

Original sponsor: Bennett by request

Offered: 4/16/79
Referred: Rules

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 212 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of real estate
7 brokers and salesmen; and providing for an effective
8 date."

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

10 * Section 1. AS 08.88.041(b) is amended to read:

11 (b) Of the five members of the commission who must be real estate
12 brokers or associate brokers, one [ONE] member [OF THE COMMISSION] shall
13 be from the First Judicial District, one shall be from the Second
14 Judicial District, one shall be from the Third Judicial District, one
15 shall be from the Fourth Judicial District and one shall be from the
16 state at large. However, if no licensed real estate broker or licensed
17 associate broker [PERSON] is eligible or available for appointment from
18 the Second Judicial District, then two licensed real estate brokers or
19 licensed associate brokers shall be appointed from the state at large.

20 * Sec. 2. AS 08.88.071(a) is amended by adding a new paragraph to read:

21 (6) issue a temporary permit to the executor, administrator,
22 or personal representative of the estate of a deceased broker or to some
23 other person designated by the commission in order to secure proper
24 administration in concluding the affairs of decedent broker's real
25 estate business.

26 * Sec. 3. AS 08.88.091 is repealed and re-enacted to read:

27 Sec. 08.88.091. EDUCATION. The commission shall
28 (1) initiate and maintain a program of continuing education
29 in real estate by

1 (A) reviewing and, when applicable, granting approval to
2 courses of instruction which provide opportunity to persons engaged
3 in the real estate business to gain knowledge and reasonable pro-
4 ficiency in current real estate practices and procedures;

5 (B) defining course standards, to include a variety of
6 subject material covering general and special areas of real estate
7 practice and procedure in courses presented by

8 (i) accredited educational institutions;

9 (ii) private vocational schools;

10 (iii) correspondence schools; or

11 (iv) educational programs, seminars, and workshops
12 offered by institutes, professional societies and organiza-
13 tions, and equivalent offerings;

14 (C) qualifying instructors to present approved courses
15 of instruction based on the academic qualifications and practical
16 experience in real estate of the instructor and the specific course
17 to be offered;

18 (2) assist in conducting real estate clinics, meetings,
19 courses, or institutes;

20 (3) assist educational institutions in sponsoring studies and
21 programs for the purpose of raising the standards of the real estate
22 business and the competency of licensees; and

23 (4) maintain a list of those educational programs which
24 receive approval under (1) of this subsection.

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

26 (a) A person is entitled to a real estate broker license if he has
27 been a resident of the state for 90 days and if he applies for his
28 license within six months after the date he completed the real estate
29 examination, furnishes satisfactory proof that he has successfully com-

1 pleted all requirements imposed by AS 08.88.173 [RECEIPT OF NOTICE THAT
2 HE HAS PASSED THE REAL ESTATE EXAMINATION, FILES THE REQUIRED BOND], and
3 is an owner of a real estate business or employed as a real estate
4 broker by a corporation or a partnership, if the corporation or partner-
5 ship does not have an existing licensed broker. Unless the broker [HE]
6 fails to pay the biennial renewal fee or fails to furnish satisfactory
7 proof that he has complied with all continuing educational requirements
8 under AS 08.88.175, or unless his license is suspended or revoked under
9 AS 08.88.071(3), the [A] real estate broker's license continues in
10 effect so long as he is an owner of a real estate business, or he is
11 employed as a real estate broker by a corporation or a partnership. If
12 he stops being an owner of a real estate business, or stops being
13 employed as a real estate broker by a corporation or partnership, his
14 license is suspended from the time he stops until

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

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

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

22 (b) A person is entitled to an associate real estate broker li-
23 cense if he has been a resident of the state for 90 days and if he
24 passes the real estate examination, applies for his license within six
25 months after the date he completed the real estate examination, fur-
26 nishes satisfactory proof that he has successfully completed all require-
27 ments imposed by AS 08.88.173 [RECEIPT OF NOTICE THAT HE HAS PASSED THE
28 EXAMINATION, FILES THE REQUIRED BOND], and is employed by a licensed
29 real estate broker. Unless the associate broker [HE] fails to pay the

1 biennial renewal fee or fails to furnish satisfactory proof that he has
2 complied with all continuing educational requirements under AS 08.88.175,
3 or unless his license is suspended or revoked under AS 08.88.071(3), the
4 [AN] associate real estate broker's license continues in effect so long
5 as he is employed by a licensed real estate broker. If he stops being
6 employed by a licensed real estate broker, his license is suspended from
7 the time he stops until

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

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

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

13 (c) A person is entitled to a real estate salesman license if he
14 has been a resident of the state for 90 days and if he passes the real
15 estate salesman examination, applies for his license within six months
16 after the date he completed the real estate examination, furnishes
17 satisfactory proof that he has successfully completed all requirements
18 imposed by AS 08.88.173 [RECEIPT OF NOTICE THAT HE HAS PASSED THE EXAM-
19 INATION, FILES THE REQUIRED BOND], and is employed by a real estate
20 broker. Unless the salesman [HE] fails to pay the biennial renewal fee
21 or fails to furnish satisfactory proof that he has complied with all
22 continuing educational requirements under AS 08.88.175, or unless his
23 license is suspended or revoked under AS 08.88.071(3), the [A] real
24 estate salesman's license continues in effect so long as he is employed
25 by a licensed real estate broker. If he stops being employed as a real
26 estate salesman, his license is suspended from the time he stops until
27 he again is employed by a licensed real estate broker.

