

1 IN THE HOUSE

BY MRS. FISCHER, MR. NORENE
AND MR. ERWIN

2 HOUSE BILL NO. 82

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 sales-
8 men; amending Subsec. (a) of Sec. 1, Subsec.
9 (a) (2), Subsec. (b), Subsec. (c) (1) and
10 Subsec. (c) (2) and Subsec. (g) of Sec. 6,
11 Sec. 7 and Subsec. (h) and Subsec. (r) of
12 Subsec. 8 and adding Subsec. (e) to Sec. 1,
13 Ch. 154, SLA 1957, excluding licensed
14 attorneys under Act; and providing for an
15 effective date."

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

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

19 (a) a "real estate broker" or "broker" is a person
20 who, for a compensation, or with the intention or in the
21 expectation or upon the promise of receiving or collecting
22 compensation, sells, or offers for sale, buys, or offers to
23 buy, lists or solicits for prospective purchasers, or negoti-
24 ates the purchase or sale or exchange of real estate, or
25 negotiates loans on real estate, or leases or offers to lease
26 or negotiates the sale, purchase, or exchange of leases,
27 rents, or places for rent, or collects rent from real estate,
28 or improvements thereon, engages in the business of buying,
29 selling or dealing in any established business or business

1 opportunity or good will or any interest therein for another
2 or others.

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

5 (e) One act or transaction in consideration of
6 compensation, by fee, commission, salary or otherwise, or
7 with the intention or in the expectation or upon the promise
8 of receiving or collecting a fee of the kind or nature de-
9 scribed in the definition of a real estate broker, shall
10 constitute the person offering or attempting to perform the
11 act or transaction a real estate broker within the meaning of
12 this Act.

13 Sec. 3. Subsec. (2) of Subsec. (a) of Sec. 6, Ch. 154, SLA
14 1957, is hereby amended to read as follows:

15 (2) Deliver to the Commissioner a bond to the
16 State [TERRITORY] of Alaska in a form and of a type
17 approved by the Commission in the sum of \$5,000.00 for
18 a broker's or associate broker's license and in the sum
19 of \$1,000.00 for a salesman's license guaranteeing the
20 faithful accounting and proper remission of all funds
21 entrusted to the broker or salesman. No bond shall be
22 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.

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All applicants shall be citizens of the United States.

All applicants shall have been engaged as a licensed real estate salesman in Alaska for at least one year immediately prior to applying for a broker's or associate broker's license. Experience in similar activities may be substituted for the experience required by this subsection upon approval of the Commission.

(2) Salesman:

All applicants shall be at least 19 years of age.

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

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

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

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

1 (1) All applicants for licenses except appli-
2 cants who hold valid brokers' or salesmen's licenses
3 from other jurisdictions (who may be licensed without
4 examination as hereinafter provided), shall successfully
5 pass a written examination prepared by the Commission
6 and conducted by the Commissioner and graded by the
7 Commission. The scope of the examinations for brokers
8 may ~~SHALL~~ include, but may ~~SHALL~~ not be limited to,
9 questions relating to real estate financing and convey-
10 ancing, land laws, real estate appraisals, land economics,
11 land contracts, deeds, mortgages, leases, sanitation laws,
12 the law of agency, construction practices, principles of
13 real practices, platting and subdividing, codes of
14 business ethics and mathematics. Examinations for sales-
15 men shall be ~~CONTAIN~~ different ~~QUESTIONS~~ than the
16 brokers' examination and may include some of the subjects
17 listed above but it shall not be as exacting as the
18 examination for brokers.

19 Sec. 6. Subsec. (2) of Subsec. (c) of Sec. 6, Ch. 154, SLA
20 1957, is hereby amended to read as follows:

21 (2) The holder of a valid broker's ~~OR REAL~~
22 ~~ESTATE SALESMAN'S~~ license from any other state, Terri-
23 tory or the District of Columbia, may be issued a
24 permanent broker's ~~OR REAL ESTATE SALESMAN'S~~ license
25 without a written examination under such regulations as
26 the Commission may promulgate; providing that such other
27 state, Territory or District of Columbia offer equal
28 reciprocity to real estate brokers and salesmen licensed
29 in Alaska and has licensing regulations similar to those

1 of Alaska, after he has been a bona fide resident of the
2 State ~~TERRITORY~~ of Alaska for at least thirty ~~NINETY~~
3 days immediately prior to his application to the Commis-
4 sion for such salesman's license. He shall meet all
5 other requirements for such license, except that of taking
6 the written examination. He shall offer proof, to the
7 satisfaction of the Commission, that he holds such
8 broker's or salesman's license from another jurisdiction
9 He shall apply for such license not later than one year
10 after he has established residence in the State ~~TERRI-~~
11 ~~TORY~~ of Alaska.

12 Sec. 7. Subsection (g) of Sec. 6 of Chap. 154, SLA 1957, is
13 amended as follows:

14 (g) Branch Offices. Branch offices under the
15 same name as the main office may be opened and maintained by
16 any broker upon the payment of a \$5.00 license fee for each
17 such office, which fee shall be paid each year. All branch
18 offices shall be in charge of and operated by a licensed
19 associate broker , except that branch offices within the
20 same election district as the main office shall not be
21 required to have in charge nor be operated by a licensed
22 broker or licensed associate broker.

23 Sec. 8. Sec. 7 of Ch. 154, SLA 1957, is hereby amended to
24 read as follows:

25 Sec. 7. Requirement of Actively Engaging in Business;
26 Place of Business; Display of Firm Name; Records. Each person
27 licensed as an active real estate broker under the provisions
28 of this Act shall be required to be actively engaged as a real
29 estate broker and shall maintain a definite place of business

1 in the TERRITORY State. The firm name of the broker shall
2 be prominently displayed outside the broker's place of busi-
3 ness. Every person licensed as a real estate broker shall
4 keep records of all real estate transactions handled by or
5 through him, which records shall include copies of earnest
6 money receipts and closing statements showing all receipts,
7 disbursements and adjustments, also copies of listing contracts.
8 The records of each transaction shall be kept by the broker
9 for a period of not less than six years after the date of the
10 transaction.

11 Sec. 9. Subsec. (h) of Sec. 8, Ch. 154, SLA 1957, is hereby
12 amended to read as follows:

13 (h) Advertising in any manner without including
14 the name of the licensed firm OR THE LICENSEE in such
15 advertisement.

16 Sec. 10. Subsec. (r) of Sec. 8, Ch. 154, SLA 1957, is hereby
17 amended to read as follows:

18 (r) Payment by any broker of any part of a commis-
19 sion or other compensation received in his capacity as a
20 real estate broker to any person who is not a licensed real
21 estate broker, or to a real estate salesman or associate
22 broker not licensed to do business for such broker; or the
23 payment by any licensed salesman of any part of a commission
24 or other compensation received in his capacity as a real
25 estate salesman to any person whether licensed or not, except
26 through his broker. However, a licensed broker may pay a
27 finder's fee or a share of his commission to a licensed broker
28 in another state on a cooperative basis where a similar
29 courtesy is extended to licensed brokers in this state.

1 Sec. 11. Anyone setting themselves up as a realty firm or
2 using the name "realty" in the firm name must be licensed under
3 this Act.

4 Sec. 12. Nothing in this Act shall prohibit a licensed
5 attorney from receiving compensation for legal services rendered
6 in connection with any real estate or other transactions described
7 in this Act or engaging in the practice of law relative to said
8 transactions.

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

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