

Real Estate Commission Meeting

June 9, 2022

**Atwood Building
550 W 7th Avenue
Ste 1500**

Anchorage

Via Zoom

Call to Order

Roll Call

Traci Heaton

Elizabeth Schok

Chad Stigen

Jaime Matthews

Jesse Sumner

Devon Doran

Cheryl Markwood

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

REAL ESTATE COMMISSION MEETING

June 9, 2022

Atwood Building 550 W. 7th Ave.

Suite 1550 (ZOOM ONLY)

Anchorage, AK

ZOOM Info: Join meeting: <https://us02web.zoom.us/j/83349747773>

Meeting ID: 833 4974 7773; Passcode: 337350

Call-In: +1 (669)900- 6833 or (253)215- 8782

Thursday, June 9, 2022

Note: There will be a break for lunch from 12 until 1, if deemed necessary.

- | | | |
|------------|---|------------------|
| 9:00a.m. | 1. Call to Order | Markwood |
| | a) Roll Call | |
| | b) Approval of 6/9 Agenda | |
| | c) Statements of Conflicts of Interest | |
| | d) Ethics violations to report | |
| | 2. Public Comments (est. time only; 9:15 am) | |
| | 3. Meeting Minutes | |
| | a) March 10, 2022 | |
| 9:30 a.m. | 4. Investigative Report | Prieksat/Gabriel |
| | a) Statistical Report | |
| 11:00 a.m. | 5. Division Update | Dumas |
| | a) Financials | |
| | b) Fee change regulation update | |
| | 6. Old Business | |
| | a) Teams Disclosure Committee – Update | Schok |
| | b) Residential Real Property Transfer Disclosure Statement – Update | Harris/Markwood |
| | c) Military Regulations, review and adoption | Maiquis |
| | 7. New Business | |
| | a) 2022 Strategic Plan | |
| | b) 2022 Annual Report, review, update and approval | |
| | c) CE Audits- delegation of authority | |
| | d) Licensing Matters | |
| | e) 2022 ARELLO Conference and Investigator Seminar | |

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8. Executive Administrator's Report

- a) Licensing/Education Statistics
- b) Recovery Fund Balance Report

Harris

9. Commission Member Comments and Questions

10. Adjournment

REC Meeting Dates for 2022:

September 8 – in person

December 8 – via ZOOM

Statements of Conflict of Interest

CONFIDENTIAL

ETHICS SUPERVISOR DETERMINATION FORM
(Board or Commission Member)

Board or Commission: _____

Member Disclosing Potential Ethics Violation: _____

I have determined that the situation described on the attached ethics disclosure form

- does or would violate AS 39.52.110 - .190. Identify applicable statute below.
- does not or would not violate AS 39.52.110 - .190.

Signature of Designated Ethics Supervisor (Chair)

Printed Name of Designated Ethics Supervisor

Date: _____

COMMENTS (Please attach a separate sheet for additional space):

Note: Disclosure Form must be attached. Under AS 39.52.220, if the chair or a majority of the board or commission, not including the disclosing member, determines that a violation of AS 39.52.110-39.52.190 will exist if the member participates, the member shall refrain from voting, deliberating, or participating in the matter. A member will not be liable under the Ethics Act for action in accordance with such a determination so long as the member has fully disclosed all facts reasonably necessary to the determination and the attorney general has not advised the member, chair, or board or commission that the action is a violation. Forward disclosures with determinations to the State Ethics Attorney as part of your quarterly report. Quarterly reports are submitted to Litigation Assistant, Opinions, Appeals & Ethics, Department of Law, 1031 W. 4th Avenue, Suite 200, Anchorage, AK 99501.

Revised 2012

Public Comment

Meeting Minutes

Investigative Report



THE STATE
of **ALASKA**

Department of Commerce, Community,
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

550 West Seventh Avenue, Suite 1500
Anchorage, AK 99501-3567
Main: 907.269.8160
Fax: 907.269.8156

MEMORANDUM

DATE: May 26, 2022
TO: Real Estate Commission
THRU: Greg Francois, Chief Investigator *GF*
FROM: Anna Gabriel, Investigator *AG*
RE: Investigative Report for the June 09, 2022 Meeting

The following information was compiled as an investigative report to the Board for the period of February 24, 2022 thru May 26, 2022; this report includes cases, complaints, and intake matters handled since the last report.

Matters opened by the Paralegals in Anchorage and Juneau, regarding continuing education audits and license action resulting from those matters are covered in this report.

OPEN - 52

<u>Case Number</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Status Date</u>
BUSINESS LICENSE			
2021-001179	Violation of licensing regulation	Complaint	12/15/2021
REAL ESTATE ASSOCIATE BROKER			
2021-000022	Violation of licensing regulation	Complaint	02/10/2021
2021-000107	Unethical conduct	Complaint	02/16/2021
2021-000231	Advertising	Complaint	03/12/2021
2021-000238	Fraud or misrepresentation	Complaint	04/05/2021
2021-000287	Violation of licensing regulation	Complaint	04/05/2021
2021-000465	Violation of licensing regulation	Complaint	06/03/2021
2022-000445	Violation of licensing regulation	Complaint	05/18/2022

2022-000488	Unprofessional conduct	Complaint	05/25/2022
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REAL ESTATE BROKER

2022-000467	Unlicensed practice or activity	Intake	05/19/2022
2021-000185	Violation of licensing regulation	Complaint	03/12/2021
2021-000286	Violation of licensing regulation	Complaint	04/01/2021
2021-000498	Violation of licensing regulation	Complaint	07/12/2021
2021-000576	Unprofessional conduct	Complaint	07/15/2021
2021-000772	Violation of licensing regulation	Complaint	08/26/2021
2021-001080	Violation of licensing regulation	Complaint	11/22/2021
2021-001096	Violation of licensing regulation	Complaint	12/15/2021
2022-000074	Falsified application	Complaint	01/24/2022
2022-000087	Unlicensed practice or activity	Complaint	09/30/2021
2022-000468	Violation of licensing regulation	Complaint	05/24/2022
2016-000807	Fraud or misrepresentation	Monitor	07/01/2020
2016-000949	Fraud or misrepresentation	Monitor	07/01/2020
2017-000602	Fraud or misrepresentation	Monitor	07/01/2020
2020-000224	Criminal action - no conviction	Monitor	
2021-000267	Violation of licensing regulation	Monitor	05/24/2022
2021-000264	Unlicensed practice or activity	Investigation	03/14/2022

REAL ESTATE SALESPERSON

2022-000465	Violation of licensing regulation	Intake	05/19/2022
2022-000473	Violation of licensing regulation	Intake	05/20/2022
2021-000106	Unethical conduct	Complaint	02/16/2021
2021-000138	Unlicensed practice or activity	Complaint	02/24/2021
2021-000139	Unlicensed practice or activity	Complaint	02/24/2021
2021-000183	Violation of licensing regulation	Complaint	04/01/2021
2021-000184	Violation of licensing regulation	Complaint	04/05/2021
2021-000269	License application problem	Complaint	07/21/2021
2021-000448	Violation of licensing regulation	Complaint	06/02/2021
2021-000620	Violation of licensing regulation	Complaint	07/19/2021

2021-000635	Real estate - other	Complaint	08/23/2021
2021-001050	Violation of licensing regulation	Complaint	12/14/2021
2021-001144	Violation of licensing regulation	Complaint	11/19/2021
2022-000051	Violation of licensing regulation	Complaint	01/19/2022
2022-000254	Violation of licensing regulation	Complaint	03/16/2022
2022-000297	Violation of licensing regulation	Complaint	03/29/2022
2022-000394	License application problem	Complaint	04/27/2022
2022-000395	Violation of licensing regulation	Complaint	05/18/2022
2020-000132	Fraud or misrepresentation	Monitor	03/30/2022
2020-001020	Fraud or misrepresentation	Monitor	04/08/2022
2020-000015	Fraud or misrepresentation	Investigation	06/15/2020
2020-000077	Fraud or misrepresentation	Investigation	06/11/2020
2020-000110	Advertising	Investigation	05/06/2020
2021-000059	Unlicensed practice or activity	Investigation	03/14/2022
2021-000519	Fraud or misrepresentation	Investigation	02/17/2022
2021-000273	Falsified application	Litigation Initiated	02/17/2022

Closed - 15

<u>Case #</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Closed</u>	<u>Closure</u>
REAL ESTATE BROKER				
2022-000042	Violation of licensing regulation	Closed-Intake	02/24/2022	Incomplete Complaint
2022-000400	Violation of licensing regulation	Closed-Complaint	05/16/2022	Incomplete Complaint
2021-001083	Violation of licensing regulation	Closed-Investigation	04/05/2022	No Action - No Violation
REAL ESTATE SALESPERSON				
2022-000279	License application problem	Closed-Intake	03/23/2022	Review Complete
2022-000295	Violation of licensing regulation	Closed-Intake	04/26/2022	Incomplete Complaint
2022-000336	License application problem	Closed-Intake	04/12/2022	Review Complete
2022-000456	License application problem	Closed-Intake	05/18/2022	Review Complete

2022-000457	License application problem	Closed-Intake	05/18/2022	Review Complete
2022-000463	Violation of licensing regulation	Closed-Intake	05/18/2022	Other (See Abstract)
2021-000313	Violation of licensing regulation	Closed-Complaint	03/11/2022	No Action - No Violation
2021-000393	Violation of licensing regulation	Closed-Complaint	05/24/2022	No Action - No Violation
2021-000762	Violation of licensing regulation	Closed-Complaint	03/11/2022	No Action - Lack of Jurisdiction
2021-000826	Violation of licensing regulation	Closed-Complaint	04/05/2022	No Action - No Violation
2022-000124	Violation of licensing regulation	Closed-Complaint	02/24/2022	No Action - No Violation
2022-000259	Violation of licensing regulation	Closed-Complaint	05/25/2022	No Action - Lack of Jurisdiction

