

Original sponsor: Bennett by request

Offered: 5/20/80
Referred: Rules

1 IN THE SENATE BY THE COMMERCE COMMITTEE
2 HOUSE CS FOR CS FOR SENATE BILL NO. 212 am H
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act continuing the existence of the Real Estate
7 Commission under the Department of Commerce and Economic
8 Development and amending its powers and duties; and
9 providing for an effective date."

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

11 * Section 1. AS 08.88.031 is amended to read:

12 Sec. 08.88.031. EXECUTIVE DIRECTOR [SECRETARY] OF COMMISSION. The
13 commission [COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT] shall
14 appoint a full-time staff administrator and delineate his authority and
15 duties. He shall serve as the executive director [SECRETARY] of the
16 Real Estate Commission.

17 * Sec. 2. AS 08.88 is amended by adding new sections to read:

18 Sec. 08.88.034. INVESTIGATOR OF THE COMMISSION. The executive
19 director of the commission shall appoint, with the approval of the com-
20 mission, a full-time investigator or auditor to assist the board in
21 matters of professional discipline.

22 Sec. 08.88.037. INVESTIGATION AND INJUNCTION. (a) The commission
23 may, upon its own motion, conduct investigations to determine whether a
24 person has violated a provision of this chapter or a regulation adopted
25 under it, or to secure information useful in the administration of this
26 chapter.

27 (b) If it appears to the executive director that a person has
28 engaged in or is about to engage in an act or practice in violation of a
29 provision of this chapter or a regulation adopted under it and that

1 action is warranted in the public interest, he shall notify all commis-
2 sion members by telephone or telegraph of a proposed order or action,
3 and, if a majority of the members of the commission approve, he may

4 (1) after reasonable notice of and an opportunity for a
5 hearing is given to the person, issue an order directing the person to
6 stop the act or practice; the executive director may issue a temporary
7 order before a hearing is held; a temporary order remains in effect
8 until a final order affirming, modifying, or reversing the temporary
9 order is issued or until 15 days have elapsed after the person receives
10 the notice and has not requested a hearing; a temporary order becomes
11 final if the person to whom the notice is addressed does not request a
12 hearing within 15 days after receiving the notice; if a hearing is
13 requested, a hearing shall be conducted by a hearing officer within 30
14 days; the commission shall issue a final order within 10 days after the
15 hearing;

16 (2) bring an action in superior court to enjoin the act or
17 practice and to enforce compliance with this chapter, a regulation
18 adopted under it, or an order issued under it;

19 (3) examine or have examined the books and records of a
20 person whose business activities require licensure under this chapter
21 and he may require the person to pay the reasonable costs of the exami-
22 nation; and

23 (4) issue subpoenas for the attendance of witnesses, and the
24 production of books, records and other documents.

25 * Sec. 3. AS 08.88.041(b) is amended to read:

26 (b) Of the five members of the commission who must be real estate
27 brokers or associate brokers, one [ONE] member [OF THE COMMISSION] shall
28 be from the First Judicial District, one shall be from the Second Judi-
29 cial District, one shall be from the Third Judicial District, one shall

1 be from the Fourth Judicial District and one shall be from the state at
2 large. However, if no licensed real estate broker or licensed associate
3 broker [PERSON] is eligible or available for appointment from the Second
4 Judicial District, then two licensed real estate brokers or licensed
5 associate brokers shall be appointed from the state at large.

6 * Sec. 4. AS 08.88.061 is amended to read:

7 Sec. 08.88.061. ASSISTANTS. The commission [, WITH THE APPROVAL
8 OF THE COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT,] may employ
9 assistants to

- 10 (1) prepare questions on examinations;
11 (2) grade examinations;
12 (3) investigate alleged violations of this chapter.

13 * Sec. 5. AS 08.88.071(a) is amended by adding a new paragraph to read:

14 (6) issue a temporary permit to the personal representative
15 of the estate of a deceased broker or to some other person designated by
16 the commission with the approval of the personal representative of the
17 estate, in order to secure proper administration in concluding the
18 affairs of decedent broker's real estate business.

