

**Real Estate Commission
Meeting**

June 17, 2020

**Atwood Building
550 W 7th Avenue
Suite 1550
(ZOOM ONLY)**

Anchorage

Call to Order

Approval of Agenda

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

REAL ESTATE COMMISSION MEETING

June 17, 2020

**Atwood Building 550 W. 7th Ave.
Suite 1550 (ZOOM ONLY)
Anchorage, AK**

Email realestatecommission@alaska.gov for ZOOM information

1:00 pm	8. Division Update	Dumas
	a) REC Revenues and Expenditures Report	
	9. Investigative Report	
	a) Statistical Report	Roark
	b) Probation Report	Gill
	c) Investigative Matters: 2019-001043, 2020-000139, 2019-000862, and 2020-000020	Roark
	d) Fine Matrix – Status	Whaley
	e) Assistance with Strategic Plan Objective #1	Whaley
	10. Regulation Revisions Proposed for Adoption	Maiquis
	a) Emergency Regulation to be Made Permanent, Minimum Education Requirements for Licensure, 12 AAC 64.063(h)	
	b) Regulation Revision, Instructor Approval, 12 AAC 64.440(f)	
	c) Regulation Revision, Review of License Applications, 12 AAC 64.059(b)(1)(E) & (d)(1)(E)	
	11. Executive Administrator’s Report	
	a. Education Statistics	Harris
	b. Licensing Statistics	Consalo
	c. Recovery Fund Balance Report	Consalo
	d. Status of Change Re: Wet Signature to Digital	Consalo
	12. Commission Member Comments and Questions	
	13. Adjournment	

Please report any Ethics violations to Shyla Consalo or Nancy Harris.

Next Meeting: September 23, 2020

Statements of Conflict of Interest

Oral Comments & Public Comments

Approval of Meeting Minutes
(March)

1 STATE OF ALASKA
2 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
3 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
4

5 **REAL ESTATE COMMISSION**
6 **MEETING MINUTES**
7

8 **March 24-25, 2020**
9

10
11 “These draft minutes were prepared by the staff of the Division of Corporations, Business
12 and Professional Licensing. They have not been reviewed or approved by the
13 Commission.” By authority of AS 08.01.070(2), and in compliance with the provisions of
14 AS 44.62, Article 6, a scheduled meeting of the Real Estate Commission was held March
15 24-25, 2020, at the State of Alaska Atwood Building, 550 W. 7th Avenue, AAC104 and Ste
16 1550, via ZOOM, Anchorage, Alaska.
17

18 **March 24-25, 2020**
19

20 **Tuesday, March 24, 2020**

21 **Agenda Item 1 - Call to Order**

22 Chairperson PeggyAnn McConnochie called the meeting to order at 9:03 a.m. at which
23 time a quorum was established.
24

25 Roll Call – 1(a)

26 Members present via Zoom

27 PeggyAnn McConnochie, 1st Judicial District, Chairperson
28 Margaret Nelson, Broker, Broker at Large, Vice Chairperson
29 Jamie Matthews, Public Member
30 Cheryl Markwood, Broker at Large
31 David Pruhs, Broker, 4th Judicial District
32 Jesse Sumner, Public Member
33

34 Excused Absent:

35 Samuel Goldman, Broker, 3rd Judicial District
36

37 Staff Present:

38 Shyla Consalo, Executive Administrator
39 Nancy Harris, Project Assistant
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41 Guests Present via ZOOM:

42 Errol Champion, Liaison for AAR, Juneau
43 Cassandra Taggart, Broker, Real Property Management Last Frontier, Anchorage
44 Anita Bates, Associate Broker, Dwell Realty, Anchorage
45 Kirk Wickersham, Broker, FSBO System, LLC, Anchorage
46 Mark Masley, Salesperson, RE/MAX Dynamic Properties, Anchorage
47

48 Approval of Agenda for March 24, 2020-1(b)

49 Commission members reviewed the meeting agenda.
50

51 **On a motion duly made by Ms. Markwood, seconded by Mr. Sumner, it was,**
52

53 **RESOLVED to approve the meeting agenda for March 24,2020 as**
54 **presented.**
55

56 **All in favor; Motion passed.**

57

58 Statements of Conflicts of Interest -1(c)

59 There were no conflicts of interests.

60

61

62 **Agenda Item 2 – Public Comments on Strategic Plan and/or Regulation Reform**

63 Errol Champion said the legislature passed HB124 which is the authorization of electronic
64 notarization. Mr. Champion said this will provide for electronic notarization in remote
65 locations or when there is no availability of a notary. This was sponsored by the mortgage
66 banker and land title offices. The bill will be headed to the Lt. Governor for his signature
67 then the state will be writing regulations and it should be effective the first of the year. It
68 simply means any person can be notarized if there is access to some form of video
69 conferencing. It is interesting to note with the COVID-19 issues we are all facing that NAR
70 is mandating that all states provide for electronic notarization.

71

72 Mr. Champion said that HB310 was introduced by House Labor and Commerce regarding
73 the moratorium on rents and foreclosures. He worked with their lobbyist drafting a
74 response and subsequently giving testimony, followed up with his letter. The issues they
75 had with the bill were that they wanted a form of trust but verification of hardship, that this
76 was not a forgiveness of rents or mortgage payments but instead it was simply a
77 deferment. He said if they fail to identify it in that form, they would be transferring the
78 hardship from the person who couldn't pay their rent to the landlord and that was not the
79 intent.

80

81 Kirk Wickersham said he wanted to speak to the comprehensive review of the real estate
82 statutes and regulations. He said the real estate statutes and regulations have not been
83 looked at comprehensively for some time. The state has added and tweaked and so forth
84 as needed. He said that the statutes and regulations do not read very well and are not
85 immediately easy to understand. He said he is sympathetic to the desire to take up that
86 task, and he commends the Commission for it. He said there was a system set up years
87 ago that worked very well for licensees and the public. He hopes that the changes are not
88 substantive and the way real estate is practiced in the state doesn't change. He said if the
89 Commission starts getting into the substance, he thinks there will be concern on the part of
90 the industry and it will bog the Commission down in their task of what he understands to
91 be streamlining and making the regulations more usable and readable. He gave an
92 example of what happened to the Texas Real Estate Commission many years ago when
93 they made their regulations very restrictive and the Federal Trade Commission stepped in
94 and had them change the regulations back. He asked that the Commission do the
95 streamlining without changing the substance.

96

97

98 **Agenda Item 3 – Develop Strategic Plan, Regulation Review, per Department**
99 **Request**

100 To Include but not limited to discussions on information provided from the Department and
101 Director Sara Chambers, information on regulation changes provided from Texas, as well
102 as discussion on committees under the management versus task forces, etc. – 3(a)

103

104 Ms. McConnochie went over the Strategic Planning Meeting one-page sheet regarding
105 who the Real Estate Commission is and their purpose and what the Texas Real Estate
106 Commission's current concept is for occupational licensing reform.

107

108 The Commission's purpose is to protect the public and to ensure licensees meet
109 requirements of licensure and review discipline matters of action.

110
111 Ms. McConnochie went over the power point presentation "Is it Government's
112 Responsibility? Rethinking regulation, risk and responsibility in state government", and
113 asked members questions regarding possible issues throughout the review.

114
115 The Commission discussed issues they believed need to be looked at for changes and to
116 be placed on their 2020 strategic plan.

117
118 Recessed for break at 12:45 p.m.
119 Reconvened at 1:00 p.m.

120
121 The Commission discussed the specific issues to place on their strategic plan.
122

123 ALASKA REAL ESTATE COMMISSION STRATEGIC PLAN 2020

GUIDING PRINCIPLE

OBJECTIVE – how will we meet this guiding principle?

Who will complete this task?

Protect the
Consumer / Inform the Licensees

With agreement of the appropriate departments, upload informational videos done by appropriate personnel on: 1) how to file a complaint against a licensee and its process; and 2) if a complaint is filed against a license what the process is for that license. Additionally, provide best practices white papers on various topics as deemed appropriate on the website as approved by the Commission.

