

1/23/2012

The Honorable Senator Egan
Alaska State Legislature
120 4th Street
State Capitol
Juneau, Alaska 99801

Re: SB 158- "An act relating to the Real Estate Commission; and providing for an effective date."

Dear Senator Egan,

I am writing in support of SB 158 and wish to thank you for sponsoring this important bill. I have been a real estate broker in this state for over 25 years and completed 9 years of service on the Alaska Real Estate Commission within the past year. I have experienced the need for these changes from both perspectives.

SB 158 allows for the real estate commission to appoint a temporary licensee to oversee the affairs of a real estate brokerage if certain events occur. In the recent past a broker in our state misappropriated a large amount of trust funds. The Real Estate Commission was forced to leave the broker who violated our laws in charge of the trust account and other business affairs due to their lack of ability to do otherwise. This bill will close this hole in our system.

SB 158 also clarifies a law that was written specifically to allow a licensee to pay another licensee that works for them as an assistant. Previous law mandated that only the broker could pay a licensee. This revision to the law was only intended to simplify the process inside of an office. Some in the industry are trying to interpret this change to mean it is ok to ignore other laws already in place that prohibit a licensee from performing licensed activities for another brokerage.

SB 158 will also allow a licensee to donate part of their commission to a charitable organization. Statute does not allow for a licensee to pay anyone without a license fees earned from licensed activity. While I agree with the intended purpose of this law, I feel that the many charitable organizations around our state can benefit from the sensible change offered in this bill.

Respectfully Submitted,

David B. Somers

Broker