19 * Sec. 6. AS 08.88.071(b) is repealed and re-enacted to read:

20 (b) When an award is made from the real estate surety fund under
21 AS 45.85 in reimbursement of losses suffered by a claimant as a result
22 of fraud, misrepresentation, deceit or conversion of trust funds on the
23 part of a licensed broker, associate broker, or salesman and the commis-
24 sion, after hearing, has suspended the license of the broker, associate
25 broker or salesman under this section, the broker, associate broker or
26 salesman may not be reinstated until he has repaid the real estate
27 surety fund the amount of an award made under AS 45.85.051 or until the
28 commission has deposited in the real estate surety fund money realized
29 by the commission in an action under AS 45.85.090 in an amount equal to

1 the award.

2 * Sec. 7. AS 08.88.081 is amended to read:

3 Sec. 08.88.081. COMMISSION REGULATIONS. The commission shall
4 adopt [SUBSTANTIVE] regulations pertaining to [MAKING MORE SPECIFIC] the
5 responsibilities of persons licensed under this chapter and the [GENERAL]
6 grounds for revoking or suspending a license.

7 * Sec. 8. AS 08.88.091 is amended to read:

8 Sec. 08.88.091. EDUCATION. The commission may conduct and assist
9 in conducting real estate clinics, meetings, courses, or institutes.
10 The commission may

11 (1) assist libraries and educational institutions in sponsor-
12 ing studies and programs; and

13 (2) publish informational materials for the purpose of raising
14 the standards of the real estate business and the competency of licen-
15 sees.

16 * Sec. 9. AS 08.88.101 is repealed and re-enacted to read:

17 Sec. 08.88.101. ADMINISTRATIVE DUTIES OF THE COMMISSION. The
18 commission shall

19 (1) collect fees and issue receipts;

20 (2) keep records of receipts and disbursements;

21 (3) distribute and receive application forms;

22 (4) notify an applicant whether the commission has accepted
23 his application;

24 (5) designate the dates on which examinations are to be held;

25 (6) publish notice that an examination is to be held at least
26 30 days before an examination is held;

27 (7) print examinations;

28 (8) provide space for holding examinations;

29 (9) proctor examinations;

- 1 (10) notify applicants of the results of an examination;
2 (11) print and distribute uniform license certificates and
3 pocket-sized recognition cards, and duplicate license certificates to
4 replace lost certificates;
5 (12) send notice, before December 1 of each year, that li-
6 censes must be renewed;
7 (13) keep a current register of licenses;
8 (14) employ secretarial assistants;
9 (15) reply to routine requests for information;
10 (16) print and distribute forms and informational bulletins;
11 (17) maintain records and completed examinations;
12 (18) record suspensions and revocations of licenses; and
13 (19) record office registrations.

14 * Sec. 10. AS 08.88.111 is amended to read:

15 Sec. 08.88.111. COMMISSION [DEPARTMENT] REGULATIONS. The commis-
16 sion [DEPARTMENT] shall adopt procedural regulations describing

- 17 (1) how it conducts an examination;
18 (2) how a person applies to take an examination, applies for
19 a license, and registers his office.

20 * Sec. 11. AS 08.88.121 is amended to read:

21 Sec. 08.88.121. SALE OF REGISTER. The commission [DEPARTMENT]
22 shall offer for sale to the public publications containing the names,
23 addresses, license classifications, and business associations of persons
24 licensed by the commission. The commission [DEPARTMENT] shall sell the
25 publications at a price designed to recover costs of compilation, publi-
26 cation, and distribution.

27 * Sec. 12. AS 08.88.171(a) is amended to read:

28 (a) A person is entitled to a real estate broker license if he is
29 [HAS BEEN] a resident of the state, if he passes the real estate brokers

1 examination, [FOR 90 DAYS AND] if he applies for his license within
2 six months after [RECEIPT OF NOTICE THAT] he has taken [PASSED] the real
3 estate brokers examination, if he has had at least 24 months of active
4 and continuous experience as a licensed real estate salesman, if he is
5 not under indictment for, or seven years have elapsed since he has
6 completed a sentence imposed upon conviction of, forgery, theft, ex-
7 tortion, conspiracy to defraud creditors, or any other felony involving
8 moral turpitude, and if he [, FILES THE REQUIRED BOND, AND] is an owner
9 of a real estate business or employed as a real estate broker by a
10 corporation or a partnership, and if that [THE] corporation or partner-
11 ship does not have an existing licensed broker. Unless the broker [HE]
12 fails to pay the biennial renewal fee or unless his license is suspended
13 or revoked under AS 08.88.071(a)(3), the [A] real estate broker's
14 license continues in effect so long as he is an owner of a real estate
15 business, or he is employed as a real estate broker by a corporation or
16 a partnership. If he stops being an owner of a real estate business, or
17 stops being employed as a real estate broker by a corporation or
18 partnership, his license is suspended from the time he stops until

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

22 (2) he is employed by a licensed real estate broker as an
23 associate real estate broker, in which case his real estate broker
24 license is returned to the commission [DEPARTMENT], and the commission
25 [DEPARTMENT] issues him an associate real estate broker license.

