-19	2019 Average
Call Count	2251	1748	1917	2138	2062	1738	1882	1685	1882	2012			1932
Average Wait Time	:20	:21	:29	:23	:24	:33	:30	:27	:26	:16			:25
Maximum Wait Time	16:06	9:32	21:21	14:03	15:58	13:20	11:15	12:00	13:59	10:15			13:47

(minutes: seconds)	Jan – 18	Feb – 18	Mar – 18	Apr – 18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov--18	Dec-18	2018 Average
Call Count	2317	2006	2263	2063	2113	2084	1837	2049	1824	2153	1828	1738	2024
Average Wait Time	:22	:15	:17	:16	:16	:27	:21	:19	:21	:23	:17	:25	:20
Maximum Wait Time	5:32	3:23	8:58	7:05	13:27	12:18	14:40	12:53	10:26	13:22	7:41	10:07	8:29

(minutes: seconds)	Jan – 17	Feb – 17	Mar – 17	Apr – 17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	17-Nov	Dec-17	2017 Average
Call Count	2136	1944	2065	1766	1963	1939	1809	2009	1893	1968	1711	2051	1938
Average Wait Time	:45	:21	:23	:18	:17	:18	:23	:22	:16	:14	:16	:23	:21
Maximum Wait Time	28:13*	11:42	8:07	8:17	7:22	5:09	7:37	6:51	4:29	4:16	4:34	13:47	7:28

Real Estate Agency - AY21

2019-2021 Budget - Biennium to Date Through June 30th 2021

Budget Codes		19-2021 Legislative Approved Budget	Expected Total Expenditures for Biennium (current)	Expected Remaining Limitation at end of Biennium
	Total Personal Services	**6,757,897**	**6,542,496**	**215,401**
4100 & 4125	In-State Travel & Out-of-StateTravel	98,762	113,984	(15,222)
4150	Employee Training	36,994	25,027	11,967
4175	Office Expenses	83,040	45,892	37,148
4200	Telecom/Tech Services & Support	64,621	47,701	16,920
4225	State Government Services	233,574	304,742	(71,168)
4250	Data Processing	109,297	121,050	(11,753)
4275	Publicity & Publications	36,718	1,042	35,676
4300 & 4315	Professional Services & IT Professional Services	186,339	156,357	29,982
4325	Attorney General Legal Fees	293,465	189,074	104,391
4375	Employee Recruitment	7,748	250	7,498
4400	Dues & Subscriptions	9,575	6,300	3,275
4425	Facilities Rent & Taxes	254,611	242,705	11,906
4475	Facilities Maintenance	4,519	6,131	(1,612)
4575	Agency Program Related S&S	41,308	2,695	38,613
4650	Other Services & Supplies	88,482	149,718	(61,236)
4700	Expendable Property $250-$5000	29,148	9,178	19,970
4715	IT Expendable Property	162,972	31,414	131,558
	Total Services & Supplies and Capital Outlay	**1,741,173**	**1,453,263**	**287,910**
	Totals	**8,499,070**	**7,995,759**	**503,311**

IMPORTANT - PLEASE READ

You must be able to comply with the requirements of a Certified Continuing Education Provider if the Board approves your or your company's qualifications.

When offering a course eligible for real estate continuing education credit, a Certified Continuing Education Provider **MUST** comply with **ALL** of the following requirements:

- Ensure the course is within the scope of one or more course topics listed in OAR 863-020-0035(3) or is the three-hour Law and Rule Required Course "LARRC" approved by the Board pursuant to OAR 863-022-0055. The Agency will not determine whether individual courses or classes are within the scope of an eligible course topic.

- Identify to real estate licensees which course topic(s) the offered course covers, or if the course is the three-hour Law and Rule Required Course "LARRC" under 863-022-0055, the Broker Advanced Practices course under OAR 863-022-0020, the Property Manager Advanced Practices course under 863-022-0055, or the Brokerage Administration and Sales Supervision course under OAR 863-022-0025.

- Ensure the minimum length of the course is one hour as required under OAR 863-020-0007.

- Assign a four-digit identifying course number to the course. (Any assignment of four numbers is acceptable. Each course must have its own number. Letters are not to be included in a course "number.")

- Ensure the course meets the learning objective requirements contained in OAR 863-020-0045. The Agency does not review or approve learning objectives.

