

Original sponsor: Commerce Committee
by request

Offered: 2/19/74
Referred: Judiciary

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 345

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to real estate brokers and salesmen."

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

8 * Section 1. AS 08.88.031 is repealed and re-enacted to read:

9 Sec. 08.88.031. EXECUTIVE SECRETARY OF COMMISSION. The commis-
10 sioner of commerce shall appoint a full-time staff administrator and
11 delineate his authority and duties. He shall serve as the executive
12 secretary of the Real Estate Commission.

13 * Sec. 2. AS 08.88.071(4) is repealed and re-enacted to read:

14 (4) prosecute, through the Department of Law, violations of
15 the provisions of this chapter or lawful regulations promulgated under
16 this chapter.

17 * Sec. 3. AS 08.88.071 is amended by adding a new paragraph to read:

18 (5) publish, on three consecutive weekends in a newspaper
19 of general circulation in the locale of the offending person's principal
20 office licensed under this chapter, any disciplinary action taken by
21 the commission against a person licensed under this chapter.

22 * Sec. 4. AS 08.88.161 is amended to read:

23 Sec. 08.88.161. LICENSE REQUIRED. Unless [HE IS] licensed as a
24 real estate broker, associate real estate broker, or real estate sales-
25 man, no natural person, foreign or domestic corporation, or partnership,
26 or limited partnership, or other entity may

27 (1) sell, exchange, rent, lease, auction, or purchase real
28 estate;

29 (2) list real estate for sale, exchange, rent, lease, auction,

1 or purchase;

2 (3) collect rent for the use of real estate;

3 (4) as a business, buy, sell, or deal in

4 (A) options in real estate; or

5 (B) options in improvements to real estate;

6 (5) assist in or direct the procuring of prospective buyers
7 or the negotiation of a transaction which results or is calculated to
8 result in the sale, exchange, rent, lease, auction, or purchase of
9 real estate;

10 (6) hold himself out to the public as being engaged in the
11 business of doing any of the things listed in this section;

12 (7) attempt or offer to do any of the things listed in this
13 section [;

14 (8) BE COMPENSATED FOR HIS EFFORTS IN BUYING OR SELLING
15 CORPORATION OR GROUP REAL ESTATE HOLDINGS, UNLESS HE HAS AN EQUITY
16 INTEREST OF AT LEAST 15 PER CENT IN THE CORPORATION OR GROUP].

17 * Sec. 5. AS 08.88.171(a) is amended to read:

18 (a) A person is entitled to a real estate broker license if he
19 has been a resident of the state for 90 days and if he applies for his
20 license within six months after receipt of notice that he has passed
21 the real estate examination, files the required bond, and is an owner
22 of a real estate business or employed as a real estate broker by a
23 corporation or a partnership, if the corporation or partnership does
24 not have an existing licensed broker. Unless he fails to pay the
25 biennial renewal fee or his license is suspended or revoked under sec.
26 71(3) of this chapter, a real estate broker's license continues in
27 effect so long as he is an owner of a real estate business, or he is
28 employed as a real estate broker by a corporation or a partnership.
29 If he stops being an owner of a real estate business, or stops being

1 employed as a real estate broker by a corporation or partnership, his
2 license is suspended from the time he stops until

3 (1) he again becomes an owner of a real estate business or
4 is again employed as a real estate broker by a corporation or a partner-
5 ship; or

6 (2) he is employed by a licensed real estate broker, in which
7 case his real estate broker license is returned to the department, and
8 the department issues him an associate real estate broker license.

9 * Sec. 6. AS 08.88.171(b) is amended to read:

10 (b) A person is entitled to an associate real estate broker
11 license if he has been a resident of the state for 90 days and if he
12 passes the real estate examination, applies for his license within six
13 months after receipt of notice that he has passed the examination, files
14 the required bond, and is employed by a licensed real estate broker.
15 Unless he fails to pay the biennial renewal fee or his license is
16 suspended or revoked under sec. 71(3) of this chapter, an associate real
17 estate broker's license continues in effect so long as he is employed by
18 a licensed real estate broker. If he stops being employed by a licensed
19 real estate broker, his license is suspended from the time he stops
20 until

21 (1) he again is employed by a real estate broker; or

22 (2) he becomes an owner of a real estate business, in which
23 case his associate real estate broker license is returned to the depart-
24 ment, and the department issues him a real estate broker license.

25 * Sec. 7. AS 08.88.171(c) is amended to read:

26 (c) A person is entitled to a real estate salesman license if he
27 has been a resident of the state for 90 days and if he passes the real
28 estate salesman examination, applies for his license within six months
29 after receipt of notice that he has passed the examination, files the

1 required bond, and is employed by a real estate broker. Unless he
2 fails to pay the biennial renewal fee or his license is suspended or
3 revoked under sec. 71(3) of this chapter, a real estate salesman's
4 license continues in effect so long as he is employed by a licensed
5 real estate broker. If he stops being employed by a licensed real
6 estate broker, his license is suspended from the time he stops until he
7 again is employed by a licensed real estate broker.