26 * Sec. 13. AS 08.88.171(b) is amended to read:

27 (b) A person is entitled to an associate real estate broker li-
28 cense if he is [HAS BEEN] a resident of the state, [FOR 90 DAYS AND] if
29 he passes the real estate brokers examination, if he applies for his

1 license within six months after [RECEIPT OF NOTICE THAT] he has taken
2 [PASSED] the examination, if he has had at least 24 months of active and
3 continuous experience as a licensed real estate salesman, if he is not
4 under indictment for, or five years have elapsed since he has completed
5 a sentence imposed upon conviction of, forgery, theft, extortion, con-
6 spiracy to defraud creditors, or any other felony involving moral turpi-
7 tude [FILES THE REQUIRED BOND], and if he is employed by a licensed real
8 estate broker as an associate real estate broker. Unless the associate
9 broker [HE] fails to pay the biennial renewal fee or unless his license
10 is suspended or revoked under AS 08.88.071(a)(3), the [AN] associate
11 real estate broker's license continues in effect so long as he is
12 employed by a licensed real estate broker as an associate broker. If he
13 stops being employed by a licensed real estate broker, his license is
14 suspended from the time he stops until

15 (1) he again is employed by a real estate broker as an asso-
16 ciate broker; or

17 (2) he becomes an owner of a real estate business, in which
18 case his associate real estate broker license is returned to the commis-
19 sion [DEPARTMENT], and the commission [DEPARTMENT] issues him a real
20 estate broker license.

21 * Sec. 14. AS 08.88.171(c) is amended to read:

22 (c) A person is entitled to a real estate salesman license if he
23 is [HAS BEEN] a resident of the state, [FOR 90 DAYS AND] if he passes
24 the real estate salesman examination, if he applies for his license
25 within six months after [RECEIPT OF NOTICE THAT] he has taken [PASSED]
26 the examination, if he is at least 19 years old, if he is not under in-
27 dictment for forgery, theft, extortion, conspiracy to defraud creditors,
28 or any other felony involving moral turpitude, or, if he has been con-
29 vinced of such an offense, he has completed the sentence imposed upon

1 conviction [FILES THE REQUIRED BOND], and if he is employed by a real
2 estate broker. Unless the salesman [HE] fails to pay the biennial re-
3 newal fee or unless his license is suspended or revoked under AS 08.88.-
4 071(a)(3), a real estate salesman's license continues in effect so long
5 as he is employed as a salesman by a licensed real estate broker. If he
6 stops being employed as a real estate salesman, his license is suspended
7 from the time he stops until he again is employed as a salesman by a
8 licensed real estate broker.

9 * Sec. 15. AS 08.88.171(d) is amended to read:

10 (d) A licensee shall promptly inform the commission [DEPARTMENT]
11 of a change in his business association that affects the status of his
12 license under this section.

13 * Sec. 16. AS 08.88.181(a) is amended to read:

14 (a) The real estate examination may include, but is not neces-
15 sarily limited to, [INCLUDES] questions on business ethics; arithmetic;
16 elementary principles of land economics and appraisal; the general
17 principles in state statutes relating to deeds, mortgages, real estate
18 contracts, subdivisions, legal descriptions, building restrictions,
19 agency and brokerage; and the general provisions of [IN] this chapter
20 and of the [IN] regulations of the commission.

21 * Sec. 17. AS 08.88.191 is repealed and re-enacted to read:

22 Sec. 08.88.191. ADMINISTRATION OF EXAMINATION. (a) The commis-
23 sion shall offer written examinations at periodic intervals but at least
24 once a year.

25 (b) If the commission contracts with a national testing service to
26 prepare, administer and grade examinations,

27 (1) the commission shall review the examination and approve
28 its contents;

29 (2) application for the examination, accompanied by the

1 proper filing fee, may be transmitted by the applicant directly to the
2 national testing service.

3 (c) An applicant who fails the written examination may request that
4 his examination be reevaluated. The commission shall provide by regula-
5 tion for a system of reevaluating examinations on request of an applicant
6 who fails the examination. The system provided by the commission may
7 provide for reevaluation by the testing service or by any other person.

