



Submitted by Sharon J. Walsh
Executive Administrator
Alaska Real Estate Commission

Real Estate Commission Report - December 2010 Meeting

The Real Estate Commission met on December 1st and 2nd and it was an unusual meeting because we had many attendees from the Independent Brokers Association (IBA). We welcomed their public comments with many addressing the issue of temporary broker absence. The concept of the temporary broker absence is to provide the Commission with notification when the Broker of an office is absent and when an associate broker is not available to be the designate Broker. The Commission has had excellent compliance with notification from larger offices where an Associate Broker can step in. It was only recently that the Commission was aware of the smaller offices sharing Broker duties. The broker of record at the one person office can enter into a contract with another broker to supervise transactions; trust accounts and/or licensees including creating and signing transaction documents during the broker of record's absence. The Commission proposed this as regulation 12 AAC 64.078 (a new proposed citation).

Another proposed regulation that the Commission reviewed was 12 AAC 64.935 (a new proposed citation, as well). This draft regulation will provide for a definition to the term, "*in this state*" used in AS 08.88.161. Look for these proposed regulations in the near future and be sure to comment before they are adopted. Your opinion matters-just ask the IBA. Their voice was instrumental in drafting this regulation.

The Commission members were introduced to the new Director of Corporations, Business and Professional Licensing, Don Habeger from Juneau and welcomed the newest public member, Charlene Flyum from Homer. Ms. Flyum works for Homer Electric Association in their Human Resources department and in her first meeting has already proved to be an asset to the Commission.

One of the Commission's first item of business was to accept the proposed decision from the Administrative Law Judge in denying an applicant a real estate salesperson license. This individual was found to have falsified their license application which is grounds for denial per 12 AAC 64.160.

The Investigator, Michele Wall-Rood provided the Commission members with current statistics. She opened 23 cases; closed 11 and has 139 total open cases. She stated

that cases are prioritized according to public safety. Ms. Wall-Rood also discussed the Leslie Ray Young issue. This is a case where a Broker in CA is operating on the internet and doesn't believe she is violating AK real estate license law by not having an AK license or co-brokering with an AK Broker. The Department issued a Cease and Desist Order to Ms. Young. She appealed that in Superior Court and was denied her motion for a stay. She has a similar appeal in NE. The Commission is watching this issue carefully and may be looking at possible legislation in the future. The members looked at ID statutes that only allow real estate licensees in ID to advertise ID property.

Three existing regulations were reviewed and proposed adding to 12 AAC 64.990 a Definition of a Listing. 12 AAC 64.130 (8), Grounds for revocation or suspension making it a violation for a licensee to advertise on an internet site, such as Craigslist, without including the Brokerage information. The third regulation, to be considered for amending was 12 AAC 64.125 Supervision. It was suggested to add the words: to include after computer, "email", "or telephone communications may be used to supervise licensees".

The Errors and Omissions insurance regulations for the Department of Commerce were out for public comment until December 7th. The Commission went on record to provide their comments on these proposed regulations. We are anticipating that by the March meeting we will have regulations in place; thus allowing for the Commission to continue in the process of obtaining a provider for the master E & O policy.

Current licensing statistics include 2207 active licensees; 2296 licensees with an expiration date of 1-31-2012. 27 licensees completed their Post Licensing Education requirements and 5 new offices were opened during this quarter.

The Commission reprimanded an instructor for teaching a course that they were not approved to teach. The Commission agreed that the 14 students that attended the class, will have to retake the designated course to obtain credit before the renewal year is up.

The next meeting will take place on March 9 & 10, 2011 in Anchorage. It was decided to have all meetings in Anchorage in an effort to reduce travel expenses.

Happy Holidays to all and wishing you a prosperous 2011!