

SENATE BILL NO. 122

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Introduced: 4/8/11

Referred: Community and Regional Affairs, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to real estate transfer fees and increasing the length of time title
2 records must be maintained by a title plant."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 21.66.200 is amended to read:

5 **Sec. 21.66.200. Title plant requirements.** A title insurance company shall
6 own and maintain in the recording district in which its principal office in the state is
7 located a title plant consisting of adequate maps and fully indexed records showing all
8 instruments of record affecting all land within the recording district for a period of at
9 least **50** [25] years immediately before the date a policy of title insurance is issued by
10 the title insurance company. It shall also directly or through its agent own and
11 maintain a comparable title plant for each additional recording district in which it or
12 its agent maintains an office to transact a title insurance business.

13 * **Sec. 2.** AS 34.15 is amended by adding a new section to read:

14 **Sec. 34.15.105. Transfer fee covenants prohibited.** (a) A document that

1 conveys real estate may not include a provision that requires a subsequent grantee or
2 grantor to pay a transfer fee to convey the real estate, except a document that conveys
3 real estate may include a provision that requires a transfer fee if the fee is

4 (1) payable on a one-time basis only on the next transfer of the interest
5 in real property;

6 (2) a loan assumption fee or similar fee charged by a person holding a
7 lien on the property; or

8 (3) a fee or commission paid to a licensed real estate broker for
9 brokerage services.

10 (b) In this section, "transfer fee" does not include

11 (1) a tax, assessment, fee, or charge imposed by a governmental
12 authority;

13 (2) a recording fee;

14 (3) a fee payable to a nonprofit, mandatory homeowners association,
15 condominium association, or cooperative under an applicable declaration or covenant;
16 or

17 (4) a fee payable to an organization described in 26 U.S.C. 501(c)(3)
18 or (c)(4) (Internal Revenue Code) used exclusively for cultural, educational,
19 charitable, recreational, environmental, conservation, or similar activities that benefit
20 the real estate conveyed.

21 (c) A provision that violates this section is void.