

Introduced: 4/30/83
Referred: Labor & Commerce

1 IN THE HOUSE

BY FURNACE

2

HOUSE BILL NO. 389

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the regulation of real estate

7

brokers and salesmen."

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

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* Section 1. AS 08.88.071(a)(3) is amended to read:

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(3) after hearing, have the authority to reprimand a li-

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icensee or suspend or revoke the license of a licensee who

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(A) with respect to a real estate transaction

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(i) made a substantial misrepresentation;

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(ii) made a false promise likely to influence,

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persuade, or induce;

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(iii) in the case of a real estate broker, pursued

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a flagrant course of misrepresentation or made a false

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promise through an agent, associate real estate broker, or

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real estate salesman;

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(iv) has engaged in conduct that is fraudulent or

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dishonest;

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(v) violates AS 08.88.391;

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(B) procures a license by deceiving the commission, or

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aids another to do so;

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(C) has engaged in conduct in which the commission had

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no knowledge at the time the licensee was licensed demonstrating

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the licensee's unfitness to engage in the business for which the

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licensee is licensed;

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(D) knowingly authorizes, directs, connives at or aids

1 in publishing, distributing, or circulating a material false
2 statement or misrepresentation concerning the licensee's business
3 or concerning real estate for sale in the licensee's business in
4 this or any other state;

5 (E) if a real estate broker, wilfully violates AS 08.-
6 88.171(d) or 08.88.291;

7 (F) if an associate real estate broker, claims to be a
8 real estate broker, or, if a real estate salesman, claims to be a
9 real estate broker or associate real estate broker;

10 (G) if a real estate broker, employs an unlicensed
11 associate real estate broker or real estate salesman;

12 (H) if an associate real estate broker or real estate
13 salesman, fails immediately to turn money collected in a real
14 estate transaction over to the employing real estate broker;

15 * Sec. 2. AS 08.88.071(a)(3) is amended by adding a new subparagraph to
16 read:

17 (I) violates a provision of this chapter;

18 * Sec. 3. AS 08.88.091 is amended by adding a new subsection to read:

19 (b) The commission may charge a fee for informational material
20 published under this section to a person or organization that obtains
21 more than five copies of the publication. The charge may not exceed
22 the cost of publishing the copies and no charge may be required for
23 the first five copies obtained.

24 * Sec. 4. AS 08.88.161 is amended by adding a new paragraph to read:

25 (9) for compensation, manage commercial or residential real
26 estate.

27 * Sec. 5. AS 08.88.251(a) is amended to read:

28 (a) A licensee with active status [PERSON LICENSED BY THE COM-
29 MISSION] may obtain [BECOME] inactive status by completing [RETURNING

1 TO THE COMMISSION THE PERSON'S LICENSE CERTIFICATE AND] a form pro-
2 vided by the commission and submitting the form with the required fee
3 to the commission. In the form, the licensee [PERSON] shall state the
4 date on which the licensee [PERSON] intends to become inactive. The
5 licensee's [PERSON'S] inactive status begins on the date stated. [THE
6 COMMISSION SHALL ISSUE THE PERSON AN INACTIVE LICENSE CERTIFICATE.]

7 * Sec. 6. AS 08.88.251(c) is amended to read:

8 (c) A licensee with [PERSON WHO IS] inactive status may obtain
9 [BECOME] active status by applying for [AN] active status with the
10 commission [LICENSE] and paying the required fees. In the application
11 form the licensee [PERSON] shall state the date on which the licensee
12 [PERSON] intends to become active. The licensee's [PERSON'S] active
13 status begins on the date stated. [THE COMMISSION SHALL SEND THE
14 PERSON A LICENSE CERTIFICATE.] A licensee [PERSON] is entitled to
15 change from an inactive to an active status without examination if the
16 licensee [PERSON] has not been inactive more than three years. If the
17 licensee [PERSON] has been inactive more than three years, the li-
18 cencee [PERSON] is required to take an examination.

19 * Sec. 7. AS 08.88.291 is amended to read:

20 Sec. 08.88.291. LOCATION. A licensed real estate broker shall
21 register with [INFORM] the commission [OF] the broker's principal
22 office and [OF] any branch offices the broker maintains by completing
23 and submitting a form provided by the commission [HAS]. The broker
24 and each person with a license issued under this chapter who [THE
25 ASSOCIATE REAL ESTATE BROKERS AND REAL ESTATE SALESMEN] the broker
26 employs may do business only from [IN OR OUT OF] the broker's princi-
27 pal or branch [OFFICE AND THE BROKER'S BRANCH] offices. Failure of a
28 real estate broker to maintain a place of business or inform the
29 commission of its location and the names and addresses of all li-

1 censees employed by [UNDER] the broker [BROKER'S JURISDICTION] at the
2 location are grounds for the suspension or revocation of the broker's
3 license.

4 * Sec. 8. AS 08.88.331 is amended to read:

5 Sec. 08.88.331. MAKING OF TRANSACTIONS. A real estate salesman
6 or associate real estate broker may make a real estate transaction
7 only through the real estate broker who employs the real estate sales-
8 man or associate real estate broker. All money collected on behalf of
9 the broker shall immediately be turned over to the broker or the
10 broker's agent. All transactions in real estate by a real estate
11 salesman or associate real estate broker shall be processed through
12 the real estate salesman's or the associate real estate broker's
13 employing real estate broker's office and shall be supervised by the
14 real estate broker, whether the transactions are for the real estate
15 salesman's or associate real estate broker's own use or the use of a
16 client.

17 * Sec. 9. AS 08.88.351 is amended by adding a new subsection to read:

18 (b) The records required under this section of transactions that
19 are for the broker or an employee of the broker shall be similar to
20 and as complete as records of transactions for clients.

21 * Sec. 10. AS 08.88.421 is amended by adding new paragraphs to read:

22 (11) the developer of commercial or residential real estate
23 when acting as manager of the real estate;

24 (12) a member of the board of directors of a homeowner's
25 association, condominium association, or similar organization when
26 managing the real estate in the course of performing duties as a
27 member of the board of directors.

28 * Sec. 11. AS 08.88.455(a) is amended to read:

29 (a) A licensed real estate broker, [OR] associate broker, or

1 salesman when obtaining or renewing a real estate license, in lieu of
2 obtaining a corporate surety bond, shall pay to the commission in
3 addition to the license fee, a bond fee not to exceed \$125 [, AND A
4 LICENSED SALESMAN, WHEN OBTAINING OR RENEWING A LICENSE, IN LIEU OF
5 OBTAINING A CORPORATE SURETY BOND, SHALL PAY TO THE COMMISSION IN
6 ADDITION TO THE LICENSE FEE, A BOND FEE NOT TO EXCEED \$40]. After the
7 fund reaches \$250,000 the commission shall by regulation adjust the
8 bond fees so that, taking into account anticipated expenditures for
9 claims against the fund and real estate educational purposes, the fund
10 is maintained at a level not less than \$250,000.

11 * Sec. 12. AS 08.88.460 is amended by adding a new subsection to read:

12 (c) A claimant under this section shall pay a filing fee of \$100
13 to the commission at the time the claim is filed. The filing fee
14 shall be refunded if the commission makes an award to the claimant
15 from the real estate surety fund.

16 * Sec. 13. AS 08.88.261 is repealed.