END OF REPORT

Division Update

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Real Estate Commission	FY 16	FY 17	Biennium	FY 18	FY 19	Biennium	FY 20	FY 21	Biennium	FY 22 1st - 3rd QTR
	Revenue									
Revenue from License Fees	\$ 1,086,258	\$ 297,161	\$ 1,383,419	\$ 766,875	\$ 282,453	\$ 1,049,328	\$ 618,451	\$ 325,590	\$ 944,041	\$ 725,085
General Fund Received								\$ -	\$ -	\$ -
Allowable Third Party Reimbursements	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,086,258	\$ 297,161	\$ 1,383,419	\$ 766,875	\$ 282,453	\$ 1,049,328	\$ 618,451	\$ 325,590	\$ 944,041	\$ 725,085
Expenditures										
Non Investigation Expenditures										
1000 - Personal Services	137,073	118,908	255,981	115,076	120,856	235,932	65,350	113,092	178,442	82,743
2000 - Travel	12,781	6,803	19,584	15,632	5,036	20,668	3,046	-	3,046	-
3000 - Services	26,599	14,085	40,684	13,683	9,813	23,496	19,306	4,687	23,993	9,240
4000 - Commodities	1,229	34	1,263	649	-	649	-	-	-	-
5000 - Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	177,682	139,830	317,512	145,040	135,705	280,745	87,702	117,779	205,481	91,983
Investigation Expenditures										
1000-Personal Services	91,700	90,606	182,306	51,422	83,598	135,020	93,884	97,209	191,093	70,388
2000 - Travel							2,078	-	2,078	-
3023 - Expert Witness	-	4,922	4,922	-	-	-	-	450	450	-
3088 - Inter-Agency Legal	43,639	45,154	88,793	646	530	1,176	1,692	43,125	44,817	-
3094 - Inter-Agency Hearing/Mediation	6,929	19,603	26,532	-	3,689	3,689	-	2,799	2,799	1,367
3000 - Services other					958	958	1,010	390	1,400	11,665
4000 - Commodities							-	-	-	66
Total Investigation Expenditures	142,268	160,285	302,553	52,068	88,775	140,843	98,664	143,973	242,637	83,486
Total Direct Expenditures	319,950	300,115	620,065	197,108	224,480	421,588	186,366	261,752	448,118	175,469
Indirect Expenditures										
Internal Administrative Costs	95,730	87,001	182,731	108,746	110,362	219,108	108,667	101,425	210,092	76,069
Departmental Costs	54,735	58,811	113,546	53,154	57,353	110,507	37,533	39,972	77,505	29,979
Statewide Costs	20,226	23,348	43,574	18,608	20,811	39,419	20,978	28,864	49,842	21,648
Total Indirect Expenditures	170,691	169,160	339,851	180,508	188,526	369,034	167,178	170,261	337,439	127,696
TOTAL EXPENDITURES	\$ 490,641	\$ 469,275	\$ 959,916	\$ 377,616	\$ 413,006	\$ 790,622	\$ 353,544	\$ 432,013	\$ 785,557	\$ 303,165
Cumulative Surplus (Deficit)										
Beginning Cumulative Surplus (Deficit)	\$ 99,946	\$ 695,563		\$ 523,449	\$ 912,708		\$ 782,155	\$ 1,047,062		\$ 940,639
Annual Increase/(Decrease)	595,617	(172,114)		389,259	(130,553)		264,907	(106,423)		421,920
Ending Cumulative Surplus (Deficit)	\$ 695,563	\$ 523,449		\$ 912,708	782,155		\$ 1,047,062	\$ 940,639		\$ 1,362,559
Statistical Information										
Number of Licenses for Indirect calculation	3,066	3,558		4,129	4,041		3,771	3,680		
Additional information:	<ul style="list-style-type: none"> • Fee analysis required if the cumulative is less than zero; fee analysis recommended when the cumulative is less than current year expenditures; no fee increases needed if cumulative is over the current year expenses * • Most recent fee change: Fee change FY20 • Annual license fee analysis will include consideration of other factors such as board and licensee input, potential investigation load, court cases, multiple license and fee types under one program, and progr 									

Appropriation Name (Ex)	(All)
Sub Unit	(All)
PL Task Code	REC1

Sum of Budgetary Expenditures	Object Type Name (Ex)			
Object Name (Ex)	1000 - Personal Services	3000 - Services	4000 - Commodities	Grand Total
1011 - Regular Compensation	81,594.19			81,594.19
1014 - Overtime	440.90			440.90
1023 - Leave Taken	10,291.39			10,291.39
1028 - Alaska Supplemental Benefit	5,667.66			5,667.66
1029 - Public Employee's Retirement System Defined Benefits	7,768.68			7,768.68
1030 - Public Employee's Retirement System Defined Contribution	3,532.89			3,532.89
1034 - Public Employee's Retirement System Defined Cont Health Reim	2,228.20			2,228.20
1035 - Public Employee's Retirement Sys Defined Cont Retiree Medical	711.87			711.87
1037 - Public Employee's Retirement Sys Defined Benefit Unfnd Liab	13,561.17			13,561.17
1039 - Unemployment Insurance	191.22			191.22
1040 - Group Health Insurance	21,370.26			21,370.26
1041 - Basic Life and Travel	21.79			21.79
1042 - Worker's Compensation Insurance	809.55			809.55
1047 - Leave Cash In Employer Charge	1,570.54			1,570.54
1048 - Terminal Leave Employer Charge	1,414.93			1,414.93
1053 - Medicare Tax	1,274.92			1,274.92
1077 - ASEA Legal Trust	49.16			49.16
1079 - ASEA Injury Leave Usage	2.69			2.69
1080 - SU Legal Trst	41.42			41.42
1970 - Personal Services Transfer	578.63			578.63
3000 - Training/Conferences		450.00		450.00
3002 - Memberships		780.00		780.00
3045 - Postage		409.76		409.76
3046 - Advertising		1,339.91		1,339.91
3057 - Structure, Infrastructure and Land - Rentals/Leases		100.32		100.32
3094 - Inter-Agency Hearing/Mediation		1,367.10		1,367.10
4005 - Subscriptions			66.00	66.00
1016 - Other Premium Pay	9.05			9.05
3088 - Inter-Agency Legal		15,200.14		15,200.14
3085 - Inter-Agency Mail		2,624.45		2,624.45
Grand Total	153,131.11	22,271.68	66.00	175,468.79

Proposed Regulation –
12 AAC 02.360
Fee Changes
Update

Old Business

Team Disclosure Committee

Presentation

MEMORANDUM

Date: June 2, 2022

To: Alaska Real Estate Commission

From: Ed Walden, Chair, Team Roles in Alaska Real Estate Industry

RE: Best Practices – Roles and Responsibilities of Teams

The Committee that developed these best practices for team roles and responsibilities is requesting the Alaska Real Estate Committee to review and approve the best practices for the following:

Definition of a Team

Supervision, Management and Standards of a Team

Team Roles and Responsibilities/Consumer Protection (AREC/Representation)

Advertising

Education

The Teams Committee included:

Ed Walden, Chair, Madden Team, Fairbanks, AK., Keller Williams Realty

Paul Callaway, Unity Home Group, Anchorage, AK., EXP

Jacob Sebring, Broker, Anchorage AK., Real, LLC

Annie Bjerkestrand, RMG, Anchorage AK., Keller Williams Realty

Jerry Lymburner, Broker/Team Lead, Fairbanks AK., PBL Realty

Blake Elder, RMG, Wasilla, AK., Keller Williams Realty

Dar Walden, Dar Walden Team, Anchorage, AK., Keller Williams Realty

Kibe Lucas, Kibe Lucas Team, Wasilla, AK., Keller Williams Realty

The Teams Committee completed several masterminding sessions to work on the charter of creating clarity and providing educational opportunities about how teams are created, how they operate, and affiliate and consumer protection and awareness.

It was determined that there are several areas the committee focused on to best illustrate and hopefully resolve the conflict or confusion between single agents, teams and brokerages. This document is intended to be the “starting point” of the shift from single licensee dominated real estate industry to a team dominated real estate industry as predicted for in next 5-7 years by most real estate experts.

The Team Roles in Alaska Real Estate Committee determined that there is an abundance of licensee and consumer confusion when it comes to individual licensee versus team roles and responsibilities and representation. It was the team’s primary goal to address these types of concerns.

BEST PRACTICES

Date: June 2, 2022

Title: Best Practice – Alaska Real Estate Team’s Roles and Responsibilities

To: Alaska Real Estate Brokers, Associate Brokers, Trainers Licensees and Team Leaders

From: Alaska Real Estate Commission & Committee for Team Roles in Alaska Real Estate Industry

Statute Reference:

Sec 08.88.171 - Eligibility for License

Sec 08.88.311 – Branch Offices

Sec 08.88-381- Signs

Sec 08.88.600 – Licensee Relationships

Sec 08.88.605 – Additional Licensee Relationship Provisions

Sec 08.88.610 – Authorization of Neutral Licensee Relationship

Sec 08.88.615 – Duties Owed by Licensee in All Licensee Relationships

Sec 08.88.620 – Duties Owed by Licensee Representing a Person

Sec 08.88.640 – Designated Licensee Relationship

Sec 08.88.645 – Duties of Neutral Licensee

Regulation Reference:

12 AAC 64.095 – Real Estate Activities of Unlicensed Persons

12 AAC 64.117 – Broker’s Written Policy

12 AAC 64.118 – Consumer Disclosure

12 AAC 64.125 – Supervision

12 AAC 64.127 – Office Signs

12 AAC 64.128 – Home Offices

12 AAC 64.130 – Ground for Revocation or Suspension

12 AAC 64.400 – Purpose of Course Certification and Instructor Approval

12 AAC 64.410 – Minimum Classroom and Virtual Course Requirements

12 AAC 64.420 – Application for Course Certification

12 AAC 64.430 – Correspondence Courses

12 AAC 64.440 – Instructor Approval

12 AAC 64.450 – Temporary Instructor Approval

12 AAC 64.500 – Continuing Education Requirements

12 AAC 64.510 – Approval Online Courses

Purpose: To provide best practices to assist all parties working with real estate teams during transactions to enhance communication, clarify roles and responsibilities of specific team members and provide a better service to the consumer

Disclosure: All parties in a real estate transaction involving a team should familiarize themselves with the latest content published by the Real Estate Commission and any referenced Alaska Real Estate Commission Statutes and Regulations. This publication is a “best practices” document and is not the law.

