

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

*Tentative Meeting Agenda*  
**September 2, 2015**

**REAL ESTATE COMMISSION**  
**Atwood Building**  
**550 W. 7<sup>th</sup> Ave. Ste. 1270,**  
**Anchorage, AK**

**Wednesday, September 2, 2015**

- 9:00 a.m. 1. Call to Order  
Harvill  
a) Roll Call  
b) Approval of Agenda
- 9:15 a.m. 2. Approval of Minutes  
a) June 3, 2015  
b) July 22, 2015 Teleconference
- 9:30 a.m. 3. Public Comments  
WOR & CD issues from Broker Dena Nading
- 10:15 a.m. 4. Investigator's Report/Probation Paff  
a) Statistical Report/Probation Report
- 10:30 a.m. 5. Executive Administrator's Report Walsh  
a) Recovery Fund Balance Report  
b) Schedule of Revenue and Expenditure  
c) Licensing Statistics
- 11:45 a.m. 6. Education Report Harris  
a) Education Statistics  
b) Regulation Tracker  
c) Correspondence course time constraint issue
- 12:00 p.m. **LUNCH**

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- |           |   |             |
|-----------|---|-------------|
| 1:00 p.m. | 7. Old Business                                     | Walsh       |
|           | a) Train the Trainer set for 9/17/15                |             |
|           | b) Broker Manual Update                             | McConnochie |
|           | c) Education Committee Update                       | Barickman   |
|           | d) Update on amended regulation<br>12 AAC.64.420(C) | Bushnell    |
| 3:00 p.m. | 8. New Business                                     | Davis       |
|           | a) FY15 Goals & Objectives                          |             |
|           | b) Schedule future meeting dates                    |             |
|           | c) Election of Officers                             |             |
|           | • Chair   |             |
|           | • Vice Chair  |             |
|           | • Education Liaison                                 |             |
|           | d) Discuss upcoming renewal                         |             |
|           | e) Set DCE topics-by 10/1/2015                      |             |
|           | f) Consumer Disclosure –consider video presentation |             |
| 4:00 p.m. | 9. Division Update                                  | Hovenden    |

*\*Travel Authorization Receipts & Ethics Form – Give to Sharon  
Please report any Ethics violations to Sharon*

**ADJOURN**  
**Next Meeting is December 2, 2015 in Anchorage, AK**  
**Location: Atwood Building, 550 W. 7<sup>th</sup> Ave. Ste. 1270**

P L E A S E P R I N T L E G I B L Y , T H A N K S !

NAME	PHONE	E-MAIL	AFFILIATION	TESTIFY	OBSERVE
Jenny Boyd	(907) 563-3080	JBoyd@Earthlink.com		✓	✓
Rebecca Miller	(907) 75-1700	Rebecca.miller@centurylink.com			
David Somers	(907) 588-7653	dsomers@alaska.net	ARR		✓
KAREN MOUTRY PELHAM	(907) 727-3484	kmpelham@gmail.com	REALTOR		✓
Sherron Aches	(907) 841-6238	sherron@utakonline.net	Broker		✓
Truck Bels	(907) 244-6185				✓
Toddy Goodrich	(907) 227-0806	2014.a.goodrich@gmail.com	REALTOR	✓	
Dawn Lambert	(907) 282-9972	dambert@jackwhite.com	REALTOR		✓
Scott Myers	(907) 280-8010	scottmyers@gec.net	REALTOR	✓	
EVA LACEN	(907) 689-6476	eva@EvaLacen.com	REALTOR		
Todd Helde	(907) 522-7653	helde.todd@gmail.com	REALTOR	✓	
Reddy Brewer	(907) 301-4780	aroundthecorner@ignt.com	REALTOR		
Sandra Nunes	(907) 242-0863	nunes@gei.net			
R. Bruce Roberts	(907) 632-3078	bruce.roberts@tsa.dhs.gov	AA474		





STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

REAL ESTATE COMMISSION  
MEETING MINUTES

September 2, 2015

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Real Estate Commission was held September 2, 2015, at the State of Alaska Atwood Building Conference Room 1270, 550 W. 7<sup>th</sup> Avenue, Anchorage, Alaska.

**Wednesday, September 2, 2015**

**Agenda Item 1 - Call to Order**

Chairperson Nancy Davis called the meeting to order at 9:09 a.m. at which time a quorum was established.

