

1 IN THE HOUSE

BY MRS. FISCHER and MR. NORENE

2 HOUSE BILL NO. 82

and MR. ERWIN

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act pertaining to the licensing and  
7 regulation of real estate brokers and  
8 salesmen; amending Subsec. (a) of Sec. 1,  
9 Subsec. (a) (2), Subsec. (b), Subsec. (c)  
10 (1) and Subsec. (c) (2) of Sec. 6, Sec. 7  
11 and Subsec. (h) and Subsec. (r) of Subsec.  
12 8 and adding Subsec. (e) to Sec. 1, Ch.  
13 154, SLA 1957."

14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

15 Section 1. Subsec. (a) of Sec. 1, Ch. 154, SLA 1957, is  
16 hereby amended to read as follows:

17 (a) a "real estate broker" or "broker" is a person  
18 who, for a compensation, or with the intention or in the ex-  
19 pectation or upon the promise of receiving or collecting comp-  
20 ensation, sells, or offers for sale, buys, or offers to buy,  
21 lists or solicits for prospective purchasers, or negotiates  
22 the purchase or sale or exchange of real estate, or negotiates  
23 loans on real estate, or leases or offers to lease, or nego-  
24 tiates the sale, purchase, or exchange of leases, rents, or  
25 places for rent, or collects rent from real estate, or im-  
26 provements thereon, engages directly or indirectly in the  
27 business of buying, selling or dealing in any established  
28 business or business opportunity or good will or any interest  
29 therein for another or others.

1           Sec. 2. Sec. 1, Ch. 154, SLA 1957 is hereby amended by  
2 adding a new Subsection to read as follows:

3           (e) One act or transaction in consideration of com-  
4 ensation, by fee, commission, salary or otherwise, or with  
5 the intention or in the expectation or upon the promise of  
6 receiving or collecting a fee of the kind or nature described  
7 in the definition of a real estate broker, whether the act is  
8 an incidental part of a transaction, or the entire transaction,  
9 shall constitute the person offering or attempting to perform  
10 the act or transaction a real estate broker within the mean-  
11 ing of this Act.

12           Sec. 3. Subsec. (2) of Subsec. (a) of Sec. 6, Ch. 154, SLA  
13 1957, is hereby amended to read as follows:

14           (2) Deliver to the Commissioner a bond to the State  
15 [/TERRITORY/] of Alaska in a form and of a type approved by the  
16 Commission in the sum of \$5,000.00 for a broker's or associate  
17 broker's license and in the sum of \$1,000.00 for a salesman's  
18 license except that the salesman's bond is to be delivered and  
19 made payable to the employing broker which bonds shall guar-  
20 antee [/ING/] the faithful accounting and proper remission of  
21 all funds entrusted to the broker or salesman. No bond shall  
22 be required of an inactive licensee.

23           Sec. 4. Subsec. (b) of Sec. 6, Ch. 154, SLA 1957, is hereby  
24 amended to read as follows:

25           (b) Qualifications: Applicants for licenses shall  
26 have the following qualifications:

27           (1) Broker or associate broker:

28                   All applicants shall be at least 21 years  
29 of age.

1 All applicants shall be citizens of the  
2 United States.

3 All applicants shall have been actively  
4 engaged as a licensed real estate salesman in  
5 Alaska for at least one year immediately prior  
6 to applying for a broker's or associate broker's  
7 license.

8 (2) Salesman:

9 All applicants shall be at least 18 years  
10 of age.

11 All applicants shall be citizens of the  
12 United States or have declared their intention  
13 to become citizens of the United States.

14 3 An applicant for a BROKER'S, ASSOCIATE  
15 BROKER'S OR salesman's license shall have been  
16 a bona fide resident of the TERRITORY State  
17 of Alaska for at least ninety days immediately  
18 prior to the date of his application.

19 (3) No license shall be issued to any person  
20 who, within five years next preceding his application  
21 for an original license, has been convicted of a felony  
22 or of any other crime involving moral turpitude or of  
23 dishonest dealing, or of a violation of any real es-  
24 tate act, in Alaska or elsewhere.