Area 1: Definition of a Team

- 1) Reference: 12 AAC 64.990(b) 12 AAC 64.117, 12 AAC 64.118 Broker Policy Manual.
 - a) A team is identified as “two or more licensees within the same brokerage that work together as one unit under a collective name and that provides services or performs activities that require a professional real estate license in Alaska.
 - b) Each team, in its nomenclature to ensure their team’s name and brokerage name are not the same. This will help create clarity between teams and brokerages.

Area 2: Supervision, Management and Standards of a Team

- 1) Reference: 12 AAC 64.117, 12 AAC 64.118, 12 AAC 64.125
 - a) Adequate supervision of a licensee (*to include team leaders and team members*) by a broker or an associate broker includes:
 - i) before recording of the transaction, providing for the review of files for completeness and accuracy and ensuring all required real estate related documents are on file, including applicable local, state and federal forms and communicating office policies to affiliated licensees
 - b) Discussion: Designated or supervising broker of a brokerage is responsible for all team member oversight and supervision in the same manner as for all other licensed brokers and licensees affiliated with that brokerage. Even if we were to expressly recognize teams in regulatory law, teams remain subject to the direct supervision of the supervising broker. The supervising broker can delegate authority to conduct activities on behalf of said broker, but the broker retains the responsibility for actions and outcomes.
 - c) Concern: Enforcement and education has been an issue
 - d) Recommendation: Team Leader Qualifications: A licensee who wishes to assemble a team must align with the same requirements outlined within this section to obtain a real estate broker license.
 - i) At least 36 months of active and continuous experience within the last 60 months immediately preceding the application to assemble a team.
 - ii) Add in Team Roles and Responsibilities course as ECE. Prerequisite for proposed team leaders to attend (in-person or correspondence) this two-hour course prior to supervising broker approval.
- 2) Broker-level conditions may be waived by supervising broker if the following criteria are met or exceeded:
 - a) Residential Real Estate Teams: Two years active and continuous experience, written consent of supervising broker and 50 completed transactions
 - b) Commercial Real Estate Teams: Two years active and continuous experience, written consent of supervising broker and 30 transactions/leases

Area 3: Roles & Responsibilities/AREC-Representation (Consumer Protection)

- 1) Reference: Sec 08.88.600, Sec 08.88.605, Sec 08.88.610, Sec 08.88.615, Sec 08.88.620, Sec 08.88.640, Sec 08.88.645, 12 AAC.64.095
 - a) Discussion: How do we as a committee inform the consumer with sufficient information using the AREC/Consumer Disclosure the duties of a real estate licensee including the differentiation between and single licensee and a member or members of a team. Our conclusion was not to develop two disclosures (one for team members and the other for single licensees) as that would need additional clarification and instruction on usage. Consensus was to work with the original disclosure and modify as simply as possible the differentiation and add a block that the consumer would initial that best describes the licensee's role.
 - b) Concern: Ensuring unlicensed assistants do not consult with consumer on subject matter that require a license to discuss.
 - c) Recommendation: Team Leader should describe in detail to their client and other licensee(s) in a transaction their team's key personnel, structure, roles and responsibilities to help eliminate confusion and enhance communication avenues.
 - d) AREC/Consumer Disclosure (page 2) modified to include teams.
 - e) Below is a draft of page 2 of the Alaska Real Estate Commission Consumer Disclosure:

ACKNOWLEDGEMENT:

I/We _____ have read the information provided in this Alaska Real Estate
(Print consumer's name(s))

Consumer Disclosure and understand the different types of relationships I/we may have with the real estate licensee(s).

The Licensee in this real estate transaction is: _____ Licensee # _____

Team Name: _____ (if applicable)

The Broker/Brokerage is: _____

You understand that _____ (Team Name) is not acting as a Brokerage.

In this transaction the following team members within the brokerage/team may contact you during the transaction for administrative or transactional purposes.

Team Member: _____

Team Member: _____

Team Member: _____

Team Member: _____

I/We understand that I/We will be working with our Licensee(s) under the relationship(s) selected below:
Please initial in the proper space:

_____ **Specific assistance without representation**

_____ **Representing the Seller/Lessor only.** (May provide specific assistance to Buyer/Lessee)

_____ **Representing the Buyer/Lessee only.** (May provide specific assistance to Seller/Lessor)

_____ **Neutral Licensee.** (Must attach Waiver of Right to be Represented, Form 08-4212)

I/We acknowledge receipt of a copy of this list of licensee duties, and have read and understand this disclosure.

Seller/Lessor: _____ Date: _____ Time: _____

Seller/Lessor: _____ Date: _____ Time: _____

OR

Buyer/Lessee: _____ Date: _____ Time: _____

Buyer/Lessee: _____ Date: _____ Time: _____

Area 4: Advertising

- 1) Reference: Sec 08.88.381, Sec 08.88.311, 12 AAC.127, 12 AAC 64.128, 12 AAC 64.130
 - a) Discussion: Team names to be clearly identified on signage. An option for teams to have a sign rider attached to their signs with team member name and contact information should be allowed. All advertising should be treated the same way. Full brokerage name should be included in advertising and done under the supervision and/or approval of the supervising broker.
 - b) Concern(s): Failure to include the Brokerage name in advertising may be grounds for revocation or suspension of licensee's (even if Team Leader) license.
 - c) Confusion may arise when Broker/Brokerage Owner has a team and the team is the same name.
 - d) Recommendations: Brokerage name must be "conspicuous, discernible and easily identifiable by the public".
 - e) This applies to all types of advertising to include but not limited to:
 - i) Business cards
 - ii) Signs (for sale, open house, directional, etc.)
 - iii) E-mail Signatures
 - iv) Websites (social media)
 - v) Online Advertising and Marketing
 - vi) Radio/Television ads
 - vii) Promotional Items and Events
- 2) All teams should include team name "brokered by _____".
 - a) For example, Dar Walden Team, Brokered by Keller Williams Alaska Group. Any team, group or other entity that is not a brokerage should not include the names:
 - i) Realty.
 - ii) Brokerage.
 - iii) Real Estate Brokerage.
- 3) Allowance for "grandfather rights" in signage. Educate and advise that these stipulations need to be completed and allow for these modifications be done as advertisements/signage are renewed or replaced within 24 months.
- 4) Primary licensee has described whether he/she is the only licensee acting on your behalf or has described that he/she is a Team Leader/Team Member and detailed how their team is organized and role/responsibilities of team members listed above.

Area 5: Education

- 1) Reference: 12 AAC 64.400, 12 AAC 64.410, 12 AAC 64.420, 12 AAC 64.430, 12 AAC 64.440, 12 AAC 64.450, 12 AAC 64.460, 12 AAC 64.470, 12 AAC 64.500, 12 AAC 64.510
 - a) Discussion: Education and awareness are essential. Publishing a “Teams Best Practices” document is only effective if Alaska real estate licensees and brokers are familiar with its contents. We discussed at length the option of ECE style course that is two-hours in length and covers the following topics as a minimum:
 - b) How do real estate teams work? Are they good for the industry? Will they last? What’s the future of real estate teams?
 - c) One main reason for joining a real estate team is achieving a better work-life balance.
 - d) Other reasons include expanding business opportunities, providing more effective representation for clients, gain experience, mentoring and leads early in their career.
 - e) Team leaders, when assembling teams should first focus on skill sets, personality profiles (right seat on the bus), experience and productivity.
 - f) The real estate market is changing and has been in Alaska since 2000 with the Butler- Walden Team, Mehner Team and Dan Wolf Team. The one trend that continues to get stronger every year is TEAMS! Teams are one of the hottest trends in real estate today with approximately 35,000-50,000 active teams in the United States alone. Prediction by Tom Ferry is that there will be 100,000 real estate teams in three years. Gary Keller states he believes 70+% of licensees/agents will be on “teams” in the next 5-7 years.
- 2) Concerns:
 - a) Team members being used as employees with not provided the proper training.
 - b) Workflow...especially on poorly run teams. How the team element affects the client experience. As opposed to working with a single licensee, clients could somehow be confused while interacting with several people on a team.
 - c) Confusion about who does what is the biggest issue clients face while working with a team
 - i) Not know who to contact
 - ii) Being Bounced between team members
 - iii) Preconceived expectation about dealing with the team leader
 - iv) Poor communication
 - v) Lack of personalized service
- 3) Teaching Curriculum: Areas that we as a group believe would be effective in a two-hour course:
 - a) Alaska Real Estate Commission’s Statutes and Regulations
 - b) Alaska Real Estate Commissions Adopted Best Practices

- c) Real Estate Industry Team Statistics (Alaska and US as a whole)
 - d) Real Estate Team Structures and Corresponding Organizational Charts (examples)
 - e) AREC/Representation When Working with Teams
 - f) How to Handle Disputes/concerns When Working with Teams (Team Leader/Broker)
- 4) How to Effectively Lead and Manage a Real Estate Team
 - a) Communicating team roles and responsibilities to other licensees and the consumers.
- 5) Team Leader Training
 - a) Primary for team member training and with Broker support and supervision
- 6) Team Member Training
 - a) Trained by team leader and brokerage
- 7) Pros and Cons of Working on a Team
- 8) How Best to Work with a Team as a Single Licensee
- 9) How to Elevate Everyone's Performance to the Consumer (Team and Single Licensee on each side of the transaction – Communication is the Key)
- 10) Open Discussion to Seek Best Results
 - a) Below are two examples of outlines:

Real Estate Team Structure: Some teams are very effective while others are not. If you are thinking about developing a team here are four common structures (Tom Ferry Coaching):

- 1) **The Illegitimate Team:** This type of team isn't really a team at all. This is just a group of people that all do the same thing and started selling together. More likely this type of team is just a bunch of salespeople without anyone to run the operational side of the business.
- 2) **The Family Team:** Family teams are very popular. Although everyone is related, roles aren't always clearly defined, and vacation time could be a problem.
- 3) **The Hero and The Minions:** Team Leader controls the roost and everyone else on the team is in support roles.
- 4) **The Team Builder:** Talented team leader who knows their stuff and hires a team to help support them in other areas of their business. They realize that with a team they can grow the potential of the business exponentially. The team builder maximizes everyone's strengths to even better service the customer and take the business to the next level.

