

Original Sponsor: Commerce Committee
by request

Offered: 4/5/74
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 AS 08.88.031 is repealed and re-enacted to read: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 AS 08.88.071(4) is repealed and re-enacted to read:

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

1 auction, 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
7 which case his real estate broker license is returned to the depart-
8 ment, and the department issues him an associate real estate broker
9 license.

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

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

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

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

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

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

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

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

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

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

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

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

16 * Sec. 11. AS 08.88.211(b)(2) is 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 or
19 associate broker licensee or applicant when applicable:

20	(1) examination.....	\$ 50
21	(2) reciprocity.....	50
22	(3) initial license.....	100
23	(4) biennial renewal -- active license.....	100
24	(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:

28	(1) examination.....	<u>\$50</u> [\$25]
29	(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 08.88.291 is amended to read:

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

16 * Sec. 15. AS 08.88.301 is amended to read:

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

22 * Sec. 16. AS 08.88.311 is repealed and re-enacted to read:

23 Sec. 08.88.311. BRANCH OFFICES. (a) Any real estate broker
 24 establishing a branch office shall place it in the charge of a real
 25 estate broker or an associate real estate broker.

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

29 * Sec. 17. AS 08.88.351 is amended by adding a new paragraph to read:

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

5 * Sec. 18. AS 08.88.401(b) is amended to read:

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

13 * Sec. 19. AS 08.88.421 is amended by adding new paragraphs to read:

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