25 Sec. 5. Subsec. (1) of Subsec. (c) of Sec. 6, Ch. 154, SLA  
26 1957, is hereby amended to read as follows:

27 (1) All applicants for licenses except applicants who  
28 hold valid brokers' or salesmen's licenses from other juris-  
29 dictions (who may be licensed without examination as herein-

1 after provided), shall successfully pass a written examina-  
2 tion prepared by the Commission and conducted by the Commis-  
3 sioner and graded by the Commission. The scope of the exam-  
4 inations for brokers may ~~SHALL~~ include, but may ~~SHALL~~  
5 not be limited to, questions relating to real estate financ-  
6 ing and conveyancing, land laws, real estate appraisals,  
7 land economics, land contracts, deeds, mortgages, leases,  
8 sanitation laws, the law of agency, construction practices,  
9 principles of real practices, platting and subdividing,  
10 codes of business ethics and mathematics. Examinations for  
11 salesmen shall be ~~CONTAIN~~ different ~~QUESTIONS~~ than the  
12 brokers' examination and may include some of the subjects  
13 listed above but it shall not be as exacting as the examina-  
14 tion for brokers.

15 Sec. 6. Subsec. (2) of Subsec. (c) of Sec. 6, Ch. 154, SLA  
16 1957, is hereby amended to read as follows:

17 (2) The holder of a valid broker's ~~OR REAL ESTATE~~  
18 ~~SALESMAN'S~~ license from any other state, Territory or the  
19 District of Columbia, may be issued a permanent broker's  
20 ~~OR REAL ESTATE SALESMAN'S~~ license without a written wxam-  
21 ination and the holder of a valid real estate salesman's  
22 license from any other state, territory or the District of  
23 Columbia may be issued a permanent real estate salesman's  
24 license without a written examination, under such regulations  
25 as the Commission may promulgate, after he has been a bona  
26 fide resident of the State ~~TERRITORY~~ of Alaska for at least  
27 ninety days immediately prior to his application to the  
28 Commission for such salesman's license. He shall meet all  
29 other requirements for such license, except that of taking

1 the written examination. He shall offer proof, to the satis-  
2 faction of the Commission, that he holds such broker's or  
3 salesman's license from another jurisdiction. He shall apply  
4 for such license not later than one year after he has estab-  
5 lished residence in the State ~~STATE~~ TERRITORY of Alaska.

6 Sec. 7. Sec. 7 of Ch. 154, SLA 1957, is hereby amended to  
7 read as follows:

8 Sec. 7. Requirement of Actively Engaging in Busi-  
9 ness; Place of Business; Display of Firm Name; Records. Each  
10 person licensed as an active real estate broker under the  
11 provisions of this Act shall be required to be actively en-  
12 gaged as a real estate broker and shall maintain a definite  
13 place of business in the ~~STATE~~ TERRITORY State. The firm name of  
14 the broker shall be prominently displayed outside the broker's  
15 place of business. Every person licensed as a real estate  
16 broker shall keep records of all real estate transactions  
17 handled by or through him, which records shall include copies  
18 of earnest money receipts and closing statements showing all  
19 receipts, disbursements and adjustments, also copies of list-  
20 ing contracts, if any. The records of each transaction shall  
21 be kept by the broker for a period of not less than six years  
22 after the date of the transaction.

23 Sec. 8. Subsec. (h) of Sec. 8, Ch. 154, SLA 1957, is hereby  
24 amended to read as follows:

25 (h) Advertising in any manner without including the  
26 name of the licensed firm ~~OR THE LICENSEE~~ OR THE LICENSEE in such adver-  
27 tisement.

28 Sec. 9. Subsec. (r) of Sec. 8, Ch. 154, SLA 1957, is hereby  
29 amended to read as follows:

1 (r) Payment by any broker of any part of a commis-  
2 sion or other compensation received in his capacity as a  
3 real estate broker to any person who is not a licensed real  
4 estate broker, or to a real estate salesman or associate  
5 broker not licensed to do business for such broker; or the  
6 payment by any licensed salesman of any part of a commission  
7 or other compensation received in his capacity as a real  
8 estate salesman to any person whether licensed or not, ex-  
9 cept through his broker. However, a licensed broker may pay  
10 a finder's fee or a share of his commission to a licensed  
11 broker in another state on a cooperative basis where a sim-  
12 ilar courtesy is extended to licensed brokers in this state.

13 Sec. 10. This Act shall take effect immediately upon its  
14 passage and approval or upon its becoming law without such  
15 approval.  
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