No matter what kind of team you have, we will educate and train on the team builder approach. Although the type of team leader may vary greatly, having a structure in place with broker oversight will lead to the best-case scenario for other licensees and consumers as well.

Pros and Cons of Real Estate Teams: Teams in real estate offer plenty of great benefits that can help you be successful in the industry. However, there are drawbacks that are worth considering as well to ensure working on a real estate team is right for you. Explore the pros and cons of real estate teams below:

Pros of Real Estate Teams

- 1) **Support:** Working on a team offers plenty of support when you need it. When part of a real estate team, you'll work with a group of people striving for the same goal, allowing you to learn from one another and succeed.
- 2) **Lead generation:** Finding leads is one of the primary duties of being a successful real estate agent. In a team setting, there will be more people working on generating leads, which can eventually lead to more clients, which is a win-win for everyone involved.
- 3) **Improved work-life balance:** Taking on all the responsibilities that come with being a real estate licensee alone can be a challenge. When working on a real estate team, more tasks can be delegated amongst the group, allowing you to create a healthier work-life balance that allows you to grow personally and professionally.
- 4) **Shared resources:** Part of being on a team means working together. One of the top benefits of teams in real estate is that you're able to share resources with one another, such as leads, software, tools, and marketing materials.
- 5) **Education:** In an industry that's rapidly evolving, it's crucial to stay up to date on news and trends. When you join a real estate team, you'll be able to learn from your peers about the newest changes that affect the industry, market trends and changes, and new marketing tips to expand your business.

Cons of Real Estate Teams

- 1) **Less control:** While working on a team means you get to work together; it takes away from some of the control and freedom you'd enjoy as an independent real estate agent. This means running new ideas by your team members to determine whether everyone is onboard or if it needs to be scrapped or tabled for another day.
- 2) **Commission split:** One of the top drawbacks of working on a team in real estate is that you will have to split the commission, which is less money in your pocket. Additionally, the larger the team, the larger the split, which means your team will need to generate more leads and close more deals than an independent agent in charge of their own success. When joining a real estate team, ensure the commission split is clearly detailed to ensure everyone is on board.
- 3) **Negative team dynamics:** In some cases, the dynamics of your real estate team might not be healthy. Unfortunately, not every personality type meshes well with one another, meaning you can find yourself in disagreement with another team member, which can stall progress. In turn, this can cause stress and undesired results. Therefore, it's always important to evaluate the culture of a team before joining to ensure you'll be a good match.
- 4) **Lack of personal branding:** When you join a real estate team, you're working on building the brand identity of the company, not yourself. Depending on where you see yourself in the future, this can make it difficult for you to turn your name into a brand.

Recommendations

MEMORANDUM

Date: June 2, 2022

To: Alaska Real Estate Commission

From: Ed Walden, Chair, Team Roles in Alaska Real Estate Industry

RE: Best Practices – Roles and Responsibilities of Teams

The Committee that developed these best practices for team roles and responsibilities is requesting the Alaska Real Estate Committee to review and approve the best practices for the following:

1. Definition of a Team
2. Supervision, Management and Standards of a Team
3. Team Roles and Responsibilities/Consumer Protection (AREC/Representation)
4. Advertising
5. Education

The Teams Committee completed several masterminding sessions to work on the charter of creating clarity and providing educational opportunities about how teams are created, how they operate, and affiliate and consumer protection and awareness.

It was determined that there are several areas the committee focused on to best illustrate and hopefully resolve the conflict or confusion between single licensees, teams and brokerages. This document is intended to be the “starting point” of the shift from single licensee dominated real estate industry to a team dominated real estate industry as predicted for in next 5-7 years by most real estate experts.

The Team Roles in Alaska Real Estate Committee determined that there is an abundance of licensee and consumer confusion when it comes to individual licensee versus team roles and responsibilities and representation. It was the team’s primary goal to address these types of concerns.

BEST PRACTICES

Date: June 2, 2022

Title: Best Practice – Alaska Real Estate Team’s Roles and Responsibilities

To: Alaska Real Estate Brokers, Associate Brokers, Trainers, Licensees and Team Leaders

From: Alaska Real Estate Commission & Committee for Team Roles in Alaska Real Estate Industry

Statute Reference:

Sec 08.88.171 - Eligibility for License

Sec 08.88.311 – Branch Offices

Sec 08.88-381- Signs

Sec 08.88.600 – Licensee Relationships

Sec 08.88.605 – Additional Licensee Relationship Provisions

Sec 08.88.610 – Authorization of Neutral Licensee Relationship

Sec 08.88.615 – Duties Owed by Licensee in All Licensee Relationships

Sec 08.88.620 – Duties Owed by Licensee Representing a Person

Sec 08.88.640 – Designated Licensee Relationship

Sec 08.88.645 – Duties of Neutral Licensee

Regulation Reference:

12 AAC 64.095 – Real Estate Activities of Unlicensed Persons

12 AAC 64.117 – Broker’s Written Policy

12 AAC 64.118 – Consumer Disclosure

12 AAC 64.125 – Supervision

12 AAC 64.127 – Office Signs

12 AAC 64.128 – Home Offices

12 AAC 64.130 – Ground for Revocation or Suspension

12 AAC 64.400 – Purpose of Course Certification and Instructor Approval

12 AAC 64.410 – Minimum Classroom and Virtual Course Requirements

12 AAC 64.420 – Application for Course Certification

12 AAC 64.430 – Correspondence Courses

12 AAC 64.440 – Instructor Approval

12 AAC 64.450 – Temporary Instructor Approval

12 AAC 64.500 – Continuing Education Requirements

12 AAC 64.510 – Approval Online Courses

Purpose: To provide best practices to assist any and all parties working with real estate teams during transactions to enhance communication, clarify roles and responsibilities of specific team members and provide a better service to the consumer

Disclosure: All parties in a real estate transaction involving a team should familiarize themselves with the latest content published by the Real Estate Commission and any referenced Alaska Real Estate Commission Statutes and Regulations. This publication is a “best practices” document and is not the law.

Area 1: Definition of a Team

1. Reference: 12 AAC 64.990(b) 12 AAC 64.117, 12 AAC 64.118 Broker Policy Manual.
 - a. A team is identified as “two or more licensees within the same brokerage that work together as one unit under a collective name and that provides services or performs activities that require a professional real estate license in Alaska.
 - b. Each team, in its nomenclature to ensure their team’s name and brokerage name are not the same. This will help create clarity between teams and brokerages.

Area 2: Supervision, Management and Standards of a Team

1. Reference: 12 AAC 64.117, 12 AAC 64.118, 12 AAC 64.125
 - a. (b) Adequate supervision of a licensee (*to include team leaders and team members*) by a broker or an associate broker includes:
 - (1) before recording of the transaction, providing for the review of files for completeness and accuracy and ensuring all required real estate related documents are on file, including applicable local, state and federal forms and
 - (2) communicating office policies to affiliated licensees
 - b. Recommendation: Team Leader Qualifications: A licensee who wishes to assemble a team must align with the same requirements outlined within this section to obtain a real estate broker license.
 1. At least 36 months of active and continuous experience within the last 60 months immediately preceding the application to assemble a team.
 2. Add in Team Roles and Responsibilities course as ECE. Prerequisite for proposed team leaders to attend (in-person or correspondence) this two-hour course prior to supervising broker approval.
 3. Broker-level conditions may be waived by supervising broker if the following criteria are met or exceeded:
 - A. Residential Real Estate Teams: Two years active and continuous experience, written consent of supervising broker and 50 completed transactions
 - B. Commercial Real Estate Teams: Two years active and continuous experience, written consent of supervising broker and 30 transactions/leases

Area 3: Roles & Responsibilities/AREC-Representation (Consumer Protection)

1. Reference: Sec 08.88.600, Sec 08.88.605, Sec 08.88.610, Sec 08.88.615, Sec 08.88.620, Sec 08.88.640, Sec 08.88.645, 12 AAC.64.095
 - a. Recommendation: Team Leader should describe in detail to their client and other licensee(s) in a transaction their team's key personnel, structure, roles and responsibilities to help eliminate confusion and enhance communication avenues.
 - b. AREC/Consumer Disclosure (page 2) modified to include teams.
 - c. Below is a draft of page 2 of the Alaska Real Estate Commission Consumer Disclosure:

ACKNOWLEDGEMENT:

I/We _____ have read the information provided in this Alaska Real Estate
(Print consumer's name(s))

Consumer Disclosure and understand the different types of relationships I/we may have with the real estate licensee(s).

The Licensee in this real estate transaction is: _____ Licensee # _____

Team Name: _____ (if applicable)

The Broker/Brokerage is: _____

You understand that _____ (Team Name) is not acting as a Brokerage.