Staff & Investigator (Shyla & Autumn)

Protect the Consumer

Provide the Commission for consideration, what the Commission 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. And, provide a list of property management FAQs (frequently asked questions) for both licensed property managers and property owners, to review to put in the Commission website.

Property Management Committee of the Commission

Protect the Consumer

Refine and rework current processes, to increase the speed of actions to keep outside licensees or non-licensees from transacting business for which an Alaska real estate license or broker's license is required. Then, put this information on the Commission website and make sure it is easily accessible.

Commissioners Nelson & Pruhs, plus Shyla & Autumn

Protect the Consumer / Inform
licensees

Define minimum standards, based
on what other jurisdictions have
successfully implemented, for team
advertising (i.e. the requirement to
include brokerage information).

Commissioner Nelson &
McConnochie to provide information
to staff

Inform licensees

Assist staff to clear up the following
issues:

Commissioner McConnochie & Staff
(Shyla & Nancy)

- How “inactive status” is
logged/started and the notification
to the affected licensee
- How required education, for those
who apply for license by
endorsement, is defined and verified
- Provided a military spouse has a
current license in good standing in
another state, streamline the
process when they apply for an
Alaska real estate license
- Change how the Commission
receives and disseminates license
history; i.e. paper versus digital, or
some other process
- Define and simplify the criteria for
getting or upgrading an Alaska real
estate license; i.e. referring to
criminal history and what specifically
constitutes a valid reason a license
will not be given/upgraded and the
timing since conviction or
completion of sentence

Protect the Consumer / Inform
licensees

Review all regulations and propose
one major regulation change (clean
up) which bring regulations into the
21st century.

ALL

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Agenda Item 4 – Recess until Wednesday, March 25, 2020 at 9:00 a.m.

On a motion duly made by Ms. Nelson, seconded by Mr. Pruhs, it was,

**RESOLVED to recess until tomorrow, Wednesday, March 25, 2020 at
9:00 a.m.**

All in favor. Motion passed.

The Commission recessed at 1:45 p.m.

Wednesday, March 25, 2020

Agenda Item 1 - Call to Order

Chairperson PeggyAnn McConnochie called the meeting to order at 9:03 a.m. at which
time a quorum was established.

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143 Roll Call – 1(a)

144 Members present via Zoom

145 PeggyAnn McConnochie, 1st Judicial District, Chairperson
146 Margaret Nelson, Broker, Broker at Large, Vice Chairperson
147 Jamie Matthews, Public Member
148 Cheryl Markwood, Broker at Large
149 David Pruhs, Broker, 4th Judicial District
150 Jesse Sumner, Public Member

151

152 Excused Absence:

153 Samuel Goldman, Broker, 3rd Judicial District

154

155 Staff Present:

156 Shyla Consalo, Executive Administrator
157 Nancy Harris, Project Assistant

158

159 Staff Present via ZOOM:

160 Autumn Roark, Investigator for REC
161 Ryan Gill, Investigator, Probation Monitor
162 Amber Whaley, Investigator Supervisor
163 Sharon Walsh, Deputy Director of CBPL

164

165 Guests Present via ZOOM:

166 Errol Champion, Liaison for AAR, Juneau
167 Joe Logan, Associate Broker, Herrington and Company, Anchorage
168 Cassandra Taggart, Broker, Real Property Management Last Frontier, Anchorage
169 Paddy Coan, Associate Broker, Keller Williams Realty, Anchorage
170 Anita Bates, Associate Broker, Dwell Realty, Anchorage
171 Kirk Wickersham, Broker, FSBO System, LLC, Anchorage
172 Mark Masley, Salesperson, RE/MAX Dynamic Properties, Anchorage
173 Brianna Gillespie, Senior Content Developer, PearsonVue,
174 Joel Norris, Business Development Manager, PearsonVue
175 Christine Nelson, Program Manager of Regulatory Services, PearsonVue

176

177 Approval of Agenda for March 25, 2020-1(b)

178 Commission members reviewed the meeting agenda.

179

180 Ms. McConnochie asked for 2 items be added to the agenda under New Business 7(c),
181 Owner Builder information form, and 7(d), regulation updating.

182

183 Ms. Consalo asked that under Old Business, agenda item 6(a) Fine Matrix be removed.
184 She said with the transition to her new position, the new investigator and telecommuting,
185 they will not be able to address this topic now and would like to address it at the next
186 meeting.

187

188 **On a motion duly made by Ms. Nelson, seconded by Ms. Markwood, it was,**

189

190 **RESOLVED to approve the meeting agenda for March 25,2020 as**
191 **amended.**

192

193 **All in favor; Motion passed.**

194

195

196 Statements of Conflicts of Interest -1(c)
197 There were no conflicts of interests.

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200 **Agenda Item 2 – PearsonVue Presentation; testing service for the AREC**

201 Brianna Gillespie, Senior Content Developer; Joel Norris, Senior Business Development
202 Manager; and Christine Nelson, Program Manager of Regulatory Services from
203 PearsonVue (PV) gave a presentation to the Commission regarding Alaska REC business
204 update, PV business update, content development and process, operational specific and
205 project review, action items, and received questions.

206

207 Mr. Norris gave his presentation first. He stated that PV is not testing until mid-April due to
208 COVID-19. He said this is in line with national, state, and federal guidelines and will re-
209 open testing once it is safe to do so. He said that PV provides 2 types of test sites, PV test
210 sites (operated and owned by PV) and 3rd party test sites. 3rd party test sites are sites
211 located in community colleges, universities, vo-tech schools, etc. Many of those facilities
212 have also closed. Mr. Norris stated there is ongoing communication between the Program
213 Manager, Christine Nelson, and their individual clients about decisions they are making
214 and contingency plans they are putting together to support testing in the future. He said if
215 testing resumes soon or around mid-April, they will provide PV test sites and petition 3rd
216 party test sites for extended hours and additional days to accommodate the overflow. If the
217 social restriction is continued for a longer period, they have considered other testing
218 options. He wanted to assure people that PV was addressing the situation as a business.

219

220 Ms. McConnochie stated that currently the regulation states that if a person passed their
221 licensing education, they are required take the PV test within 18 months of receiving that
222 certificate. What if someone put off taking the exam and now cannot take the exam and
223 they are close to that 18-month period. Is there a way we can exempt them from that 18-
224 month time?

225

226 Ms. McConnochie asked Mr. Norris that once testing is reopened in AK how long did he
227 think it will take to get back a normal testing schedule? Mr. Norris said they will extend the
228 hours and add days for their PV testing sites and petition the 3rd party sites to also extend
229 their hours and add testing dates to accommodate the overflow.

230

231 Ms. Gillespie gave her portion of the presentation regarding the test development process
232 to the Commission. Ms. Gillespie said the purpose of the real estate exam is to protect the
233 public from incompetent practitioners. Exams must ensure that those committed to
234 practicing real estate have the knowledge, skills, and abilities to do so. PV builds the exam
235 with content that is reflective of the current industry practice and in line with rules and
236 regulations. Applicants should have a basic knowledge of real estate and as they work in
237 the field, they will gain more knowledge, skills, and abilities. They want to make sure
238 candidates have the basic knowledge of what they need to do to complete those tasks
239 necessary to protect the public on day one. Ms. Gillespie explained the life cycle of a test
240 item (question) and how it is placed on the exam as pretest item before it is placed on the
241 exam as a scored item. This occurs with the help of Subject Matter Experts (SME) vetted
242 by the state.

243

244 Ms. Nelson (Commission member) stated she heard concerns that the first or last five
245 questions of the exam were questions made to mess up the candidate. Ms. Gillespie
246 assured the Commission this was not true. She said pretest items are placed throughout
247 the exam and would not be the first or last five questions on the exam.

