



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING
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Notice of Proposed Changes to Occupational Licensing Fees for Professions Regulated by the Real Estate Commission in the Regulations of the Department of Commerce, Community, and Economic Development

Proposed Regulations - FAQ

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1. Why are new fees being proposed?

By law, fees must be analyzed annually and set to approximately recover the cost of program operations. Alaska's professional licensing statutes (AS 08.01.065) require the Division of Corporations, Business and Professional Licensing (CBPL) to "annually review each fee level to determine whether the regulatory costs of each occupation are approximately equal to fee collections related to that occupation." Alaska's licensing fee statutes go on to say, "If the review indicates that an occupation's fee collections and regulatory costs are not approximately equal, the department shall calculate fee adjustments and adopt regulations ... to implement the adjustments."

The division has conducted a thorough fee analysis and proposes a decrease in licensing fee amounts for the real estate commission licenses to comply with AS 08.01.065. The analysis reflected the need to decrease the fees to prevent the accumulation of large surplus. The proposed fee amounts are enclosed and can also be found on the program's web page at <http://professionallicense.alaska.gov/RealEstateCommission>.

2. What are the proposed fees?

The fees proposed will be a decrease in the initial and renewal biennial licenses, transfer of license, reinstatement for lapsed license, and duplicate and name change fees.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.

12 AAC 02.360. Real Estate Commission. (a) The following fees are established for real estate salespersons, associate brokers, and brokers:

- (1) license fee, for all or part of the initial biennial license period, whether licensure is by examination or endorsement, **\$120** [\$140];
- (2) biennial license renewal fee for both active and inactive licenses, **\$120** [\$140];

license; (3) fee for office changes, including change of broker and company name, \$120 for each

- (4) transfer of license fee, **\$120** [\$225];
- (5) application fee for initial license, \$200;
- (6) initial office registration fee, \$200;
- (7) license inactivation or reactivation fee, \$150;
- (8) duplicate license fee, **\$0** [\$20];
- (9) name change fee, **\$0** [\$75];
- (10) post-license education certification and new license document fee, \$50;
- (11) reinstatement fee for a lapsed license, **\$140** [\$225].

(b) The following fees are established for real estate education course certification and instructor approval:

- (1) initial course certification fee, \$50 per credit hour;
- (2) biennial course recertification fee, \$30 per credit hour;
- (3) instructor approval fee, \$200 per instructor;
- (4) temporary instructor approval fee, \$250 per instructor;
- (5) instructor approval recertification fee, \$100.

(c) The following fees are established for publications offered by the Real Estate Commission:

- (1) information pamphlet on landlord and tenant rights, \$5;
- (2) repealed 12/2/2005.

3. How are the estimated costs determined?

AS 08.01.065 requires *all costs* of regulating the profession to be borne by its licensees. The proposed fees are based on known and anticipated costs.

4. What do licensing fees pay for?

The agency must create, publish, and manage licensing application forms and fees, which entail adherence to the state's recordkeeping, security, payment, and refund policies and procedures.

- Requirement of licensees to meet professional fitness standards, which are evaluated by the license examiner and referred to the agency's investigative unit if necessary for further review.
- Enforcement of disciplinary sanctions available to the agency if a licensee violates the state licensing statutes or regulations or an individual practices the profession without a license. Because state law requires all costs of a licensing program to be borne by the licensees of that program (AS 08.01.065), any investigative, attorney, or appeal expenses of the state will be recovered in the licensing fee.

5. When will the new fees be effective?

After the public comment deadline, comments received are compiled and given to the Division Director for consideration. The Division Director may adopt the regulation as written/publicly noticed, may amend and adopt them, or choose to take no action, or may withdraw the proposed

regulations in part or in its whole. After Department action, the adopted regulations goes to Department of Law (DOL) for final review/approval. DOL either approves or disapproves regulations. Once approved by DOL, it goes to the Lt. Governor for filing. Regulation takes effect on the 30th day after they have been filed by the Lt. Governor.

Do you have a question that is not answered here? Please email RegulationsAndPublicComment@alaska.gov so it can be added.