

State of Alaska

Real Estate Commission

AO360 Work Meeting

Via Zoom

January 12, 2026

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

Tentative Meeting Agenda

**REAL ESTATE COMMISSION
AO360 Work Meeting**

January 12, 2026

**Atwood Building,
550 W 7th Avenue, Ste
Anchorage AK**

ZOOM Registration Link:

<https://us02web.zoom.us/meeting/register/zU4ICR4wQrePvzOpVZnwFw>

After registering, you will receive a confirmation email containing information about joining the meeting.

Monday, January 12, 2026

10:00 a.m. 1. Call to Order Markwood

2. AO360 work session

Adjournment

Real Estate Commission's Responsibilities

By February 13th

Each Board is required to have a plan for how it will achieve the 25% reduction in regulatory requirements mandated by AO 360. These plans must include the regulation number, proposed change (but you don't have to have draft language), and the number of requirements being reduced.

AO 360 Baseline Requirements

The baseline number of requirements for REC is 203. 130 of these requirements are from the regulations, and 73 requirements are from documents adopted by reference in the regulations. **The 25% target is against the 203 number.**

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	A	B	C	D	E	F
	Regulation Citation	Nature of the Regulation	Summary of the Intended Changes	Proposed Regulatory Reduction	Percentage or Regulatory Reduction	Date of Anticipated Reduction
1	<i>Cite the regulation you intend to change. Can also be a section of related regulations.</i>	<i>Briefly describe what the regulation currently does.</i>	<i>Briefly describe what you plan to change to achieve reduction, transparency, ease of government interaction, other reforms.</i>	<i>List the number of reductions from your baseline that you plan to achieve with this change.</i>	<i>State the percentage of anticipated reduction from your original baseline. This may be achieved using a simple Excel formula.</i>	<i>State whether you anticipate this reduction will be achieved in 2026 or 2027.</i>
2	12 AAC 64.059(b)(1)(a) - (e)	Review of license applications- checklist	remove checklist reference and delete (b) (1) a-e could be listed on the application.			
3	12 AAC 64.059(d)(1)(a) - (e)	Review of license applications- checklist	remove checklist reference and delete (d) (1) a-e could be listed on the application.			
4	12 AAC 64.059(c) 1-6	Applications for licensure- endorsement requirements	remove all license by endorsement (c) 1-6			
5	12 AAC 64.059(f) 1-8	Applications for licensure- endorsement requirements	remove all license by endorsement (f) 1-8			
6	12 AAC 64.059(g) 1-3	Applications for licensure- endorsement requirements	remove all license by endorsement (g) 1-3			
7						
8	12 AAC 64.060(d)	Applications for licensure- non- sufficient funds	delete (d) and add to the application; covered in centralized regulations			
9	12 AAC 64.060(h)	Applications for licensure- exam applicants re: license history	(h) can be on the application			
10						
11						
12	12 AAC 64.061	License by endorsement	delete			
13						
14	12 AAC 64.063(a)(2)	Minimum Education Requirement for Licensure	Amend: *Remove 18--24 month pre licensing requirement and replace with 18 months for 6 hour AK Law; *require all license by endorsement applicants to submit proof of completion of prelicensing course			
15						
16	12 AAC 64.063(b)(1)	Minimum Education Requirement for Licensure	Amend: topic hours from 4 to 2 hrs., to allow for 6 hrs. of AK Law in (b)(G)			
17	12 AAC 64.063(b)(2)	Minimum Education Requirement for Licensure	Amend: topic hours from 3 to 1 hr., to allow for 6 hrs. of AK Law in (b)(G)			
18	12 AAC 64.063(b)(G)	Minimum Education Requirement for Licensure-6 hrs. AK Law	Amend: topic AK real estate law and AK Landlord Tenant law from 3 to 6 hrs.			
19						
20						
21	12 AAC 64.064(f) 1-3	Education requirements after initial license - credit hour values	could be deleted and included in the opening paragraph.			
22						