248

249 Ms. Nelson, from PearsonVue, gave her portion of the presentation regarding exam
250 statistics to the Commission. She went over the statistics for testing volume by test center,
251 by exam type, exam registration by source, pass rates, and candidate satisfaction surveys.
252 She said Anchorage test sites do most exams, and 84 -89% of AK candidates register for
253 the exam online. The pass rates for test takers is consistent for the salesperson and
254 broker exams at 44 -46% for salesperson and 41% - 42% for brokers. The candidate
255 satisfaction survey, although a bit more challenging in AK, showed that the numbers are
256 not out of range of what PV normally sees.

257
258 Ms. Nelson (Commission member) stated she thought the pass rates were low at 44% and
259 asked if that was because the exam is too low, or if our educators are not teaching well?
260 Ms. Gillespie said that PV monitors these figures closely. She said AK numbers are
261 consistent with pass rates. If the numbers are too low or too high, they will work with SMEs
262 to determine whether the difficulty of an item was appropriate or if it was too hard or too
263 easy.

264
265 Ms. Nelson (Commission member) had some concerns about candidates that take the
266 exam many times before they pass. She said, as a Commission, they are trying to come
267 up with different ways that they are not unduly keeping individuals from being licensed as
268 they have been tasked to do with the current review of the real estate regulations. Ms.
269 Gillespie said the goal of the exam is to turn people away. Is the exam really doing its job if
270 75% of the people pass? What is the level they need to have to protect the public? If the
271 pass rate is in the 20s or in the 80s, that will get her attention that something is not right.
272 What is that knowledge level? She said she will work with SMEs around the state to
273 determine where that level is.

274
275 Break at 10:08 a.m.
276 Reconvened at 10:15 a.m.

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278

279 **Agenda Item 3 – Public Comments**

280 Ms. McConnochie stated, and the Commission members agreed, that on the agenda it
281 indicated public comment would begin at approximately 10:45 a.m.; however, the
282 PearsonVue presentation was completed earlier than expected. Therefore, the
283 Commission will allow public comment now, and if there is anyone who has public
284 comments at 10:45 a.m., they would also allow public comment at that time.

285

286 Paddy Coan, Broker manager for Keller Williams Realty - AK Group, asked the
287 Commission to consider the suspension of the rule that a hard signature be required on
288 the license to be able to transfer or terminate licenses due to the COVID-19. She asked if
289 DocuSign could be used on the physical license. She said they would like as many people
290 out of the office as possible, as they are trying to keep people safe. She said believed this
291 would not harm the public, as DocuSign is used on their contracts. This would keep people
292 from coming into the office and doing paperwork.

293

294 Errol Champion, the liaison for the Alaska Association of Realtors (AAR), updated the
295 Commission on the adoption of HB124, regarding remote online notarization. It will be
296 transmitted to the Lt. Governor and, once it is signed, there will be regulations written. The
297 anticipated effective date is January 1, 2021. The reason he brought this bill to the
298 attention of the Commission is because the National Association of Realtors (NAR) is
299 trying to get the Secured Notarization Act in the stimulus package. He said this would
300 enable the ability to have remote online notarization viewed as a vital step as we deal with
301 the corona virus.

302 Mr. Champion also updated the Commission on the status of HB310, regarding deadlines
303 on utilities payment, rent/mortgage payments, evictions, and foreclosures. Input was
304 provided by various utility companies and other property managers, and they are drafting
305 changes to the original language of HB310. The changes are the same ones he discussed
306 with the Commission yesterday, regarding trust and verify. The utility companies (not
307 discussed previously) have a lot of concerns with the deficit revenues and how this can be
308 treated by the regulatory commission. He asked the Commission to keep watch on HB310
309 with a revised bill coming out soon.

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312 **Agenda Item 4 – Meeting Minutes**
313 **December 18, 2019 - 4(a)**

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On a motion duly made by Mr. Pruhs seconded by Ms. Matthews, it was,

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322

RESOLVED to approve the December 18, 2019 meeting minutes.

Ms. Markwood had some corrections to the minutes. She stated that on page 5, lines 218-224, she was not the one who stated those things and would like that removed. Also, on page 4, line 160, she also did not make that statement, and she believes it was Ms. Nelson.

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324

On a motion duly made by Ms. Markwood seconded by Ms. Nelson, it was,

325
326
327

RESOLVED to amend the December 18, 2019 meeting minutes as discussed.

328
329
330

There was no opposition to the amendments made to the original motion regarding the December 18, 2020 meeting minutes.

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333

Roll call for original motion: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Ms. Matthews-yes, Mr. Sumner-yes, Ms. McConnochie-yes.

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Motion passed.

337
338

Agenda Item 5 – Committee Reports

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Property Management Committee, best practices for consideration – 5(a)

Ms. Nelson spoke to the Commission regarding the Property Management Committee and the great job they are doing to improve property management in the state. She introduced Ms. Cassandra Taggart, the Committee Chair, to present the Property Management Committee report to the Commission.

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Ms. Taggart presented the Commission with best practices for training for those working in property management, and would like it to be posted to the REC website for their consideration.

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She said the Property Management Committee is currently working on best practices for the handling of trust accounts and security deposits. That is currently in a draft form and will be presented to the Commission for consideration in the future. The next item that is on the Property Management Committee agenda is the statutes and regulations. Ms. Taggart said she will add to the Committee's agenda the vote from yesterday's meeting as part of the strategic plan. She said the March Committee meeting was canceled, there will be no meeting in April, and they will be back on track in May.

353
354

355 **On a motion duly made by Ms. Nelson, seconded by Mr. Pruhs, it was,**

356

357 **RESOLVED to adopt the Property Management best practices for**
358 **additional training to be published on the REC website.**

359

360 Roll call vote: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Ms. Matthews-yes, Mr.
361 Sumner-yes, Ms. McConnochie-yes.

362

363 **Motion passed.**

364

365 Ms. McConnochie thanked Ms. Nelson and Ms. Taggart for all their work on the Property
366 Management Committee.

367

368 Education Committee, Guidelines for content within each new DCE course – 5(b)

369 Commission members reviewed the guidelines for the 2020-2022 DCE topics provided by
370 the Education Committee.

371

372 **On a motion duly made by Ms. Nelson, seconded by Mr. Pruhs, it was,**

373

374 **RESOLVED to approve the 2020-2022 DCE guideline**
375 **recommendations.**

376

377 Roll call vote: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Ms. Matthews-yes, Mr.
378 Sumner-yes, Ms. McConnochie-yes.

379

380 **Motion passed.**

381

382 Ms. McConnochie thanked the Education Committee for all their hard work on the DCE
383 guidelines. It is very much appreciated.

384

385

386 **Agenda Item 6 – Old Business**

387 Ms. McConnochie said the fine matrix will be moved to the June meeting for the
388 Commission's discussion and review.

389

390 Ms. Consalo asked that Commission members not use the fine matrix as a reference
391 when they are reviewing cases, but to use case precedence provided to them by the
392 investigator. The fine matrix needs to be revised, reviewed, and adopted by the
393 Commission before it can be used when reviewing cases.

394

395 **AREC Property Transfer Disclosure Form – 6(a)**

396 Mr. Pruhs addressed the AREC Property Transfer Disclosure form. He said not much has
397 been completed on this, but he has several people from different industries that will be
398 working with him on this form. He has not been able to get everyone together this winter;
399 however, he said they will be getting together in June and hopes to have something more
400 at the June meeting.

401

402 Ms. McConnochie stated if he could have something available for the Commission at the
403 June meeting, it would be appreciated.

404

405

406 **Agenda Item 7 – New Business**

407 **Regulation Revision, Instructor approvals 12 AAC 64.440(f) – 7(a)**

408 Ms. Harris presented the proposed regulation for revision regarding the expiration date of
409 instructor certifications. Instructor renewals expire April 1st; however, in the regulation it
410 states they expire March 31st, so this change would be to correct that. Ms. Harris also
411 stated the notarized regulation is ready to go up for public comment, but stated if there
412 were other regulations needing changed, it could be done as one project. Ms. Markwood
413 recommended the Commission do one regulation project with both changes if they are
414 ready. Ms. McConnochie mentioned there would be additional upcoming regulation
415 changes; however, putting these two out right now might be a good idea.