28 * Sec. 7. AS 08.88 is amended by adding new sections to read:

29 Sec. 08.88.173. PREPARATORY REQUIREMENTS. (a) An applicant for

1 an initial license as a real estate broker or associate real estate
2 broker shall provide evidence that he has passed the real estate examina-
3 tion and, during the two years preceding submission of his license
4 application, successfully completed 60 hours of courses, workshops,
5 seminars, institutes or programs approved by the commission under AS 08.-
6 88.091(1).

7 (b) An applicant for an initial license as a real estate salesman
8 shall provide evidence that he has passed the real estate examination
9 and, during the two years preceding submission of his license applica-
10 tion, successfully completed 30 hours of courses, workshops, seminars,
11 institutes or programs approved by the commission under AS 08.88.091(1).

12 Sec. 08.88.175. CONTINUING EDUCATION REQUIREMENTS. (a) A real
13 estate broker, associate real estate broker, or real estate salesman who
14 holds an active license or who seeks reinstatement of an inactive
15 license shall provide evidence that he has, during the two years preced-
16 ing the biennial renewal period, successfully completed 30 hours of
17 courses, workshops, seminars, institutes or programs approved by the
18 commission under AS 08.88.091(1).

19 (b) The provisions of (a) of this section do not apply to a person
20 renewing an inactive license within two years of the date on which his
21 license becomes inactive.

22 Sec. 08.88.177. CREDIT FOR INSTRUCTION. A real estate broker,
23 associate real estate broker, or real estate salesman who provides
24 evidence that he has been an instructor in a course, workshop, seminar,
25 institute or program approved by the commission under AS 08.88.091(1)
26 shall receive credit for his hours as an instructor against the require-
27 ments of AS 08.88.175. The commission may give course instruction
28 credit under this section only once for the same course of instruction.

29 * Sec. 8. AS 08.88.211(a)(4) is amended to read:

1 (4) has not been convicted of forgery, embezzlement, obtain-
2 ing money under false pretenses, larceny, extortion, conspiracy to de-
3 fraud or similar offense or of a felony involving moral turpitude within
4 the past 10 years, is not under indictment for fraud or embezzlement and
5 has not engaged in conduct that demonstrates that he is unfit to be a
6 real estate broker;

7 * Sec. 9. AS 08.88.211(b)(3) is amended to read:

8 (3) has not been convicted of forgery, embezzlement, obtain-
9 ing money under false pretenses, larceny, extortion, conspiracy to de-
10 fraud or similar offense or of a felony involving moral turpitude within
11 the past 10 years, is not under indictment for fraud or embezzlement and
12 has not engaged in conduct that demonstrates that he is unfit to be a
13 real estate salesman;

14 * Sec. 10. AS 08.88.241 is amended to read:

15 Sec. 08.88.241. REINSTATEMENT OF LAPSED LICENSE. A licensee who
16 was required to take an examination before receiving a license and whose
17 license has lapsed for more than six months [THREE YEARS] shall be
18 re-examined before reinstatement.

19 * Sec. 11. AS 08.88.251(b) is amended to read:

20 (b) An inactive licensee may not do anything authorized by [ANY OF
21 THE THINGS] AS 08.88.161 for [AUTHORIZES] an active licensee [TO DO, NOR
22 IS HE REQUIRED TO HAVE A BOND].

23 * Sec. 12. AS 08.88.251(c) is amended to read:

24 (c) A person who is inactive may become active by applying for an
25 active license, paying the required fees, and providing evidence of com-
26 pletion of educational requirements, when required [BY RETURNING TO THE
27 DEPARTMENT HIS INACTIVE LICENSE CERTIFICATE, THE ACTIVE LICENSE BIENNIAL
28 RENEWAL FEE, IF HE BECOMES ACTIVE MORE THAN FIVE MONTHS BEFORE JANUARY 1
29 FOLLOWING, AND A COMPLETED FORM PROVIDED BY THE DEPARTMENT]. In the

1 application form he shall state the date on which he intends to become
2 active. His active status begins on the date stated. The department
3 shall send him a license certificate. A person is entitled to change
4 from an inactive to an active status without examination if he has not
5 been inactive more than three years. If he has been inactive more than
6 three years, he is required to take an examination.

7 * Sec. 13. AS 08.88. is amended by adding a new section to read:

8 Sec. 08.88.263. LICENSE BY ENDORSEMENT. A person who holds a
9 valid active real estate license issued by another state shall be
10 granted an equivalent Alaska real estate license if he

11 (1) passes the portion of the real estate examination which
12 examines on Alaska law; and

13 (2) meets the requirements of AS 08.88.171 and 08.88.211.

14 * Sec. 14. AS 08.88.361 is amended to read:

15 Sec. 08.88.361. WHEN COMMISSION IS EARNED. A commission is earned
16 when the real estate broker fulfills the terms of a written agreement
17 [FINDS A BUYER WILLING AND ABLE TO PURCHASE AT A PRICE AND ON TERMS SET
18 BY THE SELLER, PROVIDING NEGOTIATIONS WITH THE BUYER WERE INITIATED
19 DURING THE TERM OF A VALID LISTING AGREEMENT AND WITHIN THE TIME LIMIT
20 OF THE LISTING].

21 * Sec. 15. AS 08.88.261 is repealed.

22 * Sec. 16. Section 1 of this Act takes effect February 1, 1981. Sections
23 2, 3, 8 - 11, and 13 - 15 of this Act take effect immediately in accordance
24 with AS 01.10.070(c). Sections 4 - 7 and 12 of this Act take effect
25 February 1, 1980.

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