8 * Sec. 18. AS 08.88.221(c) is amended to read:

9 (c) The fee for amending or transferring a license is \$5 [\$2].

10 * Sec. 19. AS 08.88.221 is amended by adding a new subsection to read:

11 (d) If the commission contracts with a national testing service to
12 prepare, administer and grade examinations, the examination fee charged
13 under (a)(1) or (b)(1) of this section which the applicant is required
14 to pay to the commission shall be reduced by the amount of the fee
15 charged the applicant by the national testing service for the examina-
16 tion.

17 * Sec. 20. AS 08.88.231 is amended to read:

18 Sec. 08.88.231. DEPOSIT IN GENERAL FUND. The commission [DEPART-
19 MENT] shall deposit money collected under this chapter in the general
20 fund.

21 * Sec. 21. AS 08.88.241 is amended to read:

22 Sec. 08.88.241. REINSTATEMENT OF LAPSED LICENSE. A licensee who
23 was required to take an examination before receiving a license and whose
24 license has lapsed for more than two [THREE] years shall be re-examined
25 before reinstatement.

26 * Sec. 22. AS 08.88.251(a) is amended to read:

27 (a) A person licensed by the commission may become inactive by
28 returning to the commission [DEPARTMENT] his license certificate and a
29 form provided by the commission [DEPARTMENT]. In the form, he shall

1 state the date on which he intends to become inactive. His inactive
2 status begins on the date stated. The commission [DEPARTMENT] shall
3 issue him an inactive license certificate.

4 * Sec. 23. AS 08.88.251(b) is repealed and re-enacted to read:

5 (b) An inactive licensee may not attempt or offer to do any of the
6 activities listed in AS 08.88.161.

7 * Sec. 24. AS 08.88.251(c) is amended to read:

8 (c) A person who is inactive may become active by applying for an
9 active license and paying the required fees [BY RETURNING TO THE DEPART-
10 MENT HIS INACTIVE LICENSE CERTIFICATE, THE ACTIVE LICENSE BIENNIAL
11 RENEWAL FEE, IF HE BECOMES ACTIVE MORE THAN FIVE MONTHS BEFORE JANUARY 1
12 FOLLOWING, AND A COMPLETED FORM PROVIDED BY THE DEPARTMENT]. In the
13 application form he shall state the date on which he intends to become
14 active. His active status begins on the date stated. The commission
15 [DEPARTMENT] shall send him a license certificate. A person is entitled
16 to change from an inactive to an active status without examination if he
17 has not been inactive more than three years. If he has been inactive
18 more than three years, he is required to take an examination.

19 * Sec. 25. AS 08.88 is amended by adding a new section to read:

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

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

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

26 * Sec. 26. AS 08.88.291 is amended to read:

27 Sec. 08.88.291. LOCATION. A licensed real estate broker shall
28 inform the commission of his principal office and of any branch offices
29 he has. He and the associate real estate brokers and real estate sales-

1 men he employs may do business only in or out of his principal office
2 and his branch offices. Failure of a real estate broker to maintain a
3 place of business or inform the commission [DEPARTMENT] of its location
4 and the names and addresses of all licensees under his jurisdiction at
5 the location are grounds for the suspension or revocation of his broker
6 license.

7 * Sec. 27. AS 08.88.301 is amended to read:

8 Sec. 08.88.301. CHANGE OF LOCATION. If a real estate broker
9 changes the location of his principal office or of a branch office, he
10 shall immediately notify the commission [DEPARTMENT].

11 * Sec. 28. AS 08.88.361 is amended to read:

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

18 * Sec. 29. AS 08.88.421(1) is amended to read:

19 (1) a person who is not licensed under this chapter who makes
20 [MAKING] a real estate transaction with respect to real estate he owns
21 or on his own behalf, unless the transaction involves land defined in
22 AS 34.55.044(6) which is not in Alaska;

23 * Sec. 30. AS 08.88.421(9) is amended to read:

24 (9) each of the following:

25 (A) a domestic or foreign corporation, or a general or
26 limited partnership; [,] or

27 (B) a partner or regular employee of a domestic or
28 foreign corporation or a general or limited partnership [ONE OF
29 THESE], when performing an act [ACTS] described in AS 08.88.161 in

1 the regular course, or as an incident to, the management, sale or
2 other disposition of real estate owned by the corporation or part-
3 nership; [HOWEVER,] the exemption provided in this subparagraph
4 does not apply to a person who performs an act described in AS 08.-
5 88.161 either [MAY NOT PERFORM THESE ACTS] as a vocation or for
6 compensation if the amount of the compensation is dependent upon or
7 directly related to the value of the real estate with respect to
8 which the act is [ACTS ARE] performed.