In this transaction the following team members within the brokerage/team may contact you during the transaction for administrative or transactional purposes:

Team Member: _____

Team Member: _____

Team Member: _____

Team Member: _____

I/We understand that I/We will be working with our Licensee(s) under the relationship(s) selected below:
Please initial in the proper space:

_____ **Specific assistance without representation**

_____ **Representing the Seller/Lessor only.** (May provide specific assistance to Buyer/Lessee)

_____ **Representing the Buyer/Lessee only.** (May provide specific assistance to Seller/Lessor)

_____ **Neutral Licensee.** (Must attach Waiver of Right to be Represented, Form 08-4212)

I/We acknowledge receipt of a copy of this list of licensee duties, and have read and understand this disclosure:

Seller/Lessor: _____ Date: _____ Time: _____

Seller/Lessor: _____ Date: _____ Time: _____

OR

Buyer/Lessee: _____ Date: _____ Time: _____

Buyer/Lessee: _____ Date: _____ Time: _____

Area 4: Advertising

1. Reference: Sec 08.88.381, Sec 08.88.311, 12 AAC.127, 12 AAC 64.128, 12 AAC 64.130
 - a. Recommendations: Brokerage name must be “conspicuous, discernible and easily identifiable by the public”.

1. This applies to all types of advertising to include but not limited to:
 - Business cards
 - Signs (for sale, open house, directional, etc.)
 - E-mail Signatures,
 - Websites (social media)
 - Online Advertising and Marketing
 - Radio/Television ads
 - Promotional Items and Events

2. All teams should include team name “brokered by _____”. For example, Dar Walden Team, Brokered by Keller Williams Alaska Group. Any team, group or other entity that is not a brokerage should not include the names:
 - a. Realty;
 - b. Brokerage;
 - c. Real Estate Brokerage

3. Allowance for “grandfather rights” in signage. Educate and advise that these stipulations need to be completed and allow for these modifications be done as advertisements/signage are renewed or replaced within 24 months.

4. Primary licensee has described whether he/she is the only licensee acting on your behalf or has described that he/she is a Team Leader/Team Member and detailed how their team is organized and role/responsibilities of team members listed above.

Area 5: Education

1. Reference: 12 AAC 64.400, 12 AAC 64.410, 12 AAC 64.420, 12 AAC 64.430, 12 AAC 64.440, 12 AAC 64.450, 12 AAC 64.460, 12 AAC 64.470, 12 AAC 64.500, 12 AAC 64.510
- a. Teaching Curriculum: Areas that we as a group believe would be effective in a two-hour course:
 1. Alaska Real Estate Commission's Statutes and Regulations
 2. Alaska Real Estate Commissions Adopted Best Practices
 3. Real Estate Industry Team Statistics (Alaska and US as a whole)
 4. Real Estate Team Structures and Corresponding Organizational Charts (examples)
 5. AREC/Representation When Working with Teams
 6. How to Handle Disputes/concerns When Working with Teams (Team Leader/Broker)
 7. How to Effectively Lead and Manage a Real Estate Team
 - a. Communicating team roles and responsibilities to other licensees and the consumers
 8. Team Leader Training
 - a. Primary for team member training and with Broker support and supervision
 9. Team Member Training
 - a. Trained by team leader and brokerage
 10. Pros and Cons of Working on a Team
 11. How Best to Work with a Team as a Single Licensee
 12. How to Elevate Everyone's Performance to the Consumer (Team and Single Licensee on each side of the transaction – Communication is the Key)
 13. Open Discussion to Seek Best Results

Residential Real Property
Transfer Disclosure Statement
Update

Military Regulations Review and Adoption

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA REAL ESTATE COMMISSION

BRIEF DESCRIPTION: The Real Estate Commission proposes to establish temporary military courtesy licenses for an active duty military member or their spouse.

The Real Estate Commission (Commission) proposes to adopt regulation changes in Title 12, Chapter 64 of the Alaska Administrative Code including the following:

12 AAC 64.066. Temporary military courtesy licenses, is a proposed new section that establishes temporary courtesy licenses for an active duty military member or spouse of an active duty military member of the armed forces of the United States who meets the requirements of the regulations to practice as a real estate broker, associate broker, or salesperson. The proposed regulations will allow for an expedited licensing pathway for those in the military and their spouse.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Jun Maiquis, Regulations Specialist, Division of Corporations, Business and Professional Licensing, P.O. Box 110806, Juneau, AK 99811-0806. Additionally, the Commission will accept comments by facsimile at (907) 465-2974 and by electronic mail at RegulationsAndPublicComment@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system at <http://notice.alaska.gov/206085>, and using the comment link. **The comments must be received not later than 4:30 p.m. on May 3, 2022.** Comments received after this deadline will not be considered by the Commission.

You may submit written questions relevant to the proposed action to Jun Maiquis, Regulations Specialist, Division of Corporations, Business and Professional Licensing, P.O. Box 110806, Juneau, AK 99811-0806 or by e-mail at RegulationsAndPublicComment@alaska.gov. **The questions must be received at least 10 days before the end of the public comment period.** The Commission will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and on the Commission's website at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateCommission.aspx>. The Commission may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jun Maiquis at (907) 465-2537 or RegulationsAndPublicComment@alaska.gov not later than April 26, 2022 to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting Jun Maiquis at (907) 465-2537 or RegulationsAndPublicComment@alaska.gov, or go to <https://www.commerce.alaska.gov/web/portals/5/pub/REC-0322.pdf>.

After the public comment period ends, the Commission will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **You should comment during the time allowed if your interests could be affected.** Written comments and questions received are public records and are subject to public inspection.

Statutory Authority: AS 08.01.062; AS 08.01.063; AS 08.88.071; AS 08.88.081; AS 08.88.171

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.01.062; AS 08.01.063; AS 08.88.071; AS 08.88.081; AS 08.88.171

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: 4/1/2022

/s/
Jun Maiquis, Regulations Specialist
Division of Corporations, Business and
Professional Licensing

For each occupation regulated under the Division of Corporations, Business and Professional Licensing, the Division keeps a list of individuals or organizations who are interested in the regulations of that occupation. The Division automatically sends a Notice of Proposed Regulations to the parties on the appropriate list each time there is a proposed change in an occupation's regulations in Title 12 of the Alaska Administrative Code. If you would like your address added to or removed from such a list, send your request to the Division at the address above, giving your name, either your e-mail address or mailing address (as you prefer for receiving notices), and the occupational area in which you are interested.

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. **Adopting agency:** Real Estate Commission – Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing.
2. **General subject of regulation:** Temporary military courtesy licenses.
3. **Citation of regulation:** 12 AAC 64.066.
4. **Department of Law file number:** To be assigned.
5. **Reason for the proposed action:** Implement statutory changes made under Sections 1 and 2, Chapter 29, SLA 2021 – SB 21.
6. **Appropriation/Allocation:** Corporations, Business and Professional Licensing – #2360.
7. **Estimated annual cost to comply with the proposed action to:**
A private person: \$100 application fee and \$100 temporary military courtesy license fee.
Another state agency: None known.
A municipality: None known.
8. **Cost of implementation to the state agency and available funding (in thousands of dollars):**
No costs are expected in FY 2022 or in subsequent years.
9. **The name of the contact person for the regulation:**
Nancy Harris, Executive Administrator
Alaska Real Estate Commission
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Telephone: (907) 269-8168
E-mail: nancy.harris@alaska.gov
10. **The origin of the proposed action:** Real Estate Commission.
11. **Date:** 4/1/2022 **Prepared by:** /s/
Jun Maiquis
Regulations Specialist

Chapter 64. Real Estate Commission.

12 AAC 64 is amended by adding a new section to read:

12 AAC 64.066. Temporary military courtesy licenses. (a) The commission shall issue a temporary military courtesy license to an active duty military member or spouse of an active duty military member of the armed forces of the United States to practice as a real estate broker, associate broker, or salesperson who meets the requirements of AS 08.01.063 and this section within 30 days after the commission receives a completed application.

(b) An applicant for a temporary military courtesy license under this section must

- (1) submit a completed application on a form provided by the department;
- (2) pay the temporary license application and license fees set out under

12 AAC 02.105;

(3) submit a copy of the applicant's current active duty military orders showing assignment to a duty station in this state;

(4) submit documentation showing the applicant is actively licensed in another licensing jurisdiction and the applicant's license in the other jurisdiction is not suspended, revoked, or otherwise restricted except for failure to apply for renewal or failure to obtain the required continuing education requirements; and

(5) not have been convicted of a felony or another crime that affects the applicant's ability to practice real estate competently and safely.

(c) A temporary military courtesy license issued under this section is valid for 180 days. For good cause shown to the commission's satisfaction, the commission may extend a temporary military courtesy license for a period not to exceed 180 days upon request and payment of

applicable fees.

(d) While practicing under a temporary military courtesy license issued under this section, the holder of the temporary military courtesy license must be supervised by an active Alaskan real estate broker for a period of up to 180 days and shall comply with the standards of practice set out in AS 08.88 and this chapter, and is subject to discipline under AS 08.88.071.

(e) The commission may refuse to issue a temporary military courtesy license for the same reasons that it may deny, suspend, or revoke a license under AS 08.88.171 and 12 AAC 64.130. (Eff. ____ / ____ / _____, Register _____)

Authority: AS 08.01.062 AS 08.88.071 AS 08.88.171
AS 08.01.063 AS 08.88.081

Maiquis, Jun C (CED)

From: Debbie White <debbie@isellalaska.com>
Sent: Wednesday, April 6, 2022 12:46 PM
To: Regulations and Public Comment (CED sponsored)
Subject: REC Notice 0422

You don't often get email from debbie@isellalaska.com. [Learn why this is important](#)

CAUTION: This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi -

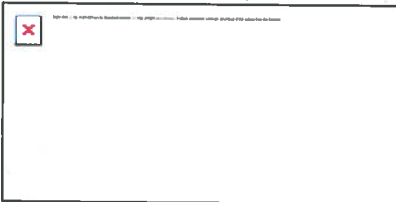
I am writing in regards to 12 AAC 64.066 proposed regulation change for temporary military courtesy licensing.

Every state has different laws, and if someone is getting a courtesy license they should have to work under a supervising broker for the same amount of time as a new licensee.

Thank you.

Debbie White, Broker/Owner
Southeast Alaska Real Estate
8585 Old Dairy Road #102
Juneau, AK 99801

907-789-5533 Office
907-789-5504 Fax
907-723-9886 Direct/Cell



Chapter 64. Real Estate Commission.