416

417 **On a motion duly made by Ms. Markwood, seconded by Ms. Nelson, it was,**

418

419 **RESOLVED to approve this regulation change for 12 AAC 64.440(f), as**
420 **written and to put them forward as one project.**

421

422 Roll call vote: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Ms. Matthews-yes, Mr.
423 Sumner-yes, Ms. McConnochie-yes.

424

425 **Motion passed**

426

427 Discussion on meeting format for future in-person meetings – 7(b)

428 Ms. McConnochie stated that this issue was on the agenda for discussion when she
429 thought that the Commission would be meeting in person to receive the members
430 comments. She said the only discussion here was to ask the will of the Commission on
431 their preference for the format of in-person meetings. The travel would be the same for the
432 out of town members with an overnight stay. Her only concern was the amount of
433 Commission business and getting that done in a one-day meeting. Her question to the
434 Commission would be: do they have a preference on the format of the in-person meetings,
435 two-day split or one day? The Commission was mixed as far as their preference but
436 seemed to be at the will of the Commission. Ms. McConnochie suggested they revisit this
437 issue in the fall, closer to their next in-person meeting and determine what is in the best
438 interest of the Commission at that time.

439

440

441 **Agenda Item 3 – Public Comments – Continued**

442 Ms. McConnochie stated it was 10:45 am and asked if there were any public comments.

443

444 Ms. McConnochie hearing no one for public comments closed the public comment period.

445

446 Owner Builder Exemptions form – 7(c)

447 Ms. Consalo spoke to the Commission regarding the Owner Builder Exemption form. This
448 issue came up at the last AK State Home Building Association (ASHBA) meeting and
449 there was concern from the ASHBA regarding real estate licensees representing
450 owner/builders and not having a copy of the current Exemption from Regulation of
451 Construction Contractors form when they are representing someone who is an
452 owner/builder. If the owners/builders have completed this form, does the real estate
453 licensee have one on file? The licensees would essentially be setting themselves up for
454 possible liability because they could be representing somebody illegally if those folks don't
455 qualify for that exemption. The form was recently revised and will be tracked by Mr. Joe
456 Bonnell, Licensing Supervisor for the Construction Contractors Board. She said they want
457 to let real estate licensees know if they are ever in the position where they are
458 representing an owner/builder, they need to either check with Mr. Bonnell if an exemption
459 form was submitted or print out an exemption form and have the owner/builder complete

460 the form, submit it to the Department, and place a copy in the transaction file. Ms. Consalo
461 said this is more of an informational thing for licensees to be aware of.

462
463 Mr. Sumner asked the Chair for a ruling if he had a conflict of interest on this issue. He is a
464 licensed contractor and his brother is the president of the Mat-Su Home Builders
465 Association.

466
467 Ms. McConnochie said there was no conflict of interest once he stated his possible conflict
468 of interest and it was stated for the public.

469
470 Mr. Sumner stated he thought what we were doing was a good idea.

471
472 The Commission members asked that the Owner/Builder Exception form be placed on
473 REC website and to include it on the next List Serv.

474
475 Regulation Update – 7(d)

476 Ms. McConnochie stated that at the next meeting the Commission will look at probable
477 regulations that need to be changed and make those changes. She said this will be
478 ongoing line item on all future agendas for every meeting.

479
480 Ms. McConnochie stated that there were two concerns she heard from the PearsonVue
481 presentation and from the public comment of Ms. Coan due to the situation with COVID-
482 19. The first was the closure of real estate examinations affecting those individuals that
483 have an education certificate that could expire before testing resumes. The second was
484 Ms. Coan's concern regarding allowing DocuSign or an electronic signature in place of a
485 wet signature on licenses being turned in for transfers and terminations.

486
487 **On a motion duly made by Mr. Pruhs, seconded by Ms. Markwood, it was,**

488
489 **RESOLVED that due to the advent of the COVID-19 virus, candidates**
490 **who have received a completion certificate for licensing education,**
491 **the Commission extends the timeline for taking and passing the**
492 **PearsonVue exam to 60 days after PearsonVue has reinstated**
493 **testing.**

494
495 Roll call vote: Ms. Nelson=yes, Ms. Markwood=yes, Mr. Pruhs=yes, Ms. Matthews=yes, Mr.
496 Sumner=yes, Ms. McConnochie=yes.

497
498 **Motion passed.**

499
500 **On a motion duly made by Mr. Pruhs, seconded by Ms. Nelson it was,**

501
502 **RESOLVED that due to the advent of the COVID-19 virus, the**
503 **Commission will allow DocuSign or other electronic means for a**
504 **signature, instead of a wet signature, on license transfers and**
505 **terminations.**

506
507 Mr. Pruhs made an amendment to the motion, seconded by Ms. Markwood, it was
508 unanimously

509
510 **RESOLVED that the motion is effective immediately and subject to**
511 **approval of Division Director that we allow the use DocuSign or other**
512 **electronic means for transfers and terminations of licenses.**

513 Roll call vote for original motion: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Ms.
514 Matthews-yes, Mr. Sumner-yes, Ms. McConnochie-yes.

515
516
517

Motion passed.

518 Ms. McConnochie asked staff to keep Commission members posted on emergency
519 regulations and if there was any push back from the Department on implementing the first
520 motion that allows candidates to go past the 18-month requirement of their pre-licensing
521 education certificate, if necessary.

522
523

Agenda Item 10 – Executive Administrator’s Report

524 **Licensing and Education Report – 10(a)**

525 Ms. Harris presented the licensing statistics for the March 25, 2020. 62 new licenses were
526 issued between 9/21/2019 through 12/31/2019. She said there were 2231 active licensees
527 with an expiration date of 01/31/2022, 3 inactive licensees, 7 lapsed licenses due to non-
528 compliance of PLE, 6 licenses returned at the date of this report, 3 license upgrades from
529 salesperson to associate broker, 2 upgrades from salesperson to broker and 0 licensed by
530 endorsement (holds an active license in another state). Ms. Harris stated that the renewal
531 statistics as of today, 2370 licenses renewed, 362 had not renewed.

532
533

534 Ms. Harris spoke about the renewal and the new online process. She said this year
535 licensees had go through their MyAlaska account to link their existing license and then
536 renew their license. She said for most licensees the online renewal went smoothly;
537 however, some licensees were having problems getting into the MyAlaska site. Several
538 licensees applied for an initial license instead of renewing their license and had to be given
539 a refund and still renew their license. Ms. Harris also stated there were still many licensees
540 who renewed by hard copy.

541
542

Agenda Item 9 – Investigative Report

543 **Statistical Report – 9(a)**

544 The new REC Investigator, Autumn Roark, gave the Commission a brief introduction on
545 her background before working for the REC.

546
547

548 Ms. Roark presented the investigation statistics for the reporting period of 11/19/19
549 through 03/09/20 to include cases, complaints, and intake matters. The Division opened
550 32 matters, and closed 25 matters since the last report. A total of 30 matters remain
551 ongoing, under active investigation, or pending litigation.

552

Probation Report – 9(b)

553 Mr. Gill presented the probation report to the Commission. He said the date of this report
554 is March 4, 2020. He said and there has not been a lot of changes with his report. Since
555 his last report, 2 licensees have been released from probation, both were voluntary
556 surrenders. There are currently 4 licensees on probation, with 3 out of the 4 in compliance.
557 Mr. Gill said that the one licensee who is not in compliance is Stacy Hague. The last time
558 he spoke with Ms. Hague, she said she would not be renewing her license unless EXP
559 Realty takes her back. He said if that does not happen, then further action may be
560 warranted.