**Roll Call – 1(a)**

**Members present:**

Peggy Ann McConnochie, Broker, Broker at Large  
Nancy Davis, Broker, 1<sup>st</sup> Judicial District, Acting Chair  
Marianne Burke, Public Member  
Eric Bushnell, Associate Broker at Large  
Stacy Harvill, Associate Broker, 4<sup>th</sup> Judicial District  
Cindy Cartledge, Public Member  
Traci J. Barickman, Broker, 3<sup>rd</sup> Judicial District

**Staff Present:**

Sharon Walsh, Executive Administrator  
Nancy Harris, Project Assistant  
Jay Paff, Investigator II

**Guests Present:**

David Somers, Broker, Somers & Associates, Fairbanks  
Shana Ackles, Broker, Keller Williams Realty, AK Group, Anchorage  
Jerry Royse, Broker, Royse & Associates, Anchorage  
Anita Bates, Assoc. Broker, Dwell Realty, Anchorage  
Renea Miller, Century 21 Realty Solutions  
Karen Moutry Pelham, Salesperson, Real Estate Unlimited, Inc  
Sally Goodrich, Associate Broker, Jack White Real Estate  
Dawn Lambert, Salesperson, Jack White Real Estate  
Eva Loken, Associate Broker, Jack White Real Estate  
Todd Held, Associate Broker, Keller Williams Realty- Alaska Group  
Becky Brewer, Associate Broker, RE/Max Dynamic Properties  
Sandra Nunes  
R. Bruce Roberts, Attorney  
Jackie Danner, Broker, RE/Max Dynamic Properties  
Toni Roberts, Dwell Realty

**Guests Present via Telephone:**

Sara Chambers, Operations Manager, Corporations, Business & Professional Licensing (CBPL)

**Approval of Agenda- 1(b)**

Commission members reviewed and discussed the meeting agenda as presented.

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED to approve the meeting agenda for September 2, 2015 as presented.**

**All in favor; Motion passed.**

Ms. Burke asked to have an update on status of E & O insurance added to Executive Administrator's report.

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED to approve the meeting agenda for June 3, 2015 as amended.**

**All in favor; Motion passed.**

**Agenda Item 2 - Approval of Meeting Minutes**  
**June 3, 2015- 1(a)**

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED to approve the June 3, 2015 meeting minutes.**

Ms. Burke had noted some changes on page 10. Ms. Burke stated that she wants struck from the meeting minutes the line: "Ms. Burke would go back and look into it." Also, the editorial comment should be removed regarding telecommunication on page 11. She also stated that there was a reference made by the Division of an error in 2009 regarding the Recovery Fund balance and the numbers are in the narrative that was given and we need to have that number in here.

**Six members in favor; Ms. Cartledge abstained. Motion passed.**

Ms. Barickman joined the meeting at 9:10 a.m.

**July 22, 2105- 1(b)**

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED to approve the July 22, 2015 meeting minutes.**

Ms. Cartledge had noted a change on page 3, which should state 4 members voted in the negative and 2 members in the affirmative.

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED to approve the July 22, 2015 meeting minutes as amended.**

**All in favor; Motion passed.**

**Agenda Item 3 - Public Comment**

Eva Loken, President of the Anchorage Board of Realtors and a licensee with Jack White Real Estate spoke to the improvement needed in education. 40 hours is not good. Anything you can do to improve, I will be in favor of. The Consumer Disclosure needs to have the public/consumer initial the first page.

Scott Myers, Associate Broker for Jack White Eagle River Branch, indicated he would be in favor of the REC increasing education hours on both pre and post-licensing. Broker education is a concern. He also stated he's not clear on who initials the Consumer Disclosure-consumer or licensee.

Shana Ackles, Broker for Keller Williams, agreed that education needs to be addressed. 40 hours is not enough. Team advertising issue addresses Broker's name on all advertising. The REC should look at forming a committee to look into the team issues; what statutes need to be in place and that the Broker should be authorized to oversee teams, not the REC.

Sally Goodrich, Associate Broker for Jack White told the REC that additional education hours in pre and post-licensing are needed. However, she is concerned that there is no comprehensive follow-up on what licensees learned. Other states have a comprehension test to validate what was learned. She suggested emphasis be on course completion rather than credit hours completed for continuing education credits. She mentioned that there are many licensees out there that don't know what they are doing. Ms. Cartledge asked Ms. Goodrich about the issue of retesting she mentioned earlier. Ms. Goodrich stated that licensees should have to retest or retake the course.