- Ensure that the instructor who teaches a continuing education course offered for credit:
  - Meets the requirements set forth in ORS 696.186, and
  - Has completed and signed the Continuing Education Instructor Qualifications Form as required by OAR 863-020-0060.

- Obtain a copy of the completed and signed Continuing Education Instructor Qualifications Form for each instructor for your records per OAR 863-020-0050 and OAR 863-020-0060.

- Maintain records of each offered course as required by ORS 696.184(c) and OAR 863-020-0055 for three years from the date the course was provided.

- Upon completion of an eligible course, provide each licensee who attends the course a completed Certificate of Attendance that includes all of the information required under OAR 863-020-0050(5), including licensee name and license number.

If petitioner is not able to comply with any of the above requirements, you may wish to consider being an instructor for an already certified provider. Visit the Agency's website for further information on instructor qualifications.

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER

Rev. 11/2019

Real Estate Agency
530 Center St. NE Ste. 100
Salem OR 97301
Phone: (503) 378-4170

INSTRUCTIONS

To petition the Oregon Real Estate Board for approval of qualifications to become an applicant for certification as a continuing education provider, the petitioner must complete this form and submit it by email to madeline.c.alvarado@oregon.gov at least 21 days before the next scheduled Board meeting at which the applicant wishes the Board to act.

IMPORTANT:

- If the petitioner is an entity, the information provided must pertain to that entity. If the petitioner is an individual, the information provided must pertain to that individual.
- All information and documents submitted as part of this petition become part of the Board Packet, and therefore, public record.
- Petitioners need to appear before the Board. This may be done in person or by phone. Once the Oregon Real Estate Agency receives this completed petition, a letter will be sent to the petitioner with the date of the Board meeting the petitioner will need to attend.
- Please do not submit any class or course information as the Oregon Real Estate Board is not able to review or consider this information.

If the Board approves this petition, the Agency will contact the petitioner confirming the Board's approval. The petitioner may then apply for certification as a continuing education provider under Oregon Administrative Rule (OAR) 863-020-0030.

PETITIONER

Name _____ Phone Number _____

Physical Address _____ Address Cont. _____

City _____ State _____ Zip Code _____ County _____

E-mail _____

Mailing Address (if different) _____ Address Cont. _____

City _____ State _____ Zip Code _____ County _____

AUTHORIZED CONTACT PERSON

Prefix _____ First Name _____ Last Name _____

Phone Number _____ E-mail _____

Indicate who will appear before the board on behalf of the Petitioner: _____

AGENCY USE ONLY

Approved by Board YES NO

Review Date _____

Continue on page 2

QUALIFICATION INFORMATION

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

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

- Petitioner's demonstrated expertise and experience in providing educational courses to real estate licensees.
- Petitioner's demonstrated experience and expertise in two or more course topics eligible for continuing education credit under OAR 863-020-0035.
- You may attach up to **three (3)** additional pages if necessary.

Continue on page 3

PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER, Continued

ACKNOWLEDGEMENT OF UNDERSTANDING		
	Initials	**Agency Use Only**
If approved by the Board, I must complete the Continuing Education Provider Application, which includes a $300 fee.		
I understand the requirements of an education provider as outlined in Oregon Administrative Rules (OAR) chapter 863, division 20.		
I understand that the Petitioner must have and can demonstrate experience and expertise in two or more course topics eligible for continuing education credit as listed in OAR 863-020-0035.		
I understand that the Petitioner must have and can demonstrate experience in providing educational courses to real estate licensees.		
I understand the requirements of an instructor under Oregon Revised Statute (ORS) 696.186 and the information required on a continuing education instructor qualification form under OAR 863-020-0060.		

AUTHORIZATION AND ATTESTATION

- I hereby certify that I am authorized to submit this form on behalf of the petitioner and that the information is true and accurate, to the best of my knowledge.
- I certify that petitioner, or authorized individual on petitioner's behalf, has read, understands and is ready to comply with the statutory and administrative rule provisions applicable to certified continuing education providers.

_____
Printed Name of Authorized Individual

_____
Signature of Authorized Individual

_____
Date:

Print Form

Real Estate Agency
530 Center St NE Ste 100
Salem OR 97301
Phone: (503) 378-4170
Fax: (503) 378-2491
www.oregon.gov/rea

OREGON REAL ESTATE BOARD CONTINUING EDUCATION PROVIDER PETITION CHECKLIST

Rev. 11/2019

INSTRUCTIONS

This form may be used by the Oregon Real Estate Board, as a tool, to ensure petitioners have demonstrated their competency as an educational provider.