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	A	B	C	D	E	F
23	12 AAC 64.064(h)	Education requirements after initial license - complete PLE courses	required Broker/associate broker PLE completed before supervision of licensees			
24	12 AAC 64.064(g)	Education requirements after initial license -PLE not completed license lapses	Broker or Associate Broker that did not complete PLE, stay in lapse status, downgrade to Salesperson or reinstate license			
25						
26	12 AAC 64.065(5)(c)	License Required for Employees, Directors, Agents and Officers - clean up	amend: replace the word "corporation" with "entity"			
27						
28	12 AAC 64.066	Temporary military courtesy license	delete; covered in centralized regulations.			
29						
30	12 AAC 64.075	Employment and transfer	needs to be revised to include MyAlaska info			
31	12 AAC 64.075(f)	Employment and transfer- office changes time for processing	Amend: add verbiage for a time period for processing office changes to 10 days. Similar to transfers have 30 days.			
32	12 AAC 64.077	Broker authorization of license applications	revise to include MyAlaska info			
33						
34	12 AAC 64.078(b)(2)	Temporary Absence of Broker of Record - clean up	Amend: change wording "person's" to "substitute broker's currently registered office."			
35						
36	12 AAC 64.085	Suspended or revoked out-of-state license	delete			
37	12 AAC 64.090(a)	Surrender of suspended or revoked licenses- return of license and pocket card if license is suspended or revoked.	delete (a)-			
38						
39	12 AAC 64.110(a) and (b)	Requirements for establishing and maintaining an office- lists out what is completed on form	Amend: add the word "physical" before principal office in the state.			
40	12 AAC 64.110(e) 1-10	Requirements for establishing and maintaining an office- lists out what is completed on form	delete the last line of e and 1-10 could be on the form; not necessary to list out what to complete on form.			
41	12 AAC 64.125(3)(e)	Supervision	delete the first line of (3) e			
42						
43	12 AAC 64.130(8)	Grounds for Revocation or Suspension - advertising	Amend: add, advertising, teams minimum size of text of office name vs team name.			
44	12 AAC 64.140(a)(1)	Employment of Unlicensed Personnel - ability to revoke/suspend/deny license	move to 12 AAC 64.130 for efficiency of the document			
45	12 AAC 64.140(a)(2)	Employment of Unlicensed Personnel - accepting a commission	remove/delete, covered in statute 08.88.401(d)(2)			
46						
47	12 AAC 64.140(2)(b)(4)	Employment of Unlicensed Personnel - licensee may not authorize a unlicensed person to do certain duties	add language to the end of the sentence: "if not directed by a licensed person." Amend to reduce regulations			
48						

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	A	B	C	D	E	F
49	12 AAC 64.140(2)(b)(6) - (7)	Employment of Unlicensed Personnel - accepting a commission	remove to reduce regulation			
50	12 AAC 64.160	False or Misleading Statements- ability to revoke/suspend/deny license	move to 12 AAC 64.130 for efficiency of the document			
51						
52	12 AAC 64. 280 -325	Recovery Fund Claims	remove entire section; recovery fund. REC working on requesting the recovery fund statutes AS 450 -495, be eliminated per Leg. Audit			
53						
54	12 AAC 64.410(8)	Minimum Classroom and Virtual Course Requirements - evaluation form	remove/delete			
55	12 AAC 64.410(b)	Minimum Classroom and Virtual Course Requirements - college transcripts substitution for certificate	remove/delete			
56	12 AAC 64.410(c) (1)and (2)	Minimum Classroom and Virtual Course Requirements - minimum hours of education hours per day requirements	remove/delete			
57	12 AAC 64.410(f)	Minimum Classroom and Virtual Course Requirements - Courses developed by a national organization	remove/delete entire section			
58	12 AAC 64.410(g)	Minimum Classroom and Virtual Course Requirements - courses offered by an accredited college or university	remove/delete entire section			
59	12 AAC 64.450	Temporary Instructor Approval	remove/delete entire section; just have instructors apply for permanent instructor license.			
60						
61	12 AAC 64.500(m)	Continuing Education Requirements- contact hour minimums	remove/delete			
62	12 AAC 64.500(n)	Continuing Education Requirements- courses taken outside of the state	remove/delete			
63						
64	12 AAC 64.600	Insurance Required	Amend: add "transfer as a condition of license.			
65	12 AAC 64.610(a)	Time for Filing Certification of Equivalent Coverage	Amend: add to sentence, ..application to obtain, transfer, reinstate, reactivate, or renew license."			
66						
67	12 AAC 64. 980(b)	Documents Submitted by Facsimile	remove/delete entire section; general practice			
68						
69						
70	12 AAC 64.059(b)(C), (d)(1)(C) & (5)	Review of License Applications	amend: recommended by Leg Audit			
71	12 AAC 64.061(c)(1)(B) & (2)	License By Endorsement				
72	12 AAC 64.075 (a), (b), (c), (d)(1)&(2)	Employment and Transfer				
73	12 AAC 64.077 (a) & (b)	Broker Authorization of License Applications				
74	12 AAC 64.080 (b)	Suspension and Revocation of Active Licenses				
75	12 AAC 64.090 (a), (b), (c)	Surrender of Suspended or Revoked Licenses				
76	12 AAC 64.110(e)(6)	Requirements for Establishing and Maintaining an Office				
77	12 AAC 64.125 (a)(1)	Supervision				
78	12 AAC 64.130 (17)	Grounds for Revocation or Suspension				
79	12 AAC 64.200	Deposit to Trust Account				
80	12 AAC 64.240(e)	Broker's Commission				