Edward Walden, a salesperson with Keller Williams, spoke to the REC about the team concept. Teams are the way things are moving forward in the U.S. They are moving at a fast pace.



Mr. Bushnell stated that the REC has had discussions on making sure team signage/advertising included the Brokerage. The REC has not gotten involved beyond making sure that teams were complying with advertising statutes and regulations. He didn't think that the REC needed to change for changes in real estate business as long as the businesses are compliant with regulations and statutes. Ms. Barickman stated the REC doesn't differentiate between licensees and what your business practice-we all have the same rules to follow.

Ms. Cartledge stated that regulations and statutes are protective of the consumer, not to morph what your new business is.

Jerry Royse, Broker for Royse and Associates and also serving as Chair of the Education Committee addressed the REC and stated that the Education Committee looked at what teams need in regulation and statutes. Regulations don't address what's going on out there. No definition of specific training and what that team leader's responsibilities are. He went on to indicate that there are brokerages within brokerages-teams acting as mini-brokerages. More direction from the REC needed. Mr. Royse also spoke about unlicensed persons within an LLC where unlicensed people can manage licensees. Ms. Davis asked Mr. Royse for the Education Committee recommendations. Mr. Royse stated that Education Committee is recommending modifying pre and post-licensing, expanding subject matter in regulations, and making a change to the allocation of hours which requires a change in statutes. Post licensing should be shorter-6 months or less.

Todd Held, Associate Broker with Keller Williams, told the REC that he promotes the use of teams in his business practice and that the statutes and regulations for advertising teams is appropriate.

Ms. Davis thanked everyone for attending the REC meeting and providing comment. Ms. Harvill asked that the letter in the meeting packet from Kay DuBois at the Anchorage Board of Realtors be acknowledged for public comment.

**Agenda Item 4 – Investigator's Report/Probation Report**  
**Statistical Report/Probation Report – 4(a)**

Mr. Paff addressed the Commission and provided an update for the time period 5/18 through 8/7/2015. 25 matters were opened and 18 were closed; 10 were at the intake stage and 23 remain on-going and active investigations. 8 actions were closed since the last meeting. 4 individuals are on probation and in compliance. 2 Consent of Agreements were tabled at the last meeting and those matters were closed.

Mr. Paff spoke with an Assistant Attorney General at the Department of Law regarding broker notification of complaints. He was told that they don't feel that statute supports the Investigator notifying a Broker of a complaint filed against a licensee. He suggested some alternatives: 1) change the complaint form to add broker/supervisor include opening a separate file on each notice of complaint 2) notice of complaint response could be initialed and signed by Broker and that would make them aware of complaint prior to submission to



REC for review. Ms. Cartledge asked if this is allowable or is there something that prevents us from copying the Broker? Mr. Paff stated he would check on that and get clarification. Mr. Paff asked the Commission about signing requirements for the Consumer Disclosure form specifically when someone refuses to sign the document. Ms. McConnochie stated that the law is very specific and that you must sign. Mr. Bushnell stated that individuals are not bound by "our" laws. Ms. McConnochie said it's a legal decision. Mr. Paff had nothing further to report.

Commission recessed for break at 10:07 a.m.  
Commission reconvened from break at 10:11 a.m.

Ms. Davis called the meeting back to order at 10:18 a.m.

Consent Agreements – 4(b)

**On a motion duly made by Ms. Cartledge, seconded by Ms. McConnochie, it was,**

**RESOLVED that they go into executive session. Ms. Cartledge stated:**  
In accordance with AS 44.62.310(c): I move we go into executive session for the purpose of discussing subjects that tend to prejudice the reputation and character of a person.

**All in favor; Motion passed.**

Into Executive session at 10:18 a.m.  
Out of Executive session at 11:49 a.m.

**On a motion duly made by Ms. Barickman, seconded by Mr. Bushnell, it was,**

**RESOLVED that they come out of executive session.**

**All in favor; Motion passed.**

Consent Agreement 2015-000439 and 2012-00557

**On a motion duly made by Ms. Cartledge, seconded by Ms. Harvill, it was,**

**RESOLVED to adopt the Consent of Agreement in case #2015-000439 and 2012-00557.**

**5 members in favor; Mr. Bushnell abstained. Motion passed**

The REC approved the Consent of Agreement in the matter of John Erkins.