9 * Sec. 31. AS 08.88.421 is amended by adding a new paragraph to read:

10 (10) a resident manager of rented real estate if his duties
11 are limited to the negotiation of leases and rental agreements and the
12 collection of rent for the use of the real estate and if he is

13 (A) employed by the owner of the real estate; or

14 (B) employed by, or engaged under contract with, a

15 licensed real estate broker.

16 * Sec. 32. AS 08.88.431 is amended by adding a new paragraph to read:

17 (5) "resident manager" means a person who resides on real
18 property and manages it for the benefit of another person.

19 * Sec. 33. AS 44.33.020 is amended by adding a new paragraph to read:

20 (24) provide administrative and budgetary services to the Real
21 Estate Commission (AS 08.88) as requested by the commission.

22 * Sec. 34. AS 45.85.010 is amended to read:

23 Sec. 45.85.010. REAL ESTATE SURETY FUND. There is created a
24 special account in the general fund known as the real estate surety fund
25 to carry out the purposes of this chapter. The fund shall be composed
26 of payments made by licensed real estate brokers and salesmen under
27 AS 45.85.020. The fund may not exceed \$500,000 [\$300,000] and amounts
28 in the fund in excess of \$250,000 may be appropriated for real estate
29 educational purposes as provided in AS 08.88.091.

1 * Sec. 35. AS 45.85.020 is amended to read:

2 Sec. 45.85.020. PAYMENTS BY REAL ESTATE BROKERS AND SALESMEN. (a)

3 A licensed real estate broker or associate broker, when obtaining or
4 renewing his real estate license, in lieu of obtaining a corporate
5 surety bond, shall pay to the commission [COMMISSIONER OF COMMERCE] in
6 addition to the license fee, a bond fee not to exceed \$125, and a li-
7 censed salesman, when obtaining or renewing his license, in lieu of
8 obtaining a corporate surety bond, shall pay to the commission [COMMIS-
9 SIONER] in addition to the license fee, a bond fee not to exceed \$40.
10 After the fund reaches \$250,000 the commission [COMMISSIONER] shall by
11 regulation adjust the bond fees so that, taking into account anticipated
12 expenditures for claims against the fund and real estate educational
13 purposes, the fund is maintained at a level not less than \$250,000.

14 (b) All fees collected under this section shall be paid at least
15 once a month by the commission [COMMISSIONER] into the general fund.
16 These payments shall be credited to the real estate surety fund.

17 * Sec. 36. AS 45.85 is amended by adding new sections to read:

18 Sec. 45.85.031. CLAIM FOR PAYMENT. (a) A person seeking reim-
19 bursement for a loss suffered in a transaction as a result of fraud,
20 misrepresentation, deceit, or the conversion of trust funds on the part
21 of a real estate broker, associate real estate broker, or real estate
22 salesman licensed under AS 08.88 shall make a claim to the commission
23 for reimbursement on a form furnished by the commission. The form shall
24 be executed under penalty of perjury, and information required to be
25 supplied shall include the following:

26 (1) the name and address of the real estate broker, associate
27 real estate broker, or real estate salesman;

28 (2) the amount of the alleged loss;

29 (3) the date or period of time during which the alleged loss

1 occurred;

2 (4) the date upon which the alleged loss was discovered;

3 (5) the name and address of the claimant; or

4 (6) the general statement of facts relative to the claimant.

5 (b) A copy of a claim filed with the commission under (a) of this
6 section shall be sent to the real estate broker, associate real estate
7 broker, or real estate salesman alleged to have committed the misconduct
8 resulting in losses, as well as a real estate broker employing an
9 associate real estate broker or real estate salesman alleged to have
10 committed the conduct resulting in losses, at least 20 days before any
11 hearing held on the claim by the commission.

12 Sec. 45.85.041. CONSIDERATION OF APPLICATION. (a) Upon receipt
13 of a claim for reimbursement, the commission may, in considering whether
14 a claim should be granted,

15 (1) take and hear evidence pertaining to the claim;

16 (2) administer oaths and affirmations;

17 (3) compel, by subpoena, the attendance of witnesses and the
18 production of books, papers and documents pertaining to the claim;

19 (4) engage the services of an investigator, accountant, or
20 other expert necessary to process the claim.