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	A	B	C	D	E	F
81	12 AAC 64.570(a)	Property Management of Real Property				
82	12 AAC 64.990(a), (c)(4)	Definitions				

	A	B	C	D	E	F
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2						
3	12 AAC 64.059	Review of license applications	remove checklist reference and delete (b) (1) a-e could be listed on the application. Also (d) (1) a -e			
4			remove all license by endorsement (c) 1-6; (f) 1-8; (g) 1-3			
5	12 AAC 64.060	Applications for licensure	delete (d) and add to the application			
6			(h) can be on the application			
7	12 AAC 64.061	License by endorsement	delete			
8	12 AAC 64.064	Education requirements after initial license	(f) 1-3 could be deleted and included in the opening paragraph.			
9	12 AAC 64.066	Temporary military courtesy license	delete			
10	12 AAC 64.075	Employment and transfer	needs to be revised to include MyAlaska info			
11	12 AAC 64.077	Broker authorization of licensee applications	revise to include MyAlaska info			
12	12 AAC 64.085	Suspended or revoked out-of-state license	delete			
13	12 AAC 64.090	Surrender of suspended or revoked licenses	delte first paragraph			
14	12 AAC 64.110	Requirements for establishing and maintaining an office	delte the last line of e and 1-10 could be on the form			
15	12 AAC 64.125	Supervision	delete the first line of (3) e			

Regulation Citation	Nature of the Regulation	Summary of the Intended Changes	Proposed Regulatory Reduction	Percentage or Regulatory Reduction	Date of Anticipated Reduction
<i>Cite the regulation you intend to change. Can also be a section of related regulations.</i>	<i>Briefly describe what the regulation currently does.</i>	<i>Briefly describe what you plan to change to achieve reduction, transparency, ease of government interaction, other reforms.</i>	<i>List the number of reductions from your baseline that you plan to achieve with this change.</i>	<i>State the percentage of anticipated reduction from your original baseline. This may be achieved using a simple Excel formula.</i>	<i>State whether you anticipate this reduction will be achieved in 2026 or 2027.</i>
12 AAC 64.160	Ability to revoke a license	Move to 12AAC 64.130 for efficiency of the document			2026
12 AAC 64.140 (1)	Ability to revoke a license	Move to 12 AAC 64.130 for efficiency of document			2026
12 AAC 64.140 (2)	Accepting a commission	Remove as it is covered in Statute 08.88.401 d(2)	-1		2026
12 AAC 64.140 (2) b (4)	licensee may not authorize an unlilcened person to do certain duties	add language to the end of the sentance: if not directed by a licensed person. Amend to reduce regulations	1		2026
12 AAC 64.140 (2) b (6) (7)	licensee may not authorize an unlilcened person to do certain duties	Remove to reduce regulations.	-1		2026
12 AAC 64.980	Submitting documents	Add electronically or by Facsimile.	1		2026
12AAC 64.980 (b)	Submitting documents	An Applicant or licensee may submit a document to the commission by facsimile or electronic document	1		2026
12AAC 64.980 (b) 1	Submitting documents	Add verbiage the applicant or licensee to submit a fee with the document unless paid by electronic payment or Credit Card.	1		2026
12 AAC 64.980 (b) 2	Submitting documents	Add verbiage: a notarized signature on the document unless an electronic notorized copy will suffice.	1		2026

From: [Devon Doran](#)
To: [Harris, Nancy A \(CED\)](#)
Subject: AO360 - Regulation Reduction
Date: Thursday, December 11, 2025 11:39:04 AM

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.