Consent Agreement 2015-00590

**On a motion duly made by Ms. Cartledge, seconded by Ms. McConnochie, it was,**

**RESOLVED to adopt the Consent of Agreement in case #2015-000590.**

**All in favor; Motion passed.**

The REC approved the Consent of Agreement in the matter of Brandy Pennington.

Consent Agreement 2013-001352

**On a motion duly made by Ms. Cartledge, seconded by Ms. McConnochie, it was,**

**RESOLVED to adopt the voluntary license suspension in case #2013-001352.**

**All in favor; Motion passed.**

The REC approved the voluntary license suspension in the matter of Sandra Harp effective 9/30/2015.

Consent Agreement 2015-000511

**On a motion duly made by Ms. Cartledge, seconded by Ms. McConnochie, it was,**

**RESOLVED to adopt the Consent of Agreement in case #2015-000511.**

**Six members in favor; Motion passed. Ms. Harvill abstained.**

The REC approved the Consent of Agreement in the matter of Geoffrey McGrath.

Consent Agreement 2015-001528

**On a motion duly made by Ms. Cartledge, seconded by Ms. McConnochie, it was,**

**RESOLVED to table the Consent of Agreement in case #2015-001528.**

**All in favor; Motion passed.**

Consent Agreement 2015-00951

**On a motion duly made by Ms. Cartledge, seconded by Ms. McConnochie, it was,**

**RESOLVED to table the voluntary suspension in case #2015-00951.**

**All in favor; Motion passed.**

**Agenda Item 5- Executive Administrator Report**

**Recovery Fund Balance Report – 5(a)**

Ms. Walsh presented the Recovery Fund financial reports to the Commission. Statement of Revenue and Expenditures was reviewed as of March 31, 2015 the ending balance was \$471,864. Ms. Walsh indicated that these are the same financials as presented at the June meeting and that the Division doesn't provide 4<sup>th</sup> quarter information until October. Ms. Burke pointed out that the Division needs to make a correction to the Recovery Fund, footnote #3 for FY15 and FY16 it's just part of FY15 and should be all of FY16. She indicated that if this change is not corrected then the REC statements will be wrong too.

**Schedule of Revenue and Expenditure – 5(b)**

Ms. Walsh presented the Division's Revenue and Expenditure 3<sup>rd</sup> quarter report for the Real Estate Commission. The ending balance on the 3<sup>rd</sup> quarter report is \$147,601.00. The 4<sup>th</sup> quarter report will not be available until October because Division staff has to close the fiscal year by August.

**Licensing Statistics - 5(c)**

Ms. Harris presented the licensing statistics for the period ending June 30, 2015. Licensees with an expiration date of 1/31/2016 account for 2,765; total active (status of active) licensees during this time period: 2,574. We had 69 licensees transfer; 89 Salespersons upgrade to Associate Brokers; 1 upgraded from Salesperson to Broker. 8 new offices were registered with the REC and 2 branch offices. Ms. Harris stated that there is a discrepancy and it's off by 5 which she believes the number is with the "deceased" count.

**Errors and Omission Update-5(d)**

Ms. Walsh told the Commission that she provided a draft version of an Invitation to Bid on E & O to the Procurement section of the Department. Ms. Burke asked to see the ITB. Ms. Walsh indicated that she would get a copy from Procurement for her and the rest of the Commission to review.

**Agenda Item 6- Education Report**

**Education Statistics – 6(a)**

Ms. Harris provided the Commission with the Education report. There are currently 7 upgrade courses, 10 Post Licensing courses, 243 elective courses, 58 designated courses and 6 PLE courses that can be used for electives for a total of 324 courses available.



**Regulation Tracker – 6(b)**

Ms. Harris presented the Regulation Tracker for the Commission to review. There are two outstanding regulations are 12 AAC 64.240 and 420. The regulation .240 (Legal Entities) is currently at the Department of Law for final review. The regulation .420(c) is on the agenda for your consideration this afternoon.

**Correspondence course time constraint issue – 6(c)**

Ms. Harris asked the Commission about a correspondence course issue that was brought to her attention. Under 12 AAC 64.410 (c) 1-2 ten hours of instruction is allowed for continuing education and 8 hours is allowed for post-licensing courses. However, there is no time limit for correspondence courses. Ms Harris asked the Commission if it is acceptable for someone taking an online course to exceed ten-hours per day. Ms. McConnochie stated it would be up to the individual. Ms. Cartledge stated, so there is no limitation in correspondence? Ms. Walsh stated that the law is silent on correspondence hours/limits. The Commission members all agreed that the 8 hour and 10 hour limits do not apply to the correspondence courses.