561
562

Licensing and Education Report – 10(a)

563 Ms. Harris presented the education report for March 25, 2020. She reported that as of
564 March 9, 2020, there were currently 11 pre-licensing courses, 4 broker upgrade courses,
565

566 266 elective courses, 22 designated courses, and 70 post-licensing courses approved.
567 There are currently 149 approved permanent instructors. Ms. Harris stated we are in
568 instructor renewal period, and she is working on those.
569

570 Break at 11:14 a.m.

571 Reconvened at 11:25 a.m.

572

573

574 **Agenda Item 8 – Division Update**

575 **REC Revenues and Expenditures Report – 8(a)**

576 Sharon Walsh, Deputy Director of the Division of Corporations, Business and Professional
577 License presented the Division Update.

578

579 She presented the 1st and 2nd quarter of FY 2020. Ms. Walsh stated that currently the
580 revenue was: \$198,486. For expenditures totals, there was non-investigative expenditures
581 of \$63,651; investigative expenditures of \$44,663; direct expenditures of \$108,314;
582 indirect expenditures of \$94,264 (this includes internal administration, department, and
583 statewide costs); and the total expenditures of \$202,578. There was a total surplus of
584 \$778,063. She said she does not know how much revenue has captured the renewal, but
585 the bulk of it will be coming in on the next quarters report.

586

587 **Recovery Fund Balance Report – 10(b)**

588 Ms. Walsh presented the Recovery Fund Balance report to the Commission. She said,
589 looking at the Statement of Net Positions, the total liabilities and fund balance for the FY
590 ending 6/30/2019 was \$277,675. That does not represent any renewal fees coming into
591 that fund.

592

593 The Commission members had some concerns with the Recovery Fund. Some of their
594 concerns were that the Project Assistant position was being paid out of the Recovery Fund
595 and if that could be changed; and how to recoup funds from individuals that are no longer
596 licensed but had a recovery fund against them. How do they replenish the recovery fund?
597 There were discussions on the history of the Recovery Fund; the statutory authority for the
598 Project Assistant position to be paid from the Recovery Fund; how difficult it would be to
599 have that position changed to be paid from the REC general fund; looking into changing
600 the Recovery Fund claim limits to a tiered system based on the type of license; and having
601 the Department of Law provide an opinion on recouping Recovery Fund money from
602 approved claims on individuals who are no longer licensed.

603

604 **On a motion duly made by Mr. Pruhs, seconded by Ms. Nelson it was,**

605

606 **RESOLVED that Department of Law to look at what can be done to**
607 **collect from people who are no longer licensed.**

608

609 Roll call vote for original motion: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Ms.
610 Matthews-yes, Mr. Sumner-yes, Ms. McConnochie-yes.

611

612 **Motion passed.**

613

614

615 **Agenda Item 11 – Commission Members Comments**

616 Ms. Nelson commented on the great work that was done at this meeting and said she likes
617 this ZOOM format and how it has been working. She wished everyone safe and good
618 health.

619 Mr. Pruhs also said it was a good meeting. He said he has some work to do, and he will
620 hopefully see everyone in June.

621
622 Mr. Sumner said it was a good meeting and will see everyone in June.

623
624 Ms. Matthews said she echoed the comments of the other Commission members. She
625 said it was great to actually video conference in. She said with each meeting she
626 appreciates more of real estate and what you do as a public member. She complimented
627 Ms. McConnochie on doing a great job on facilitating the strategic plan and the meeting
628 today. She thought it was nice, efficient, and well done.

629
630 Ms. Markwood concurred with the other Commission members. She said the meeting went
631 well. ZOOM has worked well. Having two days of meetings with so much to accomplish,
632 the members should pat themselves on the back; thank you so much for putting through
633 the strategic plan. These are trying times for all of us, especially our industry. She
634 commended everyone for being able to be at this meeting and getting all the work done
635 today. She especially thanked the staff for being in the office and coordinating this meeting
636 during these trying times. She agreed with the other Commission members that the format
637 today and yesterday worked well, and she thinks the Commission members are still
638 getting used to each other and their roles as Commissioners. She said she feels good
639 about the work that is being done and is proud to work with everyone and thanked them
640 for their hard work.

641
642 Ms. McConnochie said she has been in contact with Mr. Goldman, and he apologized for
643 not being here. She said she wished him a speedy recovery and looks forward to seeing
644 him at the June meeting. She also wanted to thank and welcome Ms. Roark. She said that
645 Ms. Consalo had spoken highly of her and looks forward to having her on board. She
646 thanked Ms. Harris for being the stalwart and for keeping us on track. She welcomed Ms.
647 Consalo, and said she knows there is a steep learning curve but we are all here to help
648 her out. She said she would also like to thank each of the Commission members for all
649 their hard work they put into yesterday. She said she sent the final version of the strategic
650 plan to Ms. Harris and asked that she place it into OnBoard for everyone to look at. She
651 thanked Ms. Nelson for her help with the wordsmith of one of the topics, that was very
652 helpful and much appreciated. She said she is glad the strategic plan is completed
653 because this is what the Commission will look at every meeting and work on. Since the
654 Commission is working well together, she said they will get these topics accomplished for
655 every single and would-be licensee and what we are doing will affect the consumer. She
656 said she really appreciated all the hard work. She said be healthy, safe, and she looks
657 forward to seeing everyone at the June meeting.

658
659
660 **Agenda Item 12 – Adjournment**

661
662 **On a motion duly made by Mr. Pruhs, seconded by Ms. Markwood, it was,**

663
664 **RESOLVED to adjourn.**

665
666 **All in favor; Motion passed.**

667
668 Meeting adjourned at 12:17 p.m.

669
670 The next meeting will be held June 17, 2020 in Anchorage.

671

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680
681

Prepared and submitted by:
Real Estate Commission Staff

Approved:

REC Chairperson
Alaska Real Estate Commission

Date: _____

DRAFT

Approval of Meeting Minutes
(April)

1
2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
4 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
5

6 REAL ESTATE COMMISSION
7 MEETING MINUTES
8

9 April 20, 2020
10

11 "These draft minutes were prepared by the staff of the Division of Corporations, Business
12 and Professional Licensing. They have not been reviewed or approved by the
13 Commission." By authority of AS 08.01.070(2), and in compliance with the provisions of
14 AS 44.62, Article 6, a scheduled meeting of the Real Estate Commission was held April
15 20, 2020, at the State of Alaska Atwood Building Ste 1550, 550 W. 7th Avenue,
16 Anchorage, Alaska.
17

18 **April 20, 2020**

19 **Agenda Item 1 - Call to Order**

20 Chairperson PeggyAnn McConnochie called the meeting to order at 10:05 a.m. at which
21 time a quorum was established.
22

23 Roll Call – 1(a)

24 Members present via ZOOM:

25 PeggyAnn McConnochie, 1st Judicial District, Chairperson
26 Margaret Nelson, Broker, Broker at Large, Vice Chairperson
27 Cheryl Markwood, Broker at Large
28 Samuel Goldman, Broker, 3rd Judicial District
29 David Pruhs, Broker, 4th Judicial District
30 Jamie Matthews, Public Member
31

32 Members Absent:

33 Jesse Sumner, Public Member
34

35 Staff Present:

36 Shyla Consalo, Executive Administrator
37

38 Staff Present via ZOOM:

39 Jun Maiquis, Regulation Specialist
40 Megyn Weigand, Assistant Attorney General
41

42 Guests Present via ZOOM:

43 Errol Champion, Liaison for AAR, Juneau
44 Beth Simpson, Broker, Keller Williams Realty Alaska Group
45 Paddy Coan, Associate Broker, Keller Williams Realty, Anchorage
46 Lindsay Sizemore, Salesperson, Keller Williams Realty, Anchorage
47 2 unidentified callers
48

49 Approval of Agenda-1(b)

50 Commission members reviewed the meeting agenda.
51

52 **On a motion duly made by Ms. Nelson, seconded by Ms. Markwood, it was,**
53

54 **RESOLVED to approve the meeting agenda for April 20, 2020 as**
55 **drafted.**

56 **All in favor; Motion passed.**

57

58 Statements of Conflicts of Interest-1(c)

59 Ms. McConnochie, Ms. Nelson, Ms. Matthews, Mr. Pruhs, Mr. Goldman, and Ms.
60 Markwood had no conflicts of interest to disclose.