- **OAR 863-020-0005 & 863-020-0007** Continuing education credit hour**.** Demonstrated knowledge of the requirements in regards to the length of continuing education courses, including breaks. Credit hours issued must be based on the time it takes the licensee to complete the course. I**f the provider is offering online courses, a timing mechanism must be used, and be auditable and verifiable by the Agency**.
- **OAR 863-020-0045** Course learning objectives**.** Petitioner has demonstrated an understanding that the provider must meet at least one of the learning objectives in the rule for each course offered, and understands the Oregon Real Estate Agency does not review or approve a continuing education provider's learning objectives or classes.
- **OAR 863-020-0050** Continuing education provider responsibilities**.** Petitioner has demonstrated knowledge in regards to responsibilities, including insuring offered courses for credit are within the scope of one or more approved course topics, and assigning a unique identifying number.
- **OAR 863-020-0050 & ORS 696.186** Responsibilities continued**.** Demonstrated knowledge that the instructor must meet the requirements in the statute and must complete the Instructor Qualification Form.
- **OAR 863-020-0050** Issuing certificates**.** Petitioner understands the requirements for issuing certifications of completion.
- **OAR 863-020-0055** Record-keeping requirements. Petitioner recognizes the requirement of maintaining records in a paper or electronic format for each course for three years from the date the course was taught. Petitioner acknowledges the required elements, including: name of course, the ID number, approved topic(s), date, location, length of time (credit hours), instructor, signed instructor qualification form, and the name and date of each licensee attending. Petitioner understands that, if requested, they must produce any requested records to the Agency within 15 business days after the date of the request by the Agency.
- **OAR 863-020-0065** Certification Revocation. The petitioner recognizes that Agency may revoke the continuing education provider's certification if the provider disregards or violates any applicable provision of Oregon Revised Statute chapter 696 or any Oregon Administrative Rule, chapter 863, division 20.

AGENDA ITEM NO.
VII.

Oregon Government Ethics Law

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

About the Commission

The Oregon Government Ethics Commission (OGEC), established by vote of the people in 1974, is a nine-member citizen commission charged with enforcing government ethics laws.

Oregon government ethics laws prohibit public officials from using their office or position for personal financial gain, and require public disclosure of economic conflict of interest. The OGEC also enforces state laws that require lobbyists and the entities they represent to register and quarterly report their expenditures. The third area of OGEC jurisdiction is the executive session provisions of public meetings law.

Am I a "public official"?

The answer is yes if you are serving the State of Oregon or any of its political subdivisions or any other public body, as an elected official, appointed official, employee, agent or otherwise, irrespective of whether you are compensated for services [ORS 244.020(15)].

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

The provisions in Oregon Government Ethics law restrict some choices, decisions or actions a public official may make. The restrictions placed on public officials are different than those placed on private citizens because service as a public office is a public trust and provisions in ORS Chapter 244 were enacted to provide one safeguard for that trust. [ORS 244.010(1)]

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

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

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

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

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

Are you a public official?

"Public official" is defined in ORS 244.020(15) as any person who, when an alleged violation of this chapter occurs, is serving the State of Oregon or any of its political subdivisions or any other public body as defined in ORS 174.109 as an elected official, appointed official, employee or agent, irrespective of whether the person is compensated for the services.

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

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

"As defined in ORS 244.020(15), a public official includes anyone serving the State of Oregon or any of its political subdivisions or any other public body in any of the listed capacities, including as an "agent." An "agent" means any individual performing governmental functions. Governmental functions are services provided on behalf of the government as distinguished from services provided to the government. This may include private contractors and volunteers, depending on the circumstances. This term shall be interpreted to be consistent with Attorney General Opinion No. 8214 (1990)." The Commission has adopted, by rule, additional language used to clarify the use of "agent" in the definition of "public official" in the following OAR 199-005-0035(7).

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

What does a public official need to know about relatives?

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

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

In everyday conversation the use of "relative" is applied to a broader spectrum of individuals with "family ties" than those defined as relatives in ORS 244.020(16). In general, when a provision in ORS Chapter 244 refers to "relative" it means one of the following:

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

I have approximately _____ relatives as defined by statute.