Commission breaks for lunch at 12:08 p.m.  
Commission reconvened at 1:00 p.m.

**Agenda Item 7- Old Business**

**Train the Trainer – 7(a)**

Ms. Walsh updated the Commission members on the Train the Trainer workshop. She said it was scheduled for September 17, 2015 at the Federal Building Annex. The instructor is Len Elder from North Carolina. He was recommended by the Executive Administrators from Arkansas and Idaho. Ms. Walsh said he has a lot of positive attributes and she looks forward to what he has to say.

**Broker Manual Update – 7(b)**

Commission member Ms. McConnochie gave an update on the revision of the Broker Manual. Ms. McConnochie said what she found when she went through the last broker's manual and the one previous to that was that it was outdated and inadequate. She said she tried to draw in everything that pertains to the laws in establishing a brokerage or for those that already have a brokerage and want to make sure that they are doing it correctly. She said that what is not included is the information from the Division of Corporation, Business and Professional Licensing (CBPL) that would tell someone how to set up their business. Sharon and Nancy have received that information from CPBL to update that portion.

She said that were a couple of areas she had some questions about, although these are not specifically mentioned in law but she thought they probably need to be addressed in the manual.

1. Teams, how are they done and done properly, maybe have some best practices on how to put that aspect in there, and
2. Trust accounts that are kept at a title company rather than keeping them in house.

Ms. McConnochie said that after the final draft of Broker Manual is completed the



Commission may want to consider having it reviewed by a 3<sup>rd</sup> party (outside source) and have it written to a 5<sup>th</sup> grade level so that it is easy to read. She said she would also like to see it online and each section have a link to go to the forms and statutes and regulations cited.

Commission members discussed the revision of the Broker Manual. There was discussion about what the purpose of E & O insurance is. Is it designed to protect the real estate professional from financial loss from a law suit, designed to provide compensation to the person who has suffered as a result of an error or omission or to protect the real estate broker.

The members asked that there be a working word document that tracks all changes sent out to all Commission members. Ms. McConnochie said she would send that out to all members. Once the draft is complete, include a cover letter, business and corporations licensing information, disclaimers, and links, and then have it reviewed by professional writers.

Education Committee Update – 7(c)

Ms. Barickman presented the education committee update. She said a couple things came out if the committee.

1. Mr. Royses's recommendation was to change the verbiage in the education regulations regarding team advertising and supervision (in handout). Adding more topics. This would require a regulation change.
2. The directive of the committee was not clear. Ms. Barickman said her understanding of the committee was that to get the broker upgrade education front loaded instead of having broker post licensing education.

Ms. Barickman recommended that the Commission consider increasing broker upgrade education and/or experience to upgrade a license but this would require a statute change.

Commission members discuss changes to broker education requirements.

**On a motion duly made by Ms. Barickman, seconded by Ms. McConnochie, it was,**

**RESOLVED that the Commission send a letter, also put on list serv and REC website, and ask for help from the Alaska Association of Realtors, to lobby new legislation that would change broker education requirements 15 hours to 30 hours of upgrade and 24 months experience to 48 months experience.**

**5 members in favor, 1 member opposed; Motion passed.**

**On a motion duly made by Mr. Bushnell, seconded by Ms. Burke, it was,**

**RESOLVED ask staff to have for our December meeting a list of comparisons of other jurisdictions of how many hours are required what kind of educational requirements are required and to put in a document that the Commission can look at; To include if these jurisdictions education requirements are mandated by statute or regulations.**

**All in favor; Motion passed.**

Update on amended regulation 12 AAC 64.420(c) – 7(d)

Mr. Bushnell presented the update on the regulation 12 AAC 64.420(c) -7(d). He said that the purpose of the regulation was that a licensee has the ability to take a class after the fact and for those classes to still be good, as far as designated courses. The underlined language is what they wrote.

A course certified by the commission to satisfy the requirements under 12 AAC 64.500.(b)(1) may be offered for credit from the date the commission certifies that course until January 31 of the next even-numbered year that completes two full licensing cycles.

This is elective continuing education (ECE) credit; that is any class that is good for the two years of a licensing cycle.