8 * Sec. 8. AS 08.88.191(d) is amended to read:

9 (d) If a person fails to take an examination after he has paid the
10 application fee, the department shall refund one-half of the fee.

11 * Sec. 9. AS 08.88.211(a)(1) is amended to read:

12 (1) has had at least 24 months of active and continuous
13 experience as a licensed real estate salesman within the five years
14 immediately before application;

15 * Sec. 10. AS 08.88.211(a)(2) and (5) are repealed.

16 * Sec. 11. AS 08.88.211(b)(2) and (4) are repealed.

17 * Sec. 12. AS 08.88.221(a) is amended to read:

18 (a) The following fees shall be charged a real estate broker
19 or associate broker licensee or applicant when applicable:

(1) examination.....	\$ 50
(2) reciprocity.....	50
(3) initial license.....	100
(4) biennial renewal -- active license.....	100
(5) biennial renewal -- inactive license.....	25

25 * Sec. 13. AS 08.88.221(b) is amended to read:

26 (b) The following fees shall be charged a [AN ASSOCIATE BROKER,
27 OR] salesman [,] licensee or applicant when applicable:

(1) examination.....	<u>\$50</u> [\$25]
(2) reciprocity.....	<u>50</u> [25]

- 1 (3) initial license..... 50
- 2 (4) biennial renewal -- active license..... 50
- 3 (5) biennial renewal -- inactive license..... 25.

4 * Sec. 14. AS 08.88.241 is amended to read:

5 Sec. 08.88.241. REINSTATEMENT OF LAPSED LICENSE. A licensee who
6 was required to take an examination before receiving a license and whose
7 license has lapsed for more than one year [THREE YEARS] shall be re-
8 quired to be re-examined before reinstatement.

9 * Sec. 15. AS 08.88.291 is amended to read:

10 Sec. 08.88.291. LOCATION. A licensed real estate broker shall
11 inform the commission of his principal office and of any branch offices
12 he has. He and the associate real estate brokers and real estate
13 salesmen he employs may do business only in or out of his principal
14 office and his branch offices. Failure of a real estate broker to
15 maintain a place of business or inform the department of its location
16 and the names and addresses of all licensees under his jurisdiction
17 at the location are grounds for the suspension or revocation of his
18 broker license [THE DEPARTMENT SHALL PRINT THE LOCATION OF THE PRINCIPAL
19 OFFICE AND BRANCH OFFICES AT WHICH A PERSON MAY DO BUSINESS IN THE
20 PERSON'S LICENSE CERTIFICATE].

21 * Sec. 16. AS 08.88.301 is amended to read:

22 Sec. 08.88.301. CHANGE OF LOCATION. If a real estate broker
23 changes the location of his principal office or of a branch office, he
24 shall immediately notify the department [AND SEND TO THE DEPARTMENT HIS
25 AND HIS EMPLOYEES' LICENSES. THE DEPARTMENT SHALL ISSUE NEW LICENSES
26 REFLECTING THE CHANGE].

27 * Sec. 17. AS 08.88.311 is repealed and re-enacted to read:

28 Sec. 08.88.311. BRANCH OFFICES. (a) Any real estate broker
29 establishing a branch office shall place it in the charge of an associ-

1 ate real estate broker.

2 (b) All branch offices shall bear and be advertised only in the
3 name of the principal office but may indicate that they are branch
4 offices of the principal office.

5 * Sec. 18. AS 08.88.351 is amended by adding a new paragraph to read:

6 (4) make available to the commission, on request, records
7 and all other documents relating to transactions under (3) of this
8 section which the commission may require in order to conduct a complete
9 audit of trust accounts.

10 * Sec. 19. AS 08.88.401(b) is amended to read:

11 (b) No person, even though he is an obligor or escrow holder,
12 may pay or deliver compensation to a person who is not licensed in this
13 state or who does not hold a valid broker license in another state
14 [UNDER THIS CHAPTER] for doing work for which a license is required
15 under this chapter. [A CURRENT LICENSE CERTIFICATE OR POCKET RECOGNI-
16 TION CARD ISSUED BY THE COMMISSION IS SUFFICIENT PROOF TO RELIEVE THE
17 PERSON FROM CRIMINAL RESPONSIBILITY UNDER THIS SECTION.]

18 * Sec. 20. AS 08.88.421 is amended by adding a new paragraph to read:

19 (9) a domestic or foreign corporation, general or limited
20 partnership, or a partner or regular employee of one of these, when
21 performing acts described in sec. 161 of this chapter in the regular
22 course, or as an incident to, the management, sale or other disposition
23 of real estate owned by the corporation or partnership; however, the
24 person may not perform these acts as a vocation or for compensation if
25 the amount of the compensation is dependent upon or directly related to
26 the value of the real estate with respect to which the acts are performed.
27