ORS Chapter 244 does address the issue of nepotism. Nepotism, as used in ORS Chapter 244, is based on the relative relationship, as well as other members of the public official's household. Changes to Oregon Government Ethics law passed by the 2013 Legislative Assembly mean that the definitions for "relative" in ORS 244.020(16), and "member of household" in ORS 244.020(11), now apply to these nepotism regulations as well.

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

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

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

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

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

I am a _____ volunteer.

Financial Gain

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

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

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

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

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

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

NOTES:

_____
_____
_____
_____
_____
_____

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

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

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

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

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

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

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

Honorarium: Public officials are allowed to accept honorarium by ORS 244.040(2)(b) as it is defined in ORS 244.020(8). A public official must know how honorarium is defined because there are many occasions where someone will offer them a financial benefit and call it an honorarium, but it does not meet the definition of honorarium.

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

The limitation for honorarium is $50.

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

Awards for professional achievement should not be confused with awards of appreciation, allowed by ORS 244.020(7)(b)(C), honorarium allowed by ORS 244.040(2)(b) or gifts that are allowed or restricted by other provisions in ORS Chapter 244.

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

Gifts

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

When Oregon Government Ethics law uses the word “gift” it has the meaning in ORS 244.020(7)(a):

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

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

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

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

To know whether gifts from a single source are limited or unlimited you must determine if the decisions or votes of the public official, who is offered a gift, would have a distinct economic impact on the source making the offer. If the source of the offer would receive a financial gain or avoid a financial cost from the decisions or votes of a public official, gifts from that source to that public official would be limited as to the aggregate value of gifts accepted from that source in a calendar year. This economic interest is a pivotal factor in determining the propriety of gifts and is found in the expression “legislative or administrative interest” which is defined in ORS 244.020(10) and is used in ORS Chapter 244, primarily, when applying the provisions regarding gifts accepted by public officials.

While a “gift” is defined in ORS 244.020(7)(a), ORS 244.020(7)(b), identifies specific gifts that are exempt from gift restrictions if the offers are made or accepted in the specific circumstances and conditions described.

What does a public official need to know about a "Legislative or Administrative Interest" [ORS 244.020(10)]?

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

The change is significant because knowing if the source of a gift offered to a public official has a legislative or administrative interest determines whether or not the gift offered is allowed or restricted. Before this change, a public official only had to know if a gift was offered from a source with a legislative or administrative interest in the public official's governmental agency, but now the focus is on the vote or decision of each individual public official. The change places greater responsibility on the individual public official to decide if a gift offered is restricted by ORS Chapter 244. The definition of a legislative or administrative interest is provided in ORS 244.020(10) as follows:

"'Legislative or administrative interest' means an economic interest, distinct from that of the general public, in:

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

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

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

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

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

There are other decisions or votes that have an economic impact on specific persons, businesses or groups that are not experienced by members of the general public alike. To illustrate, private contractors have an economic interest in a public body's authority to award contracts and that economic interest is distinct from the economic interest held

by members of the general public in the contracting authority of a public body. Also, real estate developers would have an economic interest in a public body's authority to approve subdivision applications and that economic interest is distinct from the economic interest held by members of the general public in the approval authority of a public body.

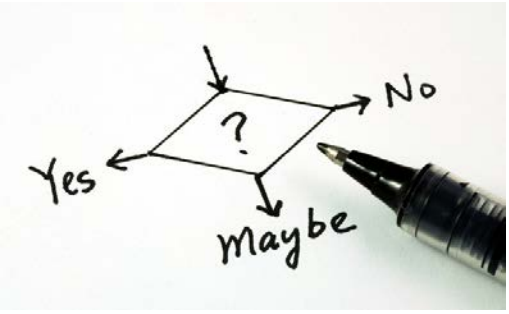
Vote: This has the common meaning of to vote as an elected member of a governing body of a public body or as a member of a committee, commission or board appointed by a governing body, Oregon Legislative Assembly or the Office of the Governor.

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

The change to the definition of a legislative or administrative interest places the focus on the decision or vote of each individual public official. That means that any decision to accept or reject the offer of a gift must be made individually by each public official. It also means that there will be some public officials who may accept unlimited gifts from a source and other public officials within the same public body that would have restrictions on gifts from that same source because not all public officials in the same public body have similar responsibilities that would require any or similar decisions or votes.