A course certified by the commission to satisfy the requirements under 12 AAC 64.500(b)(2) may be offered for credit from the date the commission certifies that course until January 31 of the next even-numbered year.

This is to allow for that DCE course to stay in effect from its original inception date should a licensee need it for the requirement for licensing. Those courses have a set date and this would extend that date for another 24 months.

**On a motion duly made by Mr. Bushnell, seconded by Ms. McConnochie, it was,**

**RESOLVED that the Commission accepts the proposed regulation 12 AAC 64.420(c).**

**All in favor. Motion passed.**

**Agenda Item 8 – New Business**

**FY16 Goals & Objectives – 8(a)**

Commission members discussed the Goals and Objectives for FY 16. Some ideals were:

1. Increase the Broker Upgrade education hours
2. Increase the experience of time to become an associate broker or broker
3. Increase the continuing education hours from 20 hours
4. Define and outline the statutory and regulatory rules for teams and licensed assistants within an offices

5. Ensure REC license law and regulations are consistent with industry best practices and the protection of the public interest
6. Continue and expand our use of technology to communicate with licensees
7. Improvements to the REC website to make it more user friendly
8. Continue to eliminate the need for paper with looking into submissions online, etc

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED to propose the following four goals:**

1. To change the required courses necessary to upgrade your license, increase the time period to get your upgraded license, and increase the hours for continuing education
2. To set guidelines in statutes and/or regulations that give brokers and licensees directions on teams and licensed assistants
3. To continue to eliminate the need for paper by submissions online and expand our use of technology to communicate with licensees
4. Ensure investigations are conducted and reviewed in a timely manner

**All in favor; Motion passed.**

Schedule future meeting dates – 8(b)

The Commission members set the meeting date for 2016.

March 9, 2016

June 1, 2016

September 21, 2016; and

December 7, 2016.

Election of Officers – 8(c)

Chair

Ms. McConnochie nominated Nancy Davis as Chairperson.

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED that Nancy Davis is the Chairperson for the Real Estate Commission.**

**All in favor; Motion passed.**

Vice Chair

Ms. Barickman nominated Eric Bushnell as Vice Chair.

**On a motion duly made by Ms. Barickman, seconded by Ms. Burke, it was,**

**RESOLVED that Eric Bushnell is Vice Chair for the Real Estate**



**Commission.**

**All in favor; Motion passed.**

Education Liaison

Ms. McConnochie nominated Traci Barickman as Education Liaison.

**On a motion duly made by Ms. McConnochie, seconded by Ms. Harvill, it was,**

**RESOLVED that Traci Barickman is the Education Liaison for the Real Estate Commission.**

**All in favor; Motion passed.**

Discuss upcoming renewal – 8(c)

Ms. Walsh let the Commission members know that the upcoming renewal will most likely start on January 1, 2016. A letter from the Director of CBPL, Ms. Hoveden, was provided to the Commission members along with the public notice regarding the change of fees. Ms. Walsh said the public comment period for the change of fees will end September 8, 2015 at 4:30 p.m. and will take effect 30 day after on October 8, 2015.

Investigator Paff said that with the renewal the Commission will see a slight increase in investigative costs in the 1<sup>st</sup> quarter because he will have assistance of a second investigator to process in a timely manner. He just wanted the Commission to be aware of that.

Set DCE topics by 10/1/2015 – 8(d)

Staff and Ms. McConnochie emailed out a request to various educators instate and out of state, DREIs, licensees, and ARELLO as to what topics they thought would be good for our next DCEs. Ms. McConnochie compiled the comments received into a spreadsheet that was provided to the Commission members in their board packets.

Ms. McConnochie provided the Commission with a list of DCE topics she thought best represented the topics from the comments received from her requests as shown in the spreadsheet.

The Commission discussed the education topics for designated continuing education (DCE).

**On a motion duly made by Mr. Bushnell, seconded by Ms. McConnochie, it was,**

**RESOLVED at adopt 4 categories for our upcoming DCE classes;**

- 1. Situational Ethics;**
- 2. Contract Law;**



3. **Consumer Protection, to include TRID**
4. **Practical Licensee Relationship Disclosure. By next Friday, email in 5 topics from the educational grid that we feel would best fit each one of those topics.**

**All in favor; Motion passed.**

Public Comment, continued – Tab 3

Ms. Davis wanted to acknowledge the two letters that were missed during public comment. The first letter was from the Anchorage Board of Realtors regarding the new database/website and how it is clumsy, time-consuming, and ineffective for looking up information. The second letter/email was from Dena Nading with Commercial Real Estate Alaska, regarding the Consumer Pamphlet and how it still does not work well for Commercial real estate and if there has been any discussion in updating regulations so that the language in the new Consumer Disclosure and the language in the statutes and regulations are consistent with each other and/or to define what a “Consumer” is?.