ARTICLE 7

Remove the following items:

12 AAC 64.410 (8)

12 AAC 64.410 (b) and 12 AAC 64.410 (c)(1)(2)

12 AAC 64.410 (f) - entire section

12 AAC 64.410 (g) - entire section

12 AAC 64.450 - just have these instructors apply for a regular instructor license and they will be approved to teach for 5 years

ARTICLE 8

Remove the following items:

12 AAC 64.500 (m) - delete section

12 AAC 64.500 (n) - delete section

—

Devon Doran

110 to

Phone (907) 354-2685

Broker/Owner, Signature Real Estate Alaska



Website www.DevonSellsAlaska.com

Website www.DevonSellsAlaska.com
Address 1174 Leatherleaf Loop, Suite A, Wasilla, AK 99654

Proposed Regulations- Quick Guide

12 AAC 64.063. MINIMUM EDUCATION REQUIREMENTS FOR LICENSURE.

12 AAC 64.063(a)(2), (b) and (c)-

1. Application by Endorsement – (Does not affect initial licenses by exam)
 - Remove 18-24mo Pre-Licensing Education requirement and replace within 18 months for 6 hours AK Law
 - Require all License by Endorsement applicants to submit proof of completion/certificate since original type licensure Equivalent Broker/Associate Broker 30 hour r BPL, or Equivalent Salesperson 40hr SPL
2. Change 30 hours Broker Pre-Licensing from 3hrs AK Law to 6hrs AK Law in course.

12 AAC 64.064. EDUCATION REQUIREMENTS AFTER INITIAL LICENSE.

1. 12 AAC 64.064(h)-
 - (h) Upgrade from salesperson to broker or associate broker may not supervise until completing broker PLE.
 - Require Broker PLE Before Supervision of licensees
2. 12 AAC 64.064(g)-
 - Licensee options – remain in “Lapse” status, Downgrade to Salesperson, or Reinstate license

12 AAC 64.065. LICENSE REQUIRED FOR EMPLOYEES, DIRECTORS, AGENTS, AND OFFICERS.

12 AAC 64.065(5)(c)-

- Replace the word “Corporation” with “Entity”

12 AAC 64.075. EMPLOYMENT AND TRANSFER.

12 AC 64.075(f)-

- Amendment to Office Change Procedure/processing for Brokers and Associate Brokers in Charge – 10 days. Similar to the 30 day timeframe allowed for licensees transferring to a different office and they have up to 30 days to work in the new office while waiting for REC processing time and an amended certificate, 12 AAC 64.075

12 AAC 64.078. TEMPORARY ASBSENCE OF BROKER OF RECORD

12 AAC 64.078(b)(2)-

- Change wording to “during the broker of record’s absence; the broker temporarily substituting for the broker of record shall remain employed at that the person’s substitute broker’s currently registered office.”

12 AAC 64.110. REQUIREMENTS FOR ESTABLISHING AND MAINTANING AN OFFICE.

12 AAC 64.110(a) and (b)-

- to add the word “physical” before principal office in the state.
- Draft revision to verbiage brought forward at the November 2024 work meeting regarding physical office in the state.

12 AAC 64.130. GROUNDS FOR REVOCATION OR SUSPENSION.

12 AAC 64.130(8)-

- Add, advertising, teams’ minimum size of text of office name vs team name
- Replace the word “Corporation” with “Entity”

Employ/Employing/Employed

12 ACC 64.xxx

12 AAC 64.059. REVIEW OF LICENSE APPLICATIONS. (b)(C), (d)(1)(C) & (5)

(b) The following checklist is established by the commission for review of an application for a salesperson license; a salesperson license will be issued to an applicant who

(1) submits a completed form for application under this chapter, including

(A) the applicant's name, mailing address, and telephone number;

(B) the applicant's date of birth that shows the applicant is at least 19 years old;

(C) the applicant's **employing broker's name, current and active license number, business name, telephone number, mailing address, and signature;**

(d) The following checklist is established by the commission for reviewing an application for an associate broker license; an associate broker license will be issued to an applicant who

(1) submits a completed form for application, including

(A) the applicant's name, mailing address, and telephone number;

(B) the applicant's date of birth that shows the applicant is at least 22 years of age;

(C) the applicant's **employing broker's name, current and active license number, business name, telephone number, mailing address, and signature;**

(D) "no" answers to all questions on the form dealing with felony indictments or convictions and license actions; and

(E) the applicant's signature certifying that the information on the form is true and correct to the best of the applicant's knowledge;

(2) has passed the examination for real estate brokers;

(3) files the completed application with the division within six months of passing the real estate broker examination as calculated under 12 AAC 64.060(e);

(4) submits a broker training education certificate or a transcript from a college or university registrar verifying 30 hours of broker training education approved by the commission;