61

62 Agenda Item 2 – Public Comments

63 There were no public comments made.

64

65 Agenda Item 3 – Proposed Emergency Regulation Change

66 Ms. McConnochie stated the purpose of the meeting was to review and approve the
67 proposed emergency regulation change. Ms. McConnochie invited Regulation Specialist
68 Jun Maiquis to provide background information on the proposed emergency regulation
69 change.

70

71 Mr. Maiquis introduced Megyn Weigand as the Assistant Attorney General assigned to this
72 regulation project. Mr. Maiquis stated he received the regulation change proposal based
73 off the Commission's last meeting in March and in response to the COVID-19 crisis. Mr.
74 Maiquis explained that emergency regulations are good for 120 days, and anything over
75 120 days, the Commission would have to do another regulation project to make these
76 regulations permanent. Mr. Maiquis invited Ms. Weigand to comment on the topic.

77

78 Ms. Weigand stated she assisted in drafting the Commission's emergency regulation
79 change. She explained that the Governor issued a suspension order and the Governor
80 and legislature passed SB241, which gives broad authority and relaxed statutes and
81 regulations, so all state resources can be maximized. Ms. Weigand drafted this regulation
82 change in a way that should this change need to last longer than the 120 days or after the
83 suspension order and SB241 expire, the Commission will not need to start over with a
84 regulations project. The 120 days begins the day the regulations change is filed with the
85 Lieutenant Governor's Office; however, in the next month or two if the Commission finds
86 they need the regulation in place for longer than the emergency powers, it is already in a
87 form where it can be sent out for public notice, provide for public comment, and vote on it
88 a second time to become a permanent regulation. The regulation also has a triggering
89 event described in the first few phrases, so even if this were to become a permanent
90 regulation, it wouldn't displace the other regulations which state the timeframes required to
91 submit their education and test results. It would only be effective if a disaster under AS
92 26.23.020. If a disaster were to be formally declared by the Governor in the future, then
93 this regulation would allow the Commission's applicants to take advantage of the
94 regulation if testing services were delayed or stalled in some way.

95

96 Ms. McConnochie asked if the Commission votes to pass this regulation, how long would it
97 take to be enforced. Ms. Weigand stated that in addition to the regulation, the Commission
98 would need a brief, emergency declaration, which is a finding of the Commission that this
99 is an emergency that requires immediate response. Once the whole packet is turned in to
100 Mr. Maiquis, everything should be done in two or three days. The regulation would be
101 effective immediately upon filing.

102

103 Mr. Pruhs asked to clarify if that meant there needed to be findings of fact. Ms. Weigand
104 acknowledged that is what is needed. Ms. Weigand also stated electronic signatures were
105 being accepted on the applicable regulations project forms to help expedite the process.

106

107

108 Ms. McConnochie requested Ms. Consalo read the sample Board of Nursing finding of
109 emergency to the Commission, since not everyone received a copy of the email from Mr.
110 Maiquis. Ms. Consalo read the excerpt from the Board of Nursing's example finding of
111 emergency.

112

113 **On a motion duly made by Ms. Nelson seconded by Mr. Pruhs, it was,**

114

115 **RESOLVED to approve the emergency regulation, as drafted and**
116 **recommend the regulation be permanent.**

117

118 Roll call vote: Ms. Nelson-yes, Ms. Markwood-yes, Mr. Pruhs-yes, Mr. Goldman-yes, Ms.
119 Matthews-yes, Ms. McConnochie-yes.

120

121 Motion passed.

122

123 Ms. McConnochie asked for a volunteer to assist Ms. Consalo in drafting the language
124 needed for the finding of emergency. Mr. Pruhs volunteered to assist.

125

126 Mr. Maiquis asked who the Commission would want notified in the public notice for the
127 permanent regulation change. He explained the difference in when notice would be sent to
128 licensees and interested parties or just the minimum legal requirement of the interested
129 parties. Ms. McConnochie confirmed the Commission wanted licensees and interested
130 parties noticed, to include Pearson Vue. Mr. Maiquis also asked if the Commission wanted
131 to have oral testimony for this, or the minimum legal requirements of written comments.
132 The Commission agreed to only accept written comments.

133

134 **Agenda Item 4 – Adjournment**

135

136 **On a motion duly made by Ms. Markwood, seconded by Ms. Nelson, it was,**

137

138 **RESOLVED to adjourn.**

139

140 **All in favor. Motion passed.**

141

142 Meeting adjourned at 10:22 a.m.

143

144 The next meeting will be held June 17, 2020 in Anchorage.

145

146

147

Prepared and submitted by:
Real Estate Commission Staff

148

149

150

Approved:

151

152

153

PeggyAnn McConnochie
REC Chairperson
Alaska Real Estate Commission

154

155

156

157

Date: _____

PearsonVue Update
Re: Re-Opening of Test Centers

Committee Reports

Old Business



State of Alaska Residential Real Property Transfer Disclosure Statement

Prepared in compliance with Alaska Statute (AS) 34.70.010 - 34.70.200

General Information

AS 34.70.010 requires that before the Transferee/Buyer (hereafter referred to as **Buyer**) of an interest in residential real property makes a written offer, the Transferor/Seller (hereafter referred to as **Seller**) must deliver a completed written disclosure form. This disclosure statement is in compliance with AS 34.70.010. It concerns the residential real property* located in the _____ Recording District, _____ Judicial District, State of Alaska.

Legal Description: _____

Property Address/City/Other: _____

* Residential real property means any single family dwelling, or two single family dwelling units under one roof, or any individual unit in a multi-unit structure or common interest ownership community whose primary purpose is to provide housing. AS 34.70.200(2) and (3).

AS 34.70.020 provides that if a disclosure statement or material amendment is delivered to the transferee after the transferee has made a written offer, the transferee may terminate the offer by delivering a written notice of termination to the transferor or the transferor's licensee within three days after the disclosure statement or amendment is delivered in person or within six days after the disclosure statement or amendment is delivered by deposit in the mail.

AS 34.70.040(b) provides that if an item that must be completed in the disclosure statement is unknown or is unavailable to the Seller, and if the Seller or Seller's agent has made a reasonable effort to ascertain the information, the Seller may make an approximation based on the best information available to the Seller or Seller's agent. It must be reasonable, clearly labeled as an approximation, and not used to avoid the disclosure requirements of AS 34.70.010 – AS 34.70.200.

All disclosures made in this statement are required to be made in good faith (AS 34.70.060). The Seller is required to disclose defects or other conditions in the real property or the real property interest being transferred. To comply, disclosure need not include a search of the public records, nor does it require a professional inspection of the property.

If the information supplied in this disclosure statement becomes inaccurate as a result of an act or agreement after the disclosure statement is delivered to the Buyer, the Seller is required to deliver an amendment to the disclosure statement to the Buyer. An addendum/amendment form for that purpose may be attached to this disclosure statement.

Upon delivery to a buyer, any inspection/reports generated by a purchase agreement of this property automatically becomes an addendum/amendment to the property disclosure.

Exemption for First Sale: Under AS 34.70.120, the first transfer of an interest in residential real property that has never been occupied is exempt from the requirement for the Seller to complete the Disclosure Statement.

Waiver by Agreement: Under AS 34.70.110, completion of this disclosure statement may be waived when transferring an interest in residential real property if the Seller and Buyer agree in writing. Signing this waiver does not affect other obligations for disclosure.