12 AAC 64 is amended by adding a new section to read:

12 AAC 64.066. Temporary military courtesy licenses. (a) The commission ~~will~~ ~~shall~~ issue a temporary military courtesy license to an active duty military member or spouse of an active duty military member of the armed forces of the United States to practice as a real estate broker, associate broker, or salesperson who meets the requirements of AS 08.01.063 and this section ~~not later than~~ ~~within~~ 30 days after the commission receives a completed application.

(b) An applicant for a temporary military courtesy license under this section ~~must~~

(1) ~~must~~ submit a completed application on a form provided by the department;

(2) ~~must~~ pay the temporary license application ~~fee~~ and ~~fee for a temporary~~ license fees set out under 12 AAC 02.105;

(3) ~~must~~ submit a copy of

(A) the applicant's current active duty military orders showing assignment to a duty station in this state; ~~or~~

(B) ~~if the applicant is the spouse of an active duty military member, the applicant's spouse's current active duty military orders showing assignment to a duty station in this state;~~

(4) ~~must~~ submit documentation showing the applicant is actively licensed in another licensing jurisdiction and the applicant's license in the other jurisdiction is not suspended, revoked, or otherwise restricted except for failure to apply for renewal or failure to obtain the required continuing education requirements; and

(5) ~~may~~ not have been convicted of a ~~felony or another~~ crime that affects the

applicant's ability to practice real estate competently and safely, **as determined by the commission.**

(c) A temporary military courtesy license issued under this section is valid for 180 days. For good cause shown to the commission's satisfaction, the commission may extend a temporary military courtesy license for a period not to exceed 180 days upon request and payment of applicable fees.

(d) While practicing under a temporary military courtesy license issued under this section, the holder of the temporary military courtesy license must be supervised by an active Alaskan real estate broker for a period of up to 180 days and shall comply with the standards of practice set out in AS 08.88 and this chapter, and is subject to discipline under AS 08.88.071.

(e) The commission may refuse to issue a temporary military courtesy license for the same reasons that it may deny, suspend, or revoke a license under AS 08.88.171 and 12 AAC 64.130. (Eff. ____/____/_____, Register _____)

Authority: AS 08.01.062 AS 08.88.071 AS 08.88.171
AS 08.01.063 AS 08.88.081

New Business

ALASKA REAL ESTATE COMMISSION STRATEGIC PLAN

2021/2022

The Commission recognizes we have a very small, yet extremely competent staff for the number of licensees we oversee, and to assist affected consumers. We have every confidence that our Executive Administrator, Project Assistant, and the REC Investigator, will all support us in reaching our goals.

GUIDING PRINCIPLE	OBJECTIVE - how will we meet this guiding principle?	Who will complete this task?	Status/Notes
Protect the Consumer/Inform Licensees	<p>With agreement of the appropriate departments, upload informational videos done by appropriate personnel on:</p> <ul style="list-style-type: none"> • How to file a complaint against a licensee & its process • If a complaint is filed against a license what the process is for a license <p>Additionally, provide best practice “white papers” on various topics as approved by the Commission for placement on our website.</p>	Commissioners, Staff & Investigator	Goal to have recorded presentation done & submitted to Chief Investigator for review/approval by the next year’s Strategic Planning meeting
Protect the Consumer/Inform Licensees	<p>Provide the Commission for consideration, what they should have jurisdiction over in property management, i.e., financial responsibilities of the property owner or property manager. Then, provide next steps should the Commission agree to move forward with recommendations. Provide a list of property management FAQ’s (Frequently Asked Questions) for both licensed property managers & property owners, to be approved by the Commission then placed on our website. To include:</p> <ul style="list-style-type: none"> • Best practices for security deposits & earnest money • Potential for separate Property Management Consumer Disclosure & Wavier of Right to be Represented form • Long-term goal to review the Landlord Tenant Act & look at changes in conjunction with the real estate industry • Review and make recommendations to the property management regulations with regard to trust account and security deposit issues 	Property Management Committee of the Commission & Property Management Liaison, Commissioner Heaton	<p>Work in Progress – PM Committee continuing to develop best practices for REC consideration, several already approved & on website</p> <p style="color: red;">PM FAQs document is being drafted</p>
Protect the Consumer/Inform Licensees	<p>Define minimum standards, based on what other jurisdictions have successfully implemented, for team advertising. To include:</p> <ul style="list-style-type: none"> • Define requirements to include brokerage information, minimum size, etc. • Review, make recommendations if necessary, and provide a draft Disclosure Statement regarding teams • Review, make recommendations if necessary, and draft regulation changes <p>Expand the scope to include team educations, advertising, supervision, brokers role, and consumer protection. Provide a FAQ’s (Frequently Asked Questions) to be approved by the Commission and then placed on our website.</p>	Commissioners Schok & Heaton to provide information to staff	<p>Previous Commission completed a best practice document already approved & on website</p> <p style="color: red;">Review and expand Best Practice to include FAQ document.</p> <p style="color: red;">Make recommendations regarding regulation changes</p>
Inform Licensees	<p>Assist staff to clear up the following issues:</p> <ul style="list-style-type: none"> • How “inactive status” is logged/started & the notification to the affected licensee. • Define & Verify how required education, for those who apply for license by endorsement. • Define & Simplify the criteria for getting or upgrading license. • Sharing of Information 	Commissioner Markwood & Staff	
Protect the Consumer/Inform Licensees	<p>Review all regulations & propose one major regulation change (cleanup) which will bring regulations into the 21st century.</p>	Commissioners & Staff	Complete – DOL review complete & being sent to Lt. Gov for approval
Protect the Consumer	<p>Review & revamp the State of Alaska Residential Real Property Transfer Disclosure Statement.</p>	Commissioner Markwood	* Requires a Regulation Change Completed.

Alaska Real Estate Commission Strategic Plan 2021/2022 –

Continue Page 2

Commission Business/Inform Licensees	Review upcoming licensing renewal cycle fee adjustment, as to conform with the recovery fund balance.	Commissioners & Staff	Discussion to Occur at June Meeting * Requires a Regulation Change
Commission Business/Inform Licensees	Review and make recommendations regarding DCE Education Topics for the next renewal cycle.	Commissioners & Staff	Completed
Commission Business/Inform Licensees	Create and proposed regulations as required per SB21 to allow for a Military Courtesy License for all license types: Salesperson, Associate Broker and Broker.	Commission & Staff	Completed
Commission Business/Inform Licensees	Create guidelines for DCE topics	Commission & Staff	Completed
Commission Business/Inform Licensees	Review and make recommendations to the regulation 12 AAC 64.500(n) and form, regarding the request for CE credit for courses that are not approved by Commission staff.	Commission & Staff	Completed.

Last Edited 5/20/2022

Department of Commerce, Community
and Economic Development

Division of Corporations, Business
and Professional Licensing

Annual Report

Fiscal Year 2022



Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing
P.O. Box 110806
Juneau, Alaska 99811-0806
Email: License@Alaska.Gov

FY 2022 Annual Report

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Identification of the Board

Board Member	Duty Station	Date Appointed	Term Expires

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Identification of Staff

-
Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
550 West 7th Avenue, Suite 1500
Anchorage, Alaska 99501-3567
(907) 269-8160

-
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Identification of Staff

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FY 2022 Annual Report

Narrative Statement

FY 2022 Annual Report

Budget Recommendations for FY 2023

Budget Recommendations section anticipates the board's fiscal priorities for the upcoming year. Please complete all parts of this section with details about anticipated meetings, conferences, memberships, supplies, equipment, to other board requests. Meeting expenses that are being funded through third-party reimbursement or direct booking must be identified separately from expenses paid through license fees (receipt-supported services or RSS). Be sure to explain any items listed as "other" so they may be tracked appropriately.

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Other: Total Estimated Cost:			

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Other: Total Estimated Cost:			

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Other: Total Estimated Cost:			

FY 2022 Annual Report

Budget Recommendations for FY 2023 (continued)

Budget Recommendations section anticipates the board's fiscal priorities for the upcoming year. Please complete all parts of this section with details about anticipated meetings, conferences, memberships, supplies, equipment, to other board requests. Meeting expenses that are being funded through third-party reimbursement or direct booking must be identified separately from expenses paid through license fees (receipt-supported services or RSS). Be sure to explain any items listed as "other" so they may be tracked appropriately.

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Other: Total Estimated Cost:			

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Other: Total Estimated Cost:			

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Other: Total Estimated Cost:			

FY 2022 Annual Report

Budget Recommendations for FY 2023 (continued)

Travel Required to Perform Examinations

Not Applicable

Date	Location	# Board	# Staff

Description of meeting and its role in supporting the mission of the Board:

- Airfare:
- Hotel:
- Ground:
- Conference:
- Other:

Total Estimated Cost:

Travel Required to Perform Examinations

Not Applicable

Date	Location	# Board	# Staff

Description of meeting and its role in supporting the mission of the Board:

- Airfare:
- Hotel:
- Ground:
- Conference:
- Other:

Total Estimated Cost:

FY 2022 Annual Report

Budget Recommendations for FY 2022 (continued)

Out-of-State Meetings and Additional In-State Travel (Rank in order of importance)

#1 Rank in Importance or Not Applicable

Date	Location	# Board	# Staff

Description of meeting and its role in supporting the mission of the Board:

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Conference: <input type="checkbox"/> Other Describe "Other" (break out all sections):				
Net Total:				

FY 2022 Annual Report

Budget Recommendations for FY 2022 (continued)

Out-of-State Meetings and Additional In-State Travel

#2 Rank in Importance

Date	Location	# Board	# Staff

Description of meeting and its role in supporting the mission of the Board:

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Conference: <input type="checkbox"/> Other Describe "Other" (break out all sections):				
Net Total:				

FY 2022 Annual Report

Budget Recommendations for FY 2023 (continued)

Non-Travel Budget Requests

- Not Applicable
- Resources
- Examinations
- Membership
- Training
- Other

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Non-Travel Budget Requests

- Not Applicable
- Resources
- Examinations
- Membership
- Training
- Other

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Non-Travel Budget Requests

- Not Applicable
- Resources
- Examinations
- Membership
- Training
- Other

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

FY 2022 Annual Report

Budget Recommendations for FY 2023 (continued)

Other Items with a Fiscal Impact

Not Applicable

Cost Per Event:

Number of Events:

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Other Items with a Fiscal Impact

Not Applicable

Cost Per Event:

Number of Events:

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Summary of FY 2022 Fiscal Requests

Board Meetings and Teleconferences:

Travel for Exams:

Out-of-State and Additional In-State Travel:

Dues, Memberships, Resources, Training:

Total Potential Third-Party Offsets: -

Other:

Total Requested:

FY 2022 Annual Report

Legislative Recommendations - Proposed Legislation for FY 2023

No Recommendations

The Board has no recommendations for proposed legislation at this time.

