

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 Sec. 8 and adding Subsec. (e) to Sec. 1,
13 Ch. 154, SLA 1957; and providing for an
14 effective date."

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

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

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

29 Sec. 2. Sec. 1, Ch. 154, SLA 1957 is hereby amended by

1 adding a new Subsection to read as follows:

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

10 Sec. 3. Subsec. (2) of Subsec. (a) of Sec. 6, Ch. 154, SLA
11 1957, is hereby amended to read as follows:

12 (2) Deliver to the Commissioner a bond to the
13 State TERMINATED of Alaska in a form and of a type
14 approved by the Commission in the sum of \$5,000.00 for
15 a broker's or associate broker's license and in the sum
16 of \$1,000.00 for a salesman's license guaranteeing the
17 faithful accounting and proper remission of all funds
18 entrusted to the broker or salesman. No bond shall be
19 required of an inactive licensee.

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

22 (b) Qualifications: Applicants for licenses shall
23 have the following qualifications:

24 (1) Broker or associate broker:

25 All applicants shall be at least 21 years
26 of age.

27 All applicants shall be citizens of the
28 United States.

29 All applicants shall have been engaged

1 as a licensed real estate salesman in Alaska
2 for at least one year immediately prior to
3 applying for a broker's or associate broker's
4 license. Experience in similar activities may
5 be substituted for the experience required by
6 this subsection upon approval of the Commission.

7 (2) Salesman:

8 All applicants shall be at least 19 years
9 of age.

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

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

18 (3) No license shall be issued to any person
19 who, within five years next preceding his
20 application for an original license, has been
21 convicted of a felony or of any other crime
22 involving moral turpitude or of dishonest deal-
23 ing, or of a substantial violation of any real
24 estate 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 appli-
28 cants who hold valid brokers' or salesmen's licenses
29 from other jurisdictions (who may be licensed without

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

16 Sec. 6. Subsec. (2) of Subsec. (c) of Sec. 6, Ch. 154, SLA
17 1957, is hereby amended to read as follows:

18 (2) The holder of a valid broker's or real
19 estate salesman's license from any other state, Terri-
20 tory or the District of Columbia, may be issued a
21 permanent broker's or real estate salesman's license
22 without a written examination under such regulations as
23 the Commission may promulgate; providing that such other
24 state, Territory or District of Columbia offer equal
25 reciprocity to real estate brokers and salesmen licensed
26 in Alaska and has licensing regulations similar to those
27 of Alaska, after he has been a bona fide resident of the
28 State ~~TERRITORY~~ of Alaska for at least thirty ~~NINETY~~
29 days immediately prior to his application to the Commis-

1 sion for such SALESMAN'S license. He shall meet all
2 other requirements for such license, except that of taking
3 the written examination. He shall offer proof, to the
4 satisfaction of the Commission, that he holds such
5 broker's or salesman's license from another jurisdiction.
6 He shall apply for such license not later than one year
7 after he has established residence in the State TERRI-
8 TORY of Alaska.

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

11 (g) Branch Offices. Branch offices under the
12 same name as the main office may be opened and maintained by
13 any broker upon the payment of a \$5.00 license fee for each
14 such office, which fee shall be paid each year. All branch
15 offices shall be in charge of and operated by a licensed
16 associate broker ./, except that branch offices within the
17 same election district as the main office may have a licensed
18 real estate salesman in charge.

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

21 Sec. 7. Requirement of Actively Engaging in Business;
22 Place of Business; Display of Firm Name; Records. Each person
23 licensed as an active real estate broker under the provisions
24 of this Act shall be required to be actively engaged as a real
25 estate broker and shall maintain a definite place of business
26 in the TERRITORY State. The firm name of the broker shall
27 be prominently displayed outside the broker's place of busi-
28 ness. Every person licensed as a real estate broker shall
29 keep records of all real estate transactions handled by or

1 through him, which records shall include copies of earnest
2 money receipts and closing statements showing all receipts,
3 disbursements and adjustments, also copies of listing contracts.
4 The records of each transaction shall be kept by the broker
5 for a period of not less than six years after the date of the
6 transaction.

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

9 (h) Advertising in any manner without including
10 the name of the licensed firm OR THE LICENSEE in such
11 advertisement.

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

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

26 Sec. 11. Anyone setting themselves up as a realty firm or
27 using such terms as "realtor", "real estate", or "realty" in the
28 firm name must be licensed under this Act.

29 Sec. 12. This Act shall take effect immediately upon its

1 passage and approval or upon its becoming law without such approval.

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