Violation or Failure to Comply: A person who negligently violates or fails to perform a duty required by AS 34.70.010 - AS 34.70.200 is liable to the Buyer for actual damages suffered by the Buyer as a result of the violation or failure. If the person willfully violates or fails to perform a duty required by AS 34.70.010 -AS 34.70.200, the Seller is liable to the Buyer for up to three times the actual damages. In addition to the damages, a court may also award the Buyer costs and attorney fees to the extent allowed under the rules of court.

Seller's Information Regarding Property

Property Type (check one):

- Single Family Zero Lot Line/Town House Condominium Townhome/PUD
 Duplex (Including Single Family with an Apartment)
 Other (please specify) _____

Do you currently occupy the property? Yes No If Yes, how long? _____

If not a current occupant, have you ever occupied the property? Yes No If so, when? _____

Year Property Built: _____. If property was built prior to 1978, or if Seller has any knowledge of lead-based paint, Seller must complete Disclosure of Information and Acknowledgment of Lead-based Paint and/or Lead-based Paint Hazards in accordance with Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (also known as Title X) and provide Buyer with the "Protect Your Family From Lead in Your Home" pamphlet. The pamphlet can be found on the Internet at <http://www.epa.gov/lead/leadprot.htm>.

Construction Overview: Wood Frame Manufactured Modular Other: _____

Foundation: Masonry Block Poured Concrete Piling Treated Wood Other: _____

Name of original builder (if known): _____

Property Features:

Check all items that are **built-in** and will remain with the property. **Also . . .**

Circle those checked items that have known defects or malfunctions. **Also . . .**

Describe the defect or malfunction on the Addendum/Amendment(s) To The Disclosure Statement.

- | | | |
|--|---|---|
| <input type="checkbox"/> Cooktop | <input type="checkbox"/> Wood Stove(s) # of _____ | <input type="checkbox"/> T.V. Antenna |
| <input type="checkbox"/> Oven(s) # of _____ | <input type="checkbox"/> Jetted Tub | <input type="checkbox"/> Satellite Dish |
| <input type="checkbox"/> Rods & Blinds | <input type="checkbox"/> Hot Tub <input type="checkbox"/> Cover | <input type="checkbox"/> Window Screens |
| <input type="checkbox"/> Microwave(s) # of _____ | <input type="checkbox"/> Steam Shower Room | <input type="checkbox"/> Security System |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Water Softener | <input type="checkbox"/> Smoke Detector(s) # of _____ |
| <input type="checkbox"/> Trash Compactor | <input type="checkbox"/> Water Filtering System | <input type="checkbox"/> CO Detectors # of _____ |
| <input type="checkbox"/> Garbage Disposal | <input type="checkbox"/> Greenhouse <input type="checkbox"/> Attached <input type="checkbox"/> Detached | <input type="checkbox"/> Fire Alarms |
| <input type="checkbox"/> Instant Hot Water Dispenser | <input type="checkbox"/> Ventilating System | <input type="checkbox"/> Auto Garage Door Opener(s)
of Opener(s) _____ |
| <input type="checkbox"/> Central Vacuum Installed | <input type="checkbox"/> Heating System | <input type="checkbox"/> Built-In Refrigerator |
| <input type="checkbox"/> Intercom | <input type="checkbox"/> Storage Shed(s) # of _____ | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Paddle Fan(s) # of _____ | <input type="checkbox"/> Built-In Barbecue | |

Comments: _____

Structural Components:

Check only those items that have known defects, malfunctions, or have had major repairs performed within the last five years.

Also . . . Describe the defect, malfunction, or repair on the Addendum/Amendment(s) To The Disclosure Statement.

- | | | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Fences/Gates | <input type="checkbox"/> Rain Gutters | <input type="checkbox"/> Insulation | <input type="checkbox"/> Electrical Systems | <input type="checkbox"/> Electronic Air Cleaner |
| <input type="checkbox"/> Driveways | <input type="checkbox"/> Exterior Walls | <input type="checkbox"/> Woodstove(s)
of _____ | <input type="checkbox"/> Sewage Systems | <input type="checkbox"/> Heat Recovery |
| <input type="checkbox"/> Private Walkways | <input type="checkbox"/> Interior Walls | <input type="checkbox"/> Fireplace(s)
of _____ | <input type="checkbox"/> Water Supply | <input type="checkbox"/> Ventilator System |
| <input type="checkbox"/> Retaining Walls | <input type="checkbox"/> Floors | <input type="checkbox"/> Gas Starter | <input type="checkbox"/> Garage | <input type="checkbox"/> Swimming Pool |
| <input type="checkbox"/> Foundation | <input type="checkbox"/> Ceilings | <input type="checkbox"/> Chimneys | <input type="checkbox"/> Garage Floor Drain | <input type="checkbox"/> Mechanical |
| <input type="checkbox"/> Crawl Space | <input type="checkbox"/> Doors | <input type="checkbox"/> Plumbing Systems | <input type="checkbox"/> Carport | <input type="checkbox"/> Filtration |
| <input type="checkbox"/> Roof | <input type="checkbox"/> Windows | <input type="checkbox"/> Heating Systems | <input type="checkbox"/> Washer/Dryer Hook-ups | <input type="checkbox"/> Pool Cover |
| <input type="checkbox"/> Patio/Decking | <input type="checkbox"/> Skylights | <input type="checkbox"/> Solar Panels | <input type="checkbox"/> Humidifier | <input type="checkbox"/> Hot Water Heater |
| <input type="checkbox"/> Slabs | <input type="checkbox"/> Venting | <input type="checkbox"/> Wind Generators | <input type="checkbox"/> Air Conditioner | |

Other items not covered above? _____

Comments: _____

Seller's Initials _____ / _____ Date _____ Property Address _____ Buyer's Initials _____ / _____ Date _____

Documentation: Check the documents for the subject property that the seller has available for review:

- | | | |
|--|---|--|
| <input type="checkbox"/> Engineer/Property/Home Inspection Report(s) | <input type="checkbox"/> Written Agreements with Adjacent Property Owners | <input type="checkbox"/> Party Wall Agreement |
| <input type="checkbox"/> Title Information | <input type="checkbox"/> Energy Rating Certificate or PUR-101 | <input type="checkbox"/> Lease/Rental Agreement |
| <input type="checkbox"/> As-Built Survey | <input type="checkbox"/> Resale Certificate | <input type="checkbox"/> Soils Test |
| <input type="checkbox"/> Certificate of Occupancy or PUR-102 | <input type="checkbox"/> Water Rights Certificate | <input type="checkbox"/> Well Log and Water Tests |
| <input type="checkbox"/> Deed Restrictions | <input type="checkbox"/> Subdivision Covenants/Restrictions | <input type="checkbox"/> Hazardous Materials Test(s) |
| <input type="checkbox"/> Other _____ | | <input type="checkbox"/> Other _____ |

Additional Information:

Supply information for the following items:

Yes **No**

To the best of your knowledge, has the property been inspected by an engineer/home inspector in the last 5 years?.....

➤ **Drainage:**

- ◆ Are you aware of ever having any water in the crawl space, basement, or lower level?.....
 If Yes, how has the problem been resolved?
 Sump Pump(s) Curtain Drain Rain Gutter/Extension Other _____
 When was problem resolved? _____
 Location of each sump pump: _____
- ♥ To where does the water drain after it leaves the sump pump? _____
 If gutters, where do downspouts discharge? _____
- ◆ Is there a floor drain in the structure, including garage?.....
 If Yes, where is it located and where does it drain to? _____

➤ **Roof or Other Leakage:**

- Type: Asphalt/Composition Shingle Cedar Shake Built-up Metal Other _____
 Age: _____ years. Location of attic access? _____
- ◆ Are you aware of any ice damming on the roof?
 If Yes, provide location. _____
 - ◆ Are you aware of any water leaking into the home? i.e., windows, lights, fireplace, etc.
 If Yes, provide location. _____

➤ **Fireplace and/or Woodstove:** Date chimney(s) last cleaned? _____ Who cleaned? _____

➤ **Heating System(s):**

- Mark all types that apply: Hot Water Baseboard Forced Air Radiant Heat Electrical Heat
 Wood Stove Other _____
- Age: _____ years. Last Cleaned: _____ Last Inspected: _____
- Source: Natural Gas Electric Propane Tank leased or owned? _____ Wood Coal
 Oil with _____ gallon storage which is Buried Above Ground Other _____
 Age of Tank? _____ years.