21 (b) A certified or authenticated copy of a record, including a
22 transcript of testimony, of a hearing held under AS 08.88.071(a)(3) in
23 which fraud, misrepresentation, deceit, or conversion of funds on the
24 part of a licensed broker, associate broker, or real estate salesman is
25 established, may constitute sufficient evidence to support a finding.

26 (c) Before the commission finds that payment should be made from
27 the real estate surety fund, the real estate broker, associate broker,
28 or real estate salesman shall be afforded an opportunity to file with
29 the commission, within 10 days after receipt of notification of the

1 claim under AS 45.85.031(b), either a written statement in opposition to
2 the claim or an application for the presentation of additional evidence.

3 (d) The claimant bears the burden of proof of establishing that he
4 suffered losses in a transaction as a result of fraud, misrepresenta-
5 tion, deceit, or the conversion of trust funds on the part of a real
6 estate broker, associate real estate broker, or real estate salesman and
7 the extent of those losses. All facts shall be established by a pre-
8 ponderance of the evidence.

9 (e) The commission may postpone consideration of a claim until
10 after a hearing under AS 08.88.071(a)(3) or until after a pending or
11 contemplated court proceeding is completed.

12 Sec. 45.85.051. FINDINGS AND PAYMENT. At the conclusion of the
13 commission's consideration of a claim made under AS 45.85.031, it shall
14 make in writing findings and conclusions on the evidence. If the com-
15 mission finds that the claimant has suffered a loss in a transaction as
16 a result of fraud, misrepresentation, deceit, or the conversion of trust
17 funds on the part of a real estate broker, associate broker, or sales-
18 man, the commission may award a claimant reimbursement out of the real
19 estate surety fund for his loss up to \$10,000. However, not more than
20 \$10,000 may be paid for each transaction regardless of the number of
21 persons injured or the number of parcels of real estate involved in the
22 transaction.

23 * Sec. 37. AS 45.85.070 is amended to read:

24 Sec. 45.85.070. ORDER OF CLAIM PAYMENT. If the money deposited in
25 the real estate surety fund is insufficient at a given time to satisfy a
26 duly authorized claim against the fund, the commission [COMMISSIONER]
27 shall, when sufficient money has been deposited in the fund and appro-
28 priated, satisfy unpaid claims in the order that the claims were ori-
29 ginally filed, plus accumulated interest at the rate of eight percent a

1 year.

2 * Sec. 38. AS 45.85.080 is amended to read:

3 Sec. 45.85.080. FALSE CLAIMS OR DOCUMENTS. A person who files
4 with the commission [COMMISSIONER] a notice, statement or other document
5 required under this chapter which contains a wilful material misstate-
6 ment of fact, is guilty of a misdemeanor and is punishable by imprison-
7 ment for a period of not more than one year, or a fine of not more than
8 \$1,000, or by both.

9 * Sec. 39. AS 45.85.090 is amended to read:

10 Sec. 45.85.090. RIGHT TO SUBROGATION. When the commission [COM-
11 MISSIONER] has paid to a claimant [JUDGMENT CREDITOR] from the real
12 estate surety fund the sum awarded [ORDERED] by the commission [COURT],
13 the commission [COMMISSIONER] shall be subrogated to all of the rights
14 of the claimant [JUDGMENT CREDITOR] to the amount paid and the claimant
15 [JUDGMENT CREDITOR] shall assign all of his right, title and interest in
16 that portion of the claim [JUDGMENT] to the commission [COMMISSIONER].
17 Amounts subsequently realized by the commission [COMMISSIONER] on the
18 claim [JUDGMENT] shall be deposited to the real estate surety fund.

19 * Sec. 40. AS 45.85 is amended by adding a new section to read:

20 Sec. 45.85.120. DEFINITION. In this chapter, "commission" means
21 the Real Estate Commission established under AS 08.88.

22 * Sec. 41. AS 08.03.010(c) is amended by adding a new paragraph to read:

23 (2) Real Estate Commission (AS 08.88.010) -- June 30, 1982.

24 * Sec. 42. AS 08.01.010(13); AS 08.03.010(b)(9); AS 08.88.211, 08.88.-
25 31(3); AS 45.85.030, 45.85.040, and 45.85.050 are repealed.

26 * Sec. 43. This Act takes effect June 30, 1980.

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