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

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



There are gifts that are allowed because when offered under specific conditions and within certain circumstances the gifts are exempt from the definition of a "gift." ORS 244.020(7)(b) provides a description of gifts that are allowed. If you are a public official accepting gifts or a source offering gifts it is important you become familiar with the requirements that may apply to you.

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

- Campaign contributions as defined in ORS 260.005 [ORS 244.020(7)(b)(A)].

- Contributions to a legal expense trust fund established under ORS 244.209 [ORS 244.020(7)(b)(G)].

- Gifts from relatives or members of the household of public officials or candidates [ORS 244.020(7)(b)(B)].

- Anything of economic value received by a public official or candidate, their relatives or members of their household when:

    - The receiving is part of the usual and customary practice of the person's business, employment, or volunteer position with any legal non-profit or for-profit entity [ORS 244.020(7)(b)(O)(i)].
    - The receiving bears no relationship to the person's holding the official position or public office [ORS 244.020(7)(b)(O)(ii)].

- Unsolicited gifts with a resale value of less than $25 and in the form of items similar to a token, plaque, trophy and desk or wall mementos [ORS 244.020(7)(b)(C) *and see resale value discussed in* OAR199-005-0010].

- Publications, subscriptions or other informational material related to the public official's duties [ORS 244.020(7)(b)(D)].

- Waivers or discounts for registration fees or materials related to continuing education or to satisfy a professional licensing requirement for a public official or candidate [ORS 244.020(7)(b)(J)].

- Entertainment for a public official or candidate and their relatives or members of their households when the entertainment is incidental to the main purpose of the event [ORS 244.020(7)(b)(M) *and see "incidental" defined in* OAR199-005-0025(1)].

- Entertainment for a public official, a relative of the public official or a member of the public official's household when the public official is acting in an official capacity and representing a governing agency for a ceremonial purpose [ORS 244.020(7)(b)(N) *and see "ceremonial" defined in* OAR199-005-0025(2)].

- Cost of admission or food and beverage consumed by the public official, a relative, household member, or staff member when accompanying the public official, who is representing government (state, local or special district), at a reception, meal or meeting held by an organization [ORS 244.020(7)(b)(E) *and the accompanying discussion in* OAR199-005-0015].

- Food or beverage consumed by a public official or candidate at a reception where the food and beverage is an incidental part of the reception and there was no admission charged [ORS 244.020(7)(b)(L) *and the accompanying discussion in* OAR199-005-0025(1)].

- When public officials travel together inside the state to an event bearing a relationship to the office held and the public official appears in an official capacity, a public official may accept the travel related expenses paid by the accompanying public official [ORS 244.020(7)(b)(K)].

- Payment of reasonable expenses if a public official is scheduled to speak, make a presentation, participate on a panel or represent a government agency at a convention, conference, fact-finding trip or other meeting. The paid expenses for this exception can only be accepted from another government agency, Native American Tribe, an organization to which a public body pays membership dues or not-for-profit organizations that are tax exempt under 501(c)(3) [ORS 244.020(7)(b)(F) *and see definition of terms for this exception in* OAR 199-005-0020].

- Payment of reasonable food, lodging or travel expenses for a public official, a relative of the public official or a member of the public official's household or staff may be accepted when the public official is representing the government agency or special district at one of the following:

    - Officially sanctioned trade promotion or fact-finding mission; [ORS 244.020(7)(b)(H)(i)]
    - Officially designated negotiation or economic development activity when receipt has been approved in advance [ORS 244.020(7)(b)(H)(ii). *Defined terms and an explanation of how and who may officially sanction or designate these events are addressed in* OAR 199-005-0020(1)(b)(B).]

- Payment of reasonable expenses paid to a public school employee for accompanying students on an educational trip [ORS 244.020(7)(b)(P)].

- Food and beverage when acting in an official capacity in the following circumstances:

    - In association with a financial transaction or business agreement between a government agency and another public body or a private entity, including such actions as a review, approval or execution of documents or closing a borrowing or investment transaction [ORS 244.020(7)(b)(I)(i)];

- o While engaged in due diligence research or presentations by the office of the State Treasurer related to an existing or proposed investment or borrowing [ORS 244.020(7)(b)(I)(ii)]; or
- o While engaged in a meeting of an advisory, governance or policy-making body of a corporation, partnership or other entity in which the office of the State Treasurer has invested moneys [ORS 244.020(7)(b)(I)(iii)].