Recommendations

The Board has the following recommendations for proposed legislation:

FY 2022 Annual Report

Regulation Recommendations - Proposed Regulations for FY 2023

No Recommendations

The Board has no recommendations for proposed regulations at this time.

Recommendations

The Board has the following recommendations for proposed regulations:

FY 2022 Annual Report

Goals and Objectives

Part I

FY 2022's goals and objectives and how they were met:

FY 2022 Annual Report

Goals and Objectives (continued)

Part I (continued)

FY 2022's goals and objectives and how they were met:

FY 2022 Annual Report

Goals and Objectives (continued)

Part II

FY 2023's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

FY 2022 Annual Report

Goals and Objectives (continued)

Part II (continued)

FY 2023's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

FY 2022 Annual Report

Sunset Audit Recommendations

Date of Last Legislative Audit:

Board Sunset Date:

Audit Recommendation:

Action Taken:

Next Steps:

Completed: No Yes

If yes, date completed:

Audit Recommendation:

Action Taken:

Next Steps:

Completed: No Yes

If yes, date completed:

Audit Recommendation:

Action Taken:

Next Steps:

Completed: No Yes

If yes, date completed:

CE Audits –
delegation of authority

Licensing Matters

2022 ARELLO Conference/
Investigator Seminar

Events & Conferences

2022 Annual Conference



Nashville, Tennessee
August 29 – September 2, 2022

Register Here

by 7/23/2022

[General](#)

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Schedule

The meeting schedule contains some content that's only displayed to logged-in users, for security reasons.

Login to see links

Meeting time zone: **Central Daylight Time** (US/Central time)

Monday August 29		Arrival Day Welcome Reception
1:00–3:00 pm	Executive Committee Meeting	
4:00–5:00 pm	First-Time Attendee Reception	
5:00–7:30 pm	Welcome Reception	
Tuesday August 30		Day Two Offsite Reception
7:00–8:00 am	Breakfast	
8:00–8:30 am	Opening Session	
8:30–9:00 am	District 1 Caucus Meeting	
8:30–9:00 am	District 2 Caucus Meeting	
8:30–9:00 am	District 3 Caucus Meeting	
8:30–9:00 am	District 4 Caucus Meeting	
9:15–10:30 am	Fair Housing Committee Meeting	
9:15–10:30 am	Education Certification Committee Meeting	
9:15–10:30 am	Finance Committee Meeting	
9:15–10:30 am	Governance Review Committee Meeting	
10:30–10:45 am	AM Break	
10:45 am–12:00 pm	Timeshare Committee Meeting	
10:45 am–12:00 pm	Law and Regulation Committee Meeting	
10:45 am–12:00 pm	Examination Accreditation Committee Meeting	
10:45 am–12:00 pm	Program Committee Meeting	
12:00–1:30 pm	Lunch On Your Own	
1:30–2:45 pm	Membership Committee Meeting	

1:30–2:45 pm	Nominating Committee Meeting
1:30–2:45 pm	Affiliate Roundtable Meeting
1:30–2:45 pm	Commissioner Roundtable Meeting
2:45–3:00 pm	PM Break
3:00–4:30 pm	Real Estate Practices Roundtable Meeting
6:00–8:00 pm	Off-site Reception Location: Ole Red Transportation will be provided to and from this event to the Loews Vanderbilt Hotel.

Wednesday August 31

Day Three | Free Night

6:30–7:30 am	Fun Walk
7:30–8:30 am	Breakfast
8:30–9:00 am	Getting Involved in ARELLO Leadership
9:00–10:15 am	IT/Communications Committee Meeting
9:00–10:15 am	Investigator/Auditor Resource Committee Meeting
9:00–10:15 am	Commissioner Resource Committee Meeting
9:00–10:15 am	Education Issues Roundtable Meeting
10:15–10:30 am	Break
10:30 am–12:00 pm	Keynote Speaker - David Atkins
12:00–1:15 pm	Executive Committee Working Lunch (Closed Session)
12:00–1:15 pm	Lunch On Your Own
1:15–3:15 pm	Administrator Roundtable Meeting
3:15–3:30 pm	Break
3:30–4:45 pm	General Session - Awards
3:30–4:45 pm	ARELLO Foundation Meeting

Thursday September 01

Day Four | BOD | Installation Celebration

7:15–8:15 am	Breakfast
8:30–10:30 am	Case Law Update
10:30–10:45 am	AM Break
10:45–11:45 am	The Best Defense is a Good Offense: Partnering for Proactive Regulation by Trevor Koot The session will discuss the rapidly changing real estate landscape from an industry perspective, while exploring the opportunities and challenges this creates for regulators to become more proactive in their endeavors to protect the public. We will expand our understanding of the framework in which MLSs and Associations operate and leverage this understanding to collaborate on initiatives that will create opportunity to move away from a reactive regulatory environment. We will look at what regulators can do today but we will also take a big leap forward and investigate hypothetical future environments that may or may not come to pass, but are sure to inspire some thought provoking conversation.
11:45 am–12:15 pm	Closing Session
12:15–1:30 pm	Lunch on Your Own
1:30–4:00 pm	General Assembly / Board of Directors Meeting

5:30–9:00 pm	Installation Reception
Friday September 02	
Departures Commissioner College	
9:00 am–4:00 pm	Commissioner College 101 - Separate Registration Register for Commissioner College 101 Here

While the overall event dates are generally set well in advance, the individual session times are subject to change without notice.

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Association of Real Estate License Law Officials
11650 Olio Road, Suite 1000 #360
Fishers, IN 46037
Phone: +1 312-300-4800

ARELLO Programs

Investigator/Auditor Resources

ARELLO is proud to offer a variety of programs and resources for real estate investigators.

Basic Course for Investigators/Auditors

ARELLO has developed an introductory course on real estate investigations and audits that is designed to be taken as a self-study with help from one's investigative supervisor. The course covers the following topics:

- Law and Practice
- Professional Responsibility
- Complaint Processing
- Report Writing
- The Legal Process
- Trust Account Examinations
- Local Jurisdiction
- Investigative Techniques

The **Investigator Manual** for use in completing this course is available free of charge to all ARELLO members. You can find the Investigator Manual in the [Members Only area under Guides and Training](#) (login required). If you don't have an ARELLO account, contact your executive director or agency administrator.



Next ARELLO Regulatory Investigations Seminar

[2022 ARELLO Regulatory Investigations Seminar](#)

Raleigh, North Carolina

November 1-3, 2022

ARELLO Regulatory Investigations Seminar (ARIS)

Each year members of ARELLO's Investigator Resource Committee develop an advanced, multi-day training program for both investigators and auditors from real estate regulatory agencies and agencies that regulate a number of similar or related fields.

Certified Real Estate Investigator Designation: CREI

Any extra credential an investigator may have can assist in gaining credibility during the investigative and hearing process. ARELLO has created a respected designation that individuals earn to recognize their experience and expertise with investigations and audits.

Completion of ARELLO's basic course and attendance at at least one advanced workshop are two of the requirements. Each applicant must also have completed a specified number of investigations and been an investigator for a set period of time. [Access instructions on how to obtain the CREI designation.](#)

ARELLO also has the **Senior Certified Real Estate Investigator (SCREI)** designation available. To learn more about it, please access these [instructions](#).



Investigator of the Year Award

Each year ARELLO recognizes an investigator or auditor with the Investigator of the Year award. Besides the honor of this international recognition, the recipient receives complimentary registration to the annual Investigator Workshop and up to US\$2,000 in hotel and travel expenses.

The Investigator Resource Committee may select as "Investigator of the Year" one auditor or investigator who is currently serving an ARELLO Member Jurisdiction based on these guidelines:

The Chair of the Investigator Resource Committee shall appoint an awards subcommittee consisting of at least three members of the Committee, which will serve for one year. The subcommittee will review submissions for the award and will make the final determination as to who may receive the award based on the criteria established herein. The award may be presented at the Annual Conference or at any other ARELLO conference the subcommittee and the Chair may select.

Submission for the award will be evaluated on the basis of the following criteria:

1. Audit/Investigative Techniques
2. Innovation
3. Use of Resources
4. Jurisdictional Violations Discovered
5. Complexity of Case
6. Documentation of Evidence
7. Interview Skills
8. Creativity
9. Report Writing Skills

An award selected by the Chief Executive Officer shall be presented to the honoree and a certificate to the "runner up" if the subcommittee designates such in any given year.

The winner will receive a free registration to the Investigator Workshop and up to US\$2,000.00 toward hotel and travel expenses.

Contact ARELLO for further details.