➤ **Hot Water Heater:**

Age: _____ years. Capacity: _____ gallons. Type: Gas Electric Other _____

➤ **Water Supply:**

Type: Public Private Community Cistern/Water Tank If Cistern/Water Tank: _____ Size
 Other _____

If Private: Well Depth: _____ feet. Flow Rate: _____ gallons per minute. Date Tested: _____.

- ◆ Have you had any problems with your water supply?.....
- ◆ Has the water supply been tested in the past 12 months?.....
 If Yes, attach all documentation from all tests.
- ◆ Are you aware of any contaminants in your water supply, to include but not limited to E-coli, nitrates, heavy metals, arsenic or other contaminants?
- ◆ Has the well failed while you have owned the property?.....
- ◆ Have you ever had a well pump problem or failure?.....
- ◆ Do you supply water to, or receive water from others?.....
 If Yes, is there a recorded agreement?.....
- ♥ Do you have a water rights certificate for this property?.....

_____/_____/_____
 Seller's Initials Date Property Address Buyer's Initials _____/_____/_____

Additional Information (Continued):

➤ **Sewer System:** Yes No
 Type: Public Private Community Other _____
 ♦ Does your sewer system have a lift station/lift pump?
 If Private: Septic Tank Holding Tank Other: _____
 Drainfield System: Bed Trench Mound Pit Crib Other _____
 Innovative Sewer System: Intermittent Sand Filter Biocycle Recirculating Upflow Filter
 Secondary sewer treatment plant Other _____

♦ Has the sewer system failed while you owned the property?
 If Yes, explain: _____
 Age of sewer system: _____ Location: _____
 ♦ Have you had any work maintenance or inspections done on the sewer system during your ownership?
 If Yes, explain: _____
 Approval/Certification source (and date if known): _____
 ♦ Are you aware of any abandoned sewer systems, leachfields, cribs, etc. on the property?

➤ **Freeze-ups:**
 ♦ Have you had any frozen water lines, sewer lines, drains, or heating systems?
 If yes, please explain. _____
 ♦ Are there any heat tapes, heat lamps, or other freeze prevention devices?
 Location, and explain use. _____

➤ **Average Annual Utility Costs:**

Gas	\$ _____	Company/Source: _____
Electric	\$ _____	Company/Source: _____
Oil	\$ _____/Gallons: _____	Company/Source: _____
Propane	\$ _____	Company/Source: _____
Wood	\$ _____	Company/Source: _____
Coal	\$ _____	Company/Source: _____
Water	\$ _____	Company/Source: _____
Sewer	\$ _____	Company/Source: _____
Refuse	\$ _____	Company/Source: _____
Other	\$ _____	Company/Source: _____

To the best of your knowledge, are you aware of any of the following conditions with respect to the subject property? If answer is "Yes," indicate the relevant item number and explain the condition on the Addendum/Amendment(s) to the Disclosure Statement.

➤ **Title:** Yes No

- Do you know of any existing, pending, or potential legal action(s) concerning the property?
- Do you know of any street or utility improvements planned that will affect the property?
- Road maintenance provided by? _____
- Is the property currently rented or leased?
 If Yes, expiration date: _____/_____/_____
- Is there a homeowner's association (HOA) for the property?
 If Yes, HOA name: _____ HOA Telephone: _____
 Mandatory Voluntary Inactive Monthly Dues Amount: \$ _____ per _____
 Are there any levied or pending assessments?
 Who is responsible for issuing the resale certificate?
 Name: _____ Telephone: _____

➤ **Setbacks/Restrictions:**

- Have you been notified of any proposed zoning changes for the property?
- Are you aware of features of the property shared in common with adjoining property owners, such as walls, fences, and driveways, whose use or responsibility for maintenance may affect the property?
- Are there subdivision conditions, covenants, or restrictions?
- Are you aware of any violations of building codes, zoning, setback requirements, subdivision covenants, borough, or city restrictions on this property?
- Are you aware of any nonconforming uses of this property?

Additional Information (Continued):

- | | <u>Yes</u> | <u>No</u> |
|---|--------------------------|--------------------------|
| 11. Are you aware of any deed, or other private restrictions on the use of the property?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Are you aware of any variances being applied for, or granted, on this property? | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Are you aware of any easements on the property? | <input type="checkbox"/> | <input type="checkbox"/> |
| ➤ Encroachments: | | |
| 14. Does anything on your property encroach (extend) onto your neighbor's property? | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Does anything on your neighbor's property encroach onto your property? | <input type="checkbox"/> | <input type="checkbox"/> |
| ➤ Environmental Concerns: | | |
| 16. Are you aware of any substances, materials, or products that may be an environmental hazard such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, contaminated soil, water or by-products from the production of methamphetamines on the subject property? | <input type="checkbox"/> | <input type="checkbox"/> |
| 16a. Are you aware of any mildew or mold issues affecting this property? | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Are you aware of any underground storage tanks on this property, other than previously referenced fuel or septic tanks? Number of tanks: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Are you aware if the property is in an avalanche zone/mudslide area?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. Are you aware if the property has flooded? | <input type="checkbox"/> | <input type="checkbox"/> |
| Flood zone designation: _____ | | |
| 20. Are you aware of any erosion/erosion zone or accretion affecting this property?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 21. Are you aware of any damage to the property or any of the structures from flood, landslide, avalanche, high winds, fire, earthquake, or other natural causes? | <input type="checkbox"/> | <input type="checkbox"/> |
| 22. Have you ever filed an insurance claim for any environmental damage to the property? | <input type="checkbox"/> | <input type="checkbox"/> |
| 23. Are you aware of a waste disposal site or a gravel pit within a one-mile radius of the property? | <input type="checkbox"/> | <input type="checkbox"/> |
| ➤ Soil Stability: | | |
| 24. Are you aware of any debris burial or filling on any portion of the property?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 25. Are you aware of any permafrost or other soil problems which have caused settling, slippage, sliding, or heaving that affect the improvements of the property?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 26. Are you aware of any drainage, or grading problems that affect this property?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| ➤ Construction, Improvements/Remodel: | | |
| 27. Have you remodeled, made any room additions, structural modifications, or improvements?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| If Yes, please describe. Was the work performed with necessary permits in compliance with building codes? | <input type="checkbox"/> | <input type="checkbox"/> |
| Was a final inspection performed, if applicable?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 28. Has a fire ever occurred in the structure?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| ➤ Pest Control or Wood Destroying Organisms: | | |
| 29. Are you aware of any termites, ants, insects, squirrels, vermin, rodents, etc. in the structure? | <input type="checkbox"/> | <input type="checkbox"/> |
| a. If Yes, what type? _____ | | |
| b. If Yes, where? _____ | | |
| 30. Has there been damage in the past resulting from termites, ants, insects, squirrels, rodents, etc. in the structure?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| a. If Yes, when? _____ | | |
| b. If Yes, what type? _____ | | |
| c. If Yes, where? _____ | | |
| d. If Yes, describe what was done to resolve the problem: _____ | | |
| ➤ Other: | | |
| 31. Are you aware of any murder or suicide having occurred on the property within the preceding 3 years?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 32. Are you aware of any human burial sites on the property?..... | <input type="checkbox"/> | <input type="checkbox"/> |

Additional Information (Continued):

Yes **No**

33. Noise

- a. Are you aware of any noise sources that may affect the property, including airplanes, trains, dogs, traffic, race tracks, neighbors, etc?
- b. If Yes, explain: _____

34. Pets

- a. