

Original Sponsor: Commerce Committee
by request

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Referred: Rules

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 SENATE CS FOR 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 AS 08.88.031 is repealed and re-enacted to read: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 is amended by adding a new paragraph to read:

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

18 * Sec. 3. AS 08.88.161 is amended to read:

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

23 (1) sell, exchange, rent, lease, auction, or purchase real
24 estate;

25 (2) list real estate for sale, exchange, rent, lease, auction
26 or purchase;

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

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

29 (A) options in real estate; or

1 (B) options in improvements to real estate;

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

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

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

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

13 * Sec. 4. AS 08.88.171(a) is amended to read:

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

28 (1) he again becomes an owner of a real estate business or
29 is again employed as a real estate broker by a corporation or a partner-

1 ship; or

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

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

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

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

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

21 * Sec. 6. AS 08.88.171(c) is amended to read:

22 (c) A person is entitled to a real estate salesman license if he
23 has been a resident of the state for 90 days and if he passes the real
24 estate salesman examination, applies for his license within six months
25 after receipt of notice that he has passed the examination, files the
26 required bond, and is employed by a real estate broker. Unless he
27 fails to pay the biennial renewal fee or his license is suspended or
28 revoked under sec. 71(3) of this chapter, a real estate salesman's
29 license continues in effect so long as he is employed by a licensed

1 real estate broker. If he stops being employed by a licensed real
2 estate broker, his license is suspended from the time he stops until he
3 again is employed by a licensed real estate broker.

4 * Sec. 7. AS 08.88.191(d) is amended to read:

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

7 * Sec. 8. AS 08.88.211(a)(1) is amended to read:

8 (1) has had at least 24 months of active and continuous
9 experience as a licensed real estate salesman.

10 * Sec. 9. AS 08.88.211(a)(2) is repealed.

11 * Sec. 10. AS 08.88.211(b)(2) is repealed.

12 * Sec. 11. AS 08.88.221(a) is amended to read:

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

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

20 * Sec. 12. AS 08.88.221(b) is amended to read:

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

- 23 (1) examination..... \$50 [\$25]
24 (2) reciprocity..... 50 [25]
25 (3) initial license..... 50
26 (4) biennial renewal -- active license..... 50
27 (5) biennial renewal -- inactive license..... 25.

28 * Sec. 13. AS 08.88.291 is amended to read:

29 Sec. 08.88.291. LOCATION. A licensed real estate broker shall

1 inform the commission of his principal office and of any branch offices
2 he has. He and the associate real estate brokers and real estate
3 salesmen he employs may do business only in or out of his principal
4 office and his branch offices. Failure of a real estate broker to
5 maintain a place of business or inform the department of its location
6 and the names and addresses of all licensees under his jurisdiction
7 at the location are grounds for the suspension or revocation of his
8 broker license [THE DEPARTMENT SHALL PRINT THE LOCATION OF THE PRINCIPAL
9 OFFICE AND BRANCH OFFICES AT WHICH A PERSON MAY DO BUSINESS IN THE
10 PERSON'S LICENSE CERTIFICATE].

11 * Sec. 14. AS 08.88.301 is amended to read:

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

17 * Sec. 15. AS 08.88.311 is repealed and re-enacted to read:

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

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

24 * Sec. 16. AS 08.88.351 is amended by adding a new paragraph to read:

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

29 * Sec. 17. AS 08.88.401(b) is amended to read:

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

8 * Sec. 18. AS 08.88.421 is amended by adding new paragraphs to read:

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

17 (10) a natural person, foreign or domestic corporation, or
18 partnership or limited partnership or other entity selling, exchanging,
19 renting, leasing, auctioning his own property or purchasing property for
20 his own use.