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

Gifts vs. Prohibited Use of Position

In understanding issues related to gifts, the operative definition of a "gift" is used in deciding how Oregon Government Ethics law would apply to a gift offered to or accepted by a public official or candidate. The application of the gift provisions regarding candidates is not included in this discussion. The following is a paraphrase of the definition taken from ORS 244.020(7)(a):

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

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

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

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

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

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

Conflict of Interest

Oregon Government Ethics law defines **actual conflict of interest** [ORS 244.020(1)] and **potential conflict of interest** [ORS 244.020(13)]. In brief, a public official is met with a conflict of interest when participating in official action which could result in a financial benefit or detriment to the public official, a relative of the public official or a business with which either are associated.

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

Questions to ask yourself:

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

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

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

What if I am met with a conflict of interest?

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

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

(a) When met with a *potential* conflict of interest, announce publicly the nature of the potential conflict prior to taking any action thereon in the capacity of a public official; or

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

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

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

My appointing authority is _____.

***NOTE:** If a public official is met with an actual conflict of interest and the public official's vote is necessary to meet the minimum number of votes required for official action, the public official may vote.

The public official must make the required announcement and refrain from any discussion, but may participate in the vote required for official action by the governing body. [ORS 244.120(2)(b)(B)]

These circumstances do not often occur. This provision does not apply in situations where there are insufficient votes because of a member's absence when the governing body is convened. Rather, it applies in circumstances when <u>all members of the governing body are present</u> and the numbers of members who must refrain due to actual conflicts of interest make it impossible for the governing body to take official action.

If in doubt, contact the Oregon Government Ethics Commission to seek guidance prior to engaging in any action, decision or recommendation in your official capacity.

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

- If the conflict of interest arises from a membership or interest held in a particular business, industry, occupation or other class and that membership is a prerequisite for holding the public official position [ORS 244.020(13)(a)].

- If the financial impact of the official action would impact the public official, relative or business of the public official *to the same degree* (meaning equally or proportionately) as other members of an identifiable group or "class." The Commission has the authority to determine the minimum size of a "class" [ORS 244.020(13)(b) and ORS 244.290(3)(a)].

- If the conflict of interest arises from an unpaid position as officer or membership in a nonprofit corporation that is tax-exempt under 501(c)(3) of the Internal Revenue Code [ORS 244.020(13)(c)].

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

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

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

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

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

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

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

NOTES:

_____
_____
_____
_____
_____
_____

Employment

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

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

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

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

GUIDELINES FOR OUTSIDE EMPLOYMENT OF PUBLIC OFFICIALS

1. Public officials are not to engage in private business interests or other employment activities on their governmental agency's time.
2. A governmental agency's supplies, facilities, equipment, employees, records or any other public resources are not to be used to engage in private business interests.
3. The position as a public official is not to be used to take official action that could have a financial impact on a private business with which you, a relative or member of your household are associated.

4. Confidential information gained as a public official is not to be used to obtain a financial benefit for the public official, a relative or member of the public official's household or a business with which any are associated.
5. When participating in an official capacity and met with a potential or actual conflict of interest related to a business, associated with the public official, relative or household member, the public official must disclose the nature of the conflict of interest using one of the following methods:
    - o Employees of governmental agencies must give written notice to their appointing authority.
    - o Elected or appointed public officials must publicly disclose once during each meeting convened by the governing body they serve.

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

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

Resources

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

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

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

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

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

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

Sanctions for Violations

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

Resources and Information

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

OREGON GOVERNMENT ETHICS COMMISSION

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Salem, OR 97302-1544
Email: ogec.mail@Oregon.gov
Phone: (503) 378 – 5105
Fax: (503) 373 – 1456
Web: http://www.oregon.gov/OGEC/

GOVERNMENT ETHICS LAWS OVERVIEW

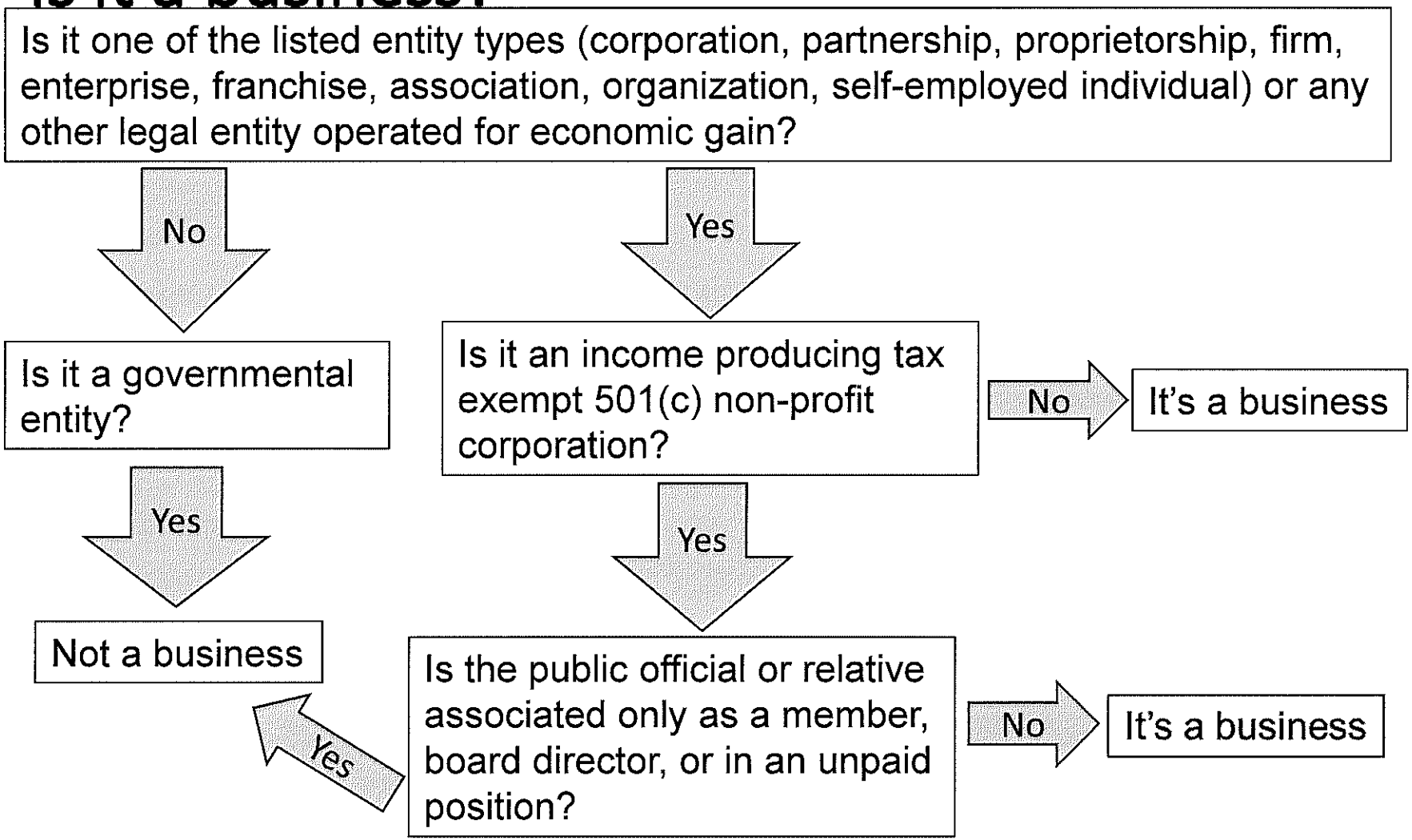
Prohibited Use of Position or Office *(ORS 244.040)*	Public officials are prohibited from using or attempting to use their public positions to obtain financial benefits for themselves, relatives, household members, or businesses with which any is associated, if the benefit would not be available but for the public official holding the position.
Financial Interest in Public Contract *(ORS 244.047)*	A person who ceases to be a public official may not have a direct beneficial financial interest in a public contract (defined at ORS 279A.010) for two years after the date of its authorization, if the person played a significant role in authorizing (*i.e.,* selecting, executing, recommending, or approving) that public contract as a public official.
Limits to Accepting Gifts *(ORS 244.025; see ORS 244.020(10))*	Public officials and their relatives are limited to accepting gifts (defined at ORS 244.020(7)) worth no more than an aggregate of $50 in a given calendar year from any individual source reasonably known to have an economic interest in the public official's decision-making.
Conflicts of Interest *(ORS 244.020(1); ORS 244.020(13); ORS 244.120)*	When a public official, in an official capacity, is faced with making a decision, recommendation, or other action that "*would*" or "*could*" financially affect the official, a relative, or business with which either is associated, the public official is faced with an "actual" or "potential" conflict. A conflicted *member of a governing body* must provide notice of the conflict by making a public announcement, and if the conflict is "actual" (*i.e.,* "would" financially affect…) must refrain from participation in the matter. *Most other public officials* must provide written notice to a supervisor/employer. Either type of notice must state the nature of the conflict. A written notice must additionally request that the supervisor/employer dispose of the matter.
Nepotism Prohibitions *(ORS 244.177 – 179)*	Public officials may not directly – or participate in any interview, discussion, or debate to – appoint, employ, promote, discharge, fire, or demote a relative or household member of the public official. Public officials are also prohibited from supervising relatives and household members.