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Executive Administrator's Report

LICENSING REPORT

June 9, 2022

New Licensees: February 23, 2022 - May 26, 2022: 124
Total Number of <u>Active</u> Licensees with 1/31/2024 exp: 2,913
Total Number of Licensees with 1/31/2024 exp: *2,954

ACTIVE: 1/31/24 exp	Sep	March	Jun
Broker	427	386	400
Associate Broker	403	384	390
Salesperson	2,125	2,013	2,123
Total Active:	2,955	2,783	2,913

INACTIVE: 1/31/24 exp	Sep	March	Jun
Broker	0	1	2
Associate Broker	1	0	1
Salesperson	12	2	8
Total Inactive:	13	3	11

LAPSED: NON-COMPLIANCE OF PLE w/exp date of 1/31/24			
	Sep	March	Jun
Broker	0	0	0
Associate Broker	0	0	0
Salesperson	3	2	1
Total:	3	2	1

Initial Licenses issued Qrtly:	Jul -Sept 21	Oct - Dec 21	Jan - Mar 22
	82	44	106

Transfers:	Sep	Dec	Jun
	140	145	151

PLE Completed:	Sep	Dec	Jun
	50	50	66

Upgrades:	
S - AB = 6	S - B = 1

In this reporting period	Sep	Mar	Jun
License Returned	20	6	35
Probation License	0	0	0
Suspended	0	0	0
Revoked	0	0	0
Surrendered	0	0	0

INACTIVE: 1/31/22 exp	Sep	March	Jun
Broker	0	1	4
Associate Broker	1	0	6
Salesperson	12	2	70
Total Inactive:	13	3	80

LAPSED: 1/31/22 exp	Sep	March	Jun
Broker	35	48	36
Associate Broker	39	43	33
Salesperson	406	401	294
Total Lapsed:	480	492	363

*includes licensees that are active, inactive, lic rtnd, probation, suspension, surrender, and lapsed (PLE), all with 1/31/2024 expiration date

EDUCATION REPORT

June 9, 2022

(as of 5/26/2022)

Course Type

Pre-Licensing (SPL)
Broker Upgrade Pre-Licensing (BPL)
Elective Continuing Education (ECE)
Designated Continuing Education (DCE)
Post Licensing Education (PLE)
(73 courses approved as PLE or ECE)

Currently Approved

10
4
304
38
3

Total: 359
(17 were new courses)

Instructor

Permanent

83

New Instructor

- Conor Bennehy Sosebee, Fairbanks

1

Temporary Instructor

0

Statement of Net Positions
Real Estate Recovery Fund
March 31, 2022

	Actuals							Projected	
	For the Fiscal Year Ending June 30, 2015	For the Fiscal Year Ending June 30, 2016	For the Fiscal Year Ending June 30, 2017	For the Fiscal Year Ending June 30, 2018	For the Fiscal Year Ending June 30, 2019	For the Fiscal Year Ending June 30, 2020	For the Fiscal Year Ending June 30, 2021	For the Fiscal Year Ending June 30, 2022	For the Fiscal Year Ending June 30, 2023
ASSETS									
Cash and Investments	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 327,850	\$ 257,747	\$ 317,018	\$ 236,915
Total Assets	454,264	465,770	392,207	394,514	277,675	327,850	257,747	317,018	236,915
LIABILITIES									
Accounts Payable and Accrued Liabilities	7,211	(30)	1,517	(10,691)	11,230	4,857	18,129	12,486	18,129
Total Liabilities	7,211	(30)	1,517	(10,691)	11,230	4,857	18,129	12,486	18,129
FUND BALANCES									
Reserved for Education and Claims	447,053	465,800	390,691	405,205	266,445	322,993	239,617	304,532	218,786
Total Fund Balance	447,053	465,800	390,691	405,205	266,445	322,993	239,617	304,532	218,786
Total Liabilities and Fund Balances	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 327,850	\$ 257,747	\$ 317,018	\$ 236,915
Average 2 year licensing cycle fund balance:		Average of 6/30/15 & 6/30/16	Average of 6/30/16 & 6/30/17	Average of 6/30/17 & 6/30/18	Average of 6/30/18 & 6/30/19	Average of 6/30/19 & 6/30/20	Average of 6/30/20 & 6/30/21	Average of 6/30/21 & 6/30/22	Average of 6/30/22 & 6/30/23
		\$ 460,017	\$ 428,988	\$ 393,361	\$ 336,095	\$ 302,763	\$ 292,799	\$ 287,382	\$ 276,967

Note: Per the State Comprehensive Annual Financial Report the State "funds are reported using modified accrual accounting which measures cash and other financial assets that can be readily converted to cash".

Note: The total Liabilities is year to date
For FY23 Liabilities projected using FY21

Statement of Revenues, Expenditures, and Changes in Fund Balances
Real Estate Recovery Fund
Actual for Years Ended June 30, 2015 through March 31, 2022
and
Projected for Fiscal Years Ending June 30, 2022 and June 30, 2023

	Actuals											Projected	
	For the Fiscal Year Ended 6/30/15	For the Fiscal Year Ended 6/30/16	For the Fiscal Year Ended 6/30/17	For the Fiscal Year Ended 6/30/18	For the Fiscal Year Ended 6/30/19	For the Fiscal Year Ended 6/30/20	For the Fiscal Year Ended 6/30/21	For the Quarter Ended 9/30/21	For the Quarter Ended 12/31/21	For the Quarter Ended 3/31/22	For the Quarter Ended 6/30/22	For the Fiscal Year Ended 6/30/22	For the Fiscal Year Ended 6/30/23
REVENUES													
Licenses and Permits	38,425	\$ 126,910	38,370	133,550	29,465	193,865	55,065	10,810	32,810	42,640	- (1)	193,865 (1)	55,065
Interest and Investment Income	2,164	2,533	3,178	4,230	9,964	6,918	309	413	(315)	(1,628)	- (2)	6,918 (2)	7,000
TOTAL REVENUES	40,589	129,443	41,548	137,780	39,429	200,783	55,374	11,223	32,495	41,012	-	200,783	62,065
EXPENDITURES													
Personal Services	113,145	112,763	115,097	134,846	126,366	124,812	125,468	32,531	10,862	3,168	- (3)	124,812 (3)	125,468
Travel	0	-	-	-	-	-	0	-	-	-	-	0	0
Commodities	0	89	-	617	-	-	0	-	-	-	-	0	0
Services - Non-claims	732	5,085	13	10	5,000	497	9	-	-	-	-	0	0
Services - Claims & Associated Legal costs	0	-	-	-	24,902	25,300	0	-	-	-	-	16,700	16,700
TOTAL EXPENDITURES	113,877	117,937	115,110	135,473	156,268	150,608	125,477	32,531	10,862	3,168	-	141,512	142,168
Excess (Deficiency) Revenues Over Expenditures	(73,288)	11,505	(73,562)	2,307	(116,839)	50,175	(70,104)	(21,308)	21,633	37,844	-	59,272	(80,103)
Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(73,288)	11,505	(73,562)	2,307	(116,839)	50,175	(70,104)	(21,308)	21,633	37,844	-	59,272	(80,103)
Fund Balances - Beginning of Year	527,552	454,264	465,770	392,207	394,514	277,675	327,850	257,747	236,438	258,071	295,915	257,747	317,018
Fund Balances - End of Year	454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 327,850	\$ 257,747	236,438	258,071	295,915	295,915	\$ 317,018	\$ 236,915

(1) For FY22, licenses and permits revenue projected to be the same as FY20.

(2) Projecting through FY22 based on FY20 rate of earnings.

(3) For FY22, the annual personal services costs are projected for the Executive Administrator to spend 10% and the Project Assistant to spend 100% of their time on Real Estate Recovery Fund related tasks.

Statement of Cash Flows
Real Estate Recovery Fund
March 31, 2022

	Actuals							Projected	
	For the Fiscal Year Ended 6/30/15	For the Fiscal Year Ended 6/30/16	For the Fiscal Year Ended 6/30/17	For the Fiscal Year Ended 6/30/18	For the Fiscal Year Ended 6/30/19	For the Fiscal Year Ended 6/30/20	For the Fiscal Year Ended 6/30/21	For the Fiscal Year Ended 6/30/22	For the Fiscal Year Ended 6/30/23
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts for Licenses & Permits	\$ 38,425	\$ 126,910	\$ 38,370 ⁽¹⁾	\$ 133,550 ⁽¹⁾	\$ 29,465 ⁽¹⁾	\$ 193,865 ⁽¹⁾	\$ 55,065 ⁽¹⁾	\$ 193,865	\$ 55,065
Payments to Employees	(113,145)	(112,763)	(115,097) ⁽²⁾	(134,846) ⁽²⁾	(126,366) ⁽²⁾	(124,812) ⁽²⁾	\$ (125,468) ⁽²⁾	(124,812)	(125,468)
Payments for Services/Claims	-	-	-	- ⁽³⁾	(24,902) ⁽³⁾	(25,300) ⁽³⁾	- ⁽³⁾	(16,700)	(16,700)
Other Payments	(732)	(5,174)	(13)	(627)	(5,000)	(497)	(9)	-	-
Net Cash Provided (Used) by Operating Activities	(75,452)	8,973	(76,740)	(1,923)	(126,803)	43,257	(70,412)	52,353	(87,103)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest and Dividends on Investments	2,164	2,533	3,178 ⁽³⁾	4,230 ⁽³⁾	9,964 ⁽³⁾	6,918 ⁽³⁾	309 ⁽³⁾	6,918	7,000
Net Cash Provided (Used) by Investing Activities	2,164	2,533	3,178	4,230	9,964	6,918	309	6,918	7,000
Net Increase (Decrease) in Cash	(73,288)	11,505	(73,562)	2,307	(116,839)	50,175	(70,104)	59,272	(80,103)
Cash and Cash Equivalents - Beginning of Year	527,552	454,264	465,770	392,207	394,514	277,675	327,850	257,747	317,018
Cash and Cash Equivalents - End of Year	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 327,850	\$ 257,747	\$ 317,018	\$ 236,915

(1) For FY22, licenses and permits revenue projected to be the same as FY20.

(2) Projecting through FY22 based on FY20 rate of earnings.

(3) For FY22, the annual personal services costs are projected for the Executive Administrator to spend 10% and the Project Assistant to spend 100% of their time on Real Estate Recovery Fund related tasks.

Commission Members Comments & Questions

Adjournment