(5) submits a statement, signed by the brokers who **employed** the applicant, verifying that the applicant has at least 36 months of active and continuous experience as a real estate licensee within the 60 months before the date of application for an associate broker license; and

12 AAC 64.061. LICENSE BY ENDORSEMENT. (c)(1)(B) & (2)

(a)

(b)

(c) For purposes of licensure by endorsement, a valid and active license is a real estate license that is issued by another state and is equivalent to a license issued by this state. For the license to be considered active, the applicant for a license in this state must have met standards of activity and license status in the other state that are equivalent to the standards in this state for active licensure as provided in 12 AAC 64.080, 12 AAC 64.110, and AS 08.88.171. The applicant must have worked as a real estate licensee as a principal occupation. Within the six months immediately preceding application under AS 08.88, an applicant applying for a

(1) broker license or associate broker license must submit an affidavit that states that the applicant has, within those six months

(A) owned a real estate business;

(B) been **employed** as a broker by a corporation or partnership; or

(C) been an actively licensed broker or associate broker under another broker; the commission may

(2) salesperson license must submit an affidavit that states that the applicant has, within those six months, been **employed** by or affiliated with a broker as a salesperson; the commission may require the applicant to submit listings, sales records, or proof of other licensed activities to verify that the applicant meets the requirements of this subsection.

12 AAC 64.075. EMPLOYMENT AND TRANSFER. (a), (b), (c), (d)(1)&(2)

(a) An individual may not be involved in activities requiring licensure under AS 08.88 until the individual's **employing broker signs and delivers to the commission, either by electronic mail or regular United States mail, a notice of employment of the individual and the individual's completed broker notice to real estate commission of licensee termination form is delivered to the broker by the licensee or the commission.**

(b) When a licensee requests a license transfer from one broker to another, the terminating broker must complete the broker notice to real estate commission of licensee termination form, provide a copy of the completed form to the licensee, and submit the completed form to the commission, either by electronic mail or regular United States mail, not later than five days from the date of the licensee's request for a license transfer. The licensee shall provide the new **employing broker with a copy of the completed broker notice to real estate commission of licensee termination form and provide the commission with**

a completed application for license transfer and the fees established in 12 AAC 02.360. The commission will mail an amended license certificate directly to the new employing broker.

(c) After applying for a license transfer, the licensee may work in the office of the new employing broker for not more than 30 days while waiting for an amended license certificate. The new employing broker shall keep a copy of the licensee's signed application for license transfer and a copy of the completed broker notice to real estate commission of licensee termination form described in (b) of this section until the amended license certificate is received.

(d) The commission's designee shall review and approve a license transfer if the transfer

(1) allows a licensee to resume licensed practice under AS 08.88.171(a)(1), (a)(2), (b)(1), or (b)(2), or after being re-employed as a licensed real estate salesperson for purposes of AS 08.88.171(c); and

(2) does not require further review by the commission.

12 AAC 64.077. BROKER AUTHORIZATION OF LICENSE APPLICATIONS. (a) & (b)

(a) Except as provided in (c) of this section, only the registered broker of an office may employ or terminate a licensed associate broker or salesperson.

(b) An applicant applying to work in a branch office shall submit to the commission the Employing Broker Information form of the application signed by the registered broker and the associate broker in charge of the branch office. This form may be signed digitally and may be submitted either by electronic mail or regular United States mail.

12 AAC 64.080. SUSPENSION AND REVOCATION OF ACTIVE LICENSES. (b)

(b) Upon the suspension or revocation of a real estate broker's license, the license of each associate broker and real estate salesperson employed by that broker is automatically and simultaneously suspended. The commission will notify all licensees of the suspension or revocation of their employing broker's license after the order is served on the employing broker.

12 AAC 64.090. SURRENDER OF SUSPENDED OR REVOKED LICENSES. (a), (b), (c)

(a) A suspended or revoked license and the pocket part of the license must be immediately surrendered by the employing broker to the commission. If the license and pocket part are not in the possession of a broker, they must be immediately surrendered to the commission by the licensee. A license and pocket part are considered surrendered when they have been placed in the United States mail, registered with postage prepaid, and properly addressed to the commission, or when they have been otherwise delivered to the commission.