* *NOTE: The terms "business", "business with which the person is associated", "member of the household", "public official", and "relative" are defined at ORS 244.020(2), (3), (11), (15), and (16), respectively.*

DISCLAIMER: This document presents a brief overview of the most generally applicable Oregon Government Ethics duties and may not account for all relevant laws, exceptions or circumstances. It is ***intended for use as a training tool only*** **and should not substitute for review of ORS Chapter 244 or consultation with an attorney or the Oregon Government Ethics Commission regarding application of the law in a specific situation.**

Revised 6/7/17

Is it a business?



Is it a business with which a public official or relative is associated?

Is it a private business or closely held corporation?

- Is the public official or relative a director, officer, owner, employee or agent? Yes? It's a business with which associated.
- Does the public official or relative currently own OR has the official or relative owned at any point in the preceding calendar year stock, equity interest, stock options or debt instruments worth $1,000 or more? Yes? It's a business with which associated

Is it a publicly held corporation?

- Is the public official or relative a director or officer? Yes? It's a business with which associated.
- Does the public official or relative currently own OR has the official or relative owned at any point in the preceding calendar year stock, equity interest, stock options or debt instruments worth $100,000 or more? Yes? It's a business with which associated.

Is the public official an SEI filer?

- Is it a business AND is it listed as a source of income on the official's SEI? Yes? It's a business with which associated.

Oregon Government Ethics Commission (OGEC) Resource Chart

TRAINING	In-Person & On-Site	Trainers are available to present training sessions or workshops on government ethics law, lobbying regulations and executive session provisions. You can request this training by calling our office at: 503-378-5105 or by completing a 'request for training' on-line at: https://www.oregon.gov/OGEC/Pages/training_request.aspx
	Webinars	OGEC offers Adobe Connect Webinars. These 30 to 60 minute trainings are presented live by an OGEC trainer using the internet. We offer several different classes each month or we can also provide customized webinar trainings: • Monthly Webinar Calendar (bottom of page): https://www.oregon.gov/OGEC/Pages/training.aspx • To register or arrange for customized webinar training please e-mail us at: ogec.training@oregon.gov
	iLearnOregon	These training modules are short, focused and convenient. This training focuses on government ethics law, lobbying regulations and executive session provisions. Anyone with an e-mail address can register to take classes through iLearnOregon, whether you are a public official or a private citizen. iLearnOregon can be accessed via the following links: • State employee – https://www.oregon.gov/OGEC/docs/training/ilearn_new_acct_state_employee_20101130.pdf • Non-State employee – https://www.oregon.gov/OGEC/docs/training/ilearn_new_acct_non_state_employee_20101129.pdf
GUIDANCE	Request Guidance on Ethics Related Issues/Situations	• ***Written*** – Send requests via e-mail to: ogec.mail@oregon.gov ; by fax to: 503-373-1456 or by U.S. mail to: 3218 Pringle Road SE, Suite 220, Salem, Oregon 97302-1544 • ***Telephone*** – 503-378-5105 • ***In-person*** – By visiting our office at the mailing address listed under *"Written"* above.
	Review Previously Issued Guidance	• ***Advice*** – https://apps.oregon.gov/OGEC/CMS/Advice • ***Opinions*** – https://www.oregon.gov/OGEC/pages/opinion_category.aspx
FORMS & PUBLICATIONS	Guide for Public Officials	Link to Guide and 2015 Supplement: https://www.oregon.gov/OGEC/Pages/forms_publications.aspx
	Public Records	Public Records Look-up: https://apps.oregon.gov/OGEC/EFS/Records
		To request copies of public records in the custody of the OGEC: https://www.oregon.gov/OGEC/Pages/public_records.aspx
	File a Complaint	Complaint form can be accessed via: https://apps.oregon.gov/OGEC/CMS/complaint