Commission recessed for break at 3:09 p.m.  
Commission reconvened from break at 3:18 p.m.

Consumer Disclosure – consider video presentation – 8(d)

The Commission members discussed creating a video that can be used to educate licensees on how to present the Consumer Disclosure in a consistent manner.

Comments discussed regarding this issue were:

- Instead of creating a Consumer Disclosure video, send the Investigator, Jay Paff, around the state to tell licensees what the repercussions are if they don't present the document correctly. To add to that, create a video of Mr. Paff's presentation so that it can be used also.
- There is still a misunderstanding out there on how to present themselves; They don't understand designated licensee
- The video idea was initially to train licensees on how to present the Consumer Disclosure for consistency. It is not necessarily the consumer. However, it would be nice if the video would be available on the website for the consumer to have access to
- There needs to be training on how to present this document
- A basic consistent message. How does the form work and what are the best practices on how to disclose it.

The Commission asked that staff get an estimate of the cost on Jay's travel and his additional time, the production of the video, and where the money will be allocated from. Commission asked that staff bring this back to the next meeting.

Consent Agreements – 4(b) - continued  
2015-000951

**On a motion duly made by Ms. Cartledge, seconded by Mr. Bushnell, it was,**

**RESOLVED that they go into executive session. Ms. Cartledge stated:**  
In accordance with AS 44.62.310(c): I move we go into executive session for the purpose of discussing subjects that tend to prejudice the reputation and character of a person.

**All in favor; Motion passed.**

Into Executive session at 3:43 p.m.

**On a motion duly made by Ms. Barickman, seconded by Ms. McConnochie, it was,**

**RESOLVED that they come out of executive session.**

**All in favor; Motion passed.**

Out of Executive session at 3:48 p.m.

**On a motion duly made by Mr. Bushnell, seconded by Ms. McConnochie, it was,**

**RESOLVED in the case of #2015-000951, to accept the Voluntary Suspension.**

**5 members in favor; 1 member opposed. Motion passed.**

The Commission has accepted the voluntary suspension of Rosalinda Sipes-Ainza, case #2015-000951.

**Agenda Item 9 – Division Update**

The Operations Manager spoke to the Commission via teleconference for the Division Update.

Ms. Chambers updated the Commission on the change of fees project. She said the change of fees will conclude on September 8, 2015. The Director will then review the public comments and make the necessary changes. Then it will go to the Department of Law and then the Lt. Governor's office for signature. Ms. Chambers said they are anticipating the renewals to be right on schedule. They can open renewals 90 days prior to the end of the licensing period and they are way ahead of that. She said they have some significant and exciting updates on the online renewal process with their new database.

Ms. Chambers spoke to the Commission regarding the status of the Invitation to Bid (ITB) for E & O insurance. She said Ms. Walsh has spent a lot of time working on creating an ITB for E & O insurance, which is in now in procurement. Once the ITB is reviewed and finalized then it will go out to all insurance companies who have met the requirements in regulations and will be able to bid on that contract for a master policy of E & O. The ITB will be sent out by the Department and names the Commission as the focus of the project. It will go out on behalf of the Commission.

Ms. Chambers updated the Commission on a report she ran through the receipting system for the real estate licensing fund. Since July 1, 2015, there have been 244 transactions in the amount of \$68,170.00; and for the recovery fund has seen 145 transactions in the amount of \$6,580.00. She said even though these are not final numbers but an income report, this is just to give the Commission members an idea of where the REC is in the year as far as revenue goes.

**On a motion duly made by Ms. McConnochie, seconded by Mr. Bushnell, it was,**

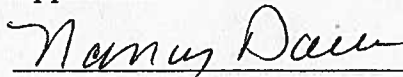
**RESOLVED to adjourn the meeting.**

**All in favor; Motion passed.**

**Meeting adjourned at 4:04 p.m.**

Prepared and submitted by:  
Real Estate Commission Staff

Approved:



Nancy Davis, Chairperson  
Alaska Real Estate Commission

Date: 12/21/15