(b) When a real estate broker surrenders the broker's license, the licenses of all licensees employed by the broker who are not subject to an order of suspension or revocation must be returned to the licensees; the broker shall execute and send to the commission a notice of termination for each of the licensees employed by the broker. Within 15 days of receipt of the returned license, licensees whose licenses are returned shall submit to the commission a properly executed notice of employment or a request for inactivation. Failure to follow the requirements of this section will result in automatic suspension of the employee's license and interruption in the licensee's active status beginning on the date of the broker's suspension or revocation and continuing until a properly executed employment notice or request for inactive status is received by the commission.

(c) When an associate real estate broker or real estate salesperson is discharged or released from a broker's employ for violating the provisions of AS 08.88 or this chapter, the broker shall notify the commission, in writing, of the release or discharge circumstances and reasons for the broker's action. Failure to immediately notify the commission constitutes ratification of the acts of the associate broker or salesperson by the broker.

12 AAC 64.110. REQUIREMENTS FOR ESTABLISHING AND MAINTAINING AN OFFICE. (e)(6)

(e) A broker shall, before operating any office or branch office, register the office or branch office with the commission on a form provided by and approved by the commission. The information provided by the broker must include the

(6) name and license number of all licensees employed by the broker at that office;

12 AAC 64.125. SUPERVISION. (a)(1)

(a) Failure of a broker and associate broker in charge to adequately provide for the supervision of the activities of licensees for whom they are responsible is grounds for disciplinary action against the

(1) employing broker;

12 AAC 64.130. GROUNDS FOR REVOCATION OR SUSPENSION. (17)

(17) for a broker, allowing a salesperson to operate a real estate business without retaining control as the employing broker for the business;

12 AAC 64.200. DEPOSIT TO TRUST ACCOUNT. All money deposited with the broker or person employed by or affiliated with the broker as trustee in real estate transactions must be deposited in or mailed to the appropriate trust account within five days following receipt unless factors such as geographical location, weather conditions, or transportation facilities make such depositing impossible or unreasonable.

12 AAC 64.240. BROKER'S COMMISSION. (e)

(b) Subject to AS 08.88.401(b), a real estate broker licensed under this chapter may pay a fee or commission directly to an associate broker or real estate salesperson licensed in this state or associate broker or real estate salesperson doing business as a legal entity, organized and validly existing under the laws of this state, provided the ownership of the legal entity is an associate broker or salesperson **employed** by the broker.

12 AAC 64.570. PROPERTY MANAGEMENT OF REAL PROPERTY. (a)

(a) A licensee who has sole ownership of rental property either may manage the property through the licensee's **employing** broker or may employ another broker or property manager to perform those management duties. Notwithstanding 12 AAC 64.550, the licensee or the owner's broker is not required to keep records or files of rental agreements or rental transactions, if the files or records are kept by the licensee being **employed**.

12 AAC 64.990. DEFINITIONS. (a), (c)(4)

(a) In AS 08.88.171, 12 AAC 64.059(d), and 12 AAC 64.075(e), "active and continuous experience" means that, notwithstanding 12 AAC 64.080(c), the licensee holds a current active license with no single break of current active status of more than 30 days due to the licensee's failure to affiliate with an **employing** broker and file the appropriate completed application with the division.

(c) In 12 AAC 64.280 - 12 AAC 64.325,

(4)"involved party" means any licensee, whether named or unnamed by the claimant, involved in a transaction that is the subject of a claim, and the **employing** broker or brokers of all involved licensees at the time of the transaction, and all principals to the transaction.

12 AAC 02.530. STANDARDS FOR EQUIVALENT COVERAGE. (2)

(2) a broker **employing** other real estate licensees may comply with the requirements of 12 AAC 02.510(a)(1) and (2) by obtaining insurance with coverage of a minimum of \$300,000 per wrongful act and \$1,000,000 aggregate, if all licensees associated with the broker are covered.

Recommendation 2:**The commission chair should update commission regulations and forms to include independent contractors.**

The commission's regulations and forms all make reference to the "employing broker" but do not reference situations where the brokerage enters into independent contractor relationships with licensees.

According to commission members, the real estate industry has evolved away from employment relationships, and licensees are typically independent contractors affiliated with brokerages. While the commission's statute was updated to reflect this change in 1998, the commission did not update its regulations and forms to include independent contractors. The DCBPL director explained that the division has over 800 forms to maintain, and had overlooked this particular concern.

Per AS 08.88.910, the commission's statutes provide that "the provisions of this chapter that apply to employment relationships and employees also apply to contracting relationships and independent contractors." Occupational licensing regulations and forms that do not reflect business practices create confusion.

We recommend the commission chair update commission regulations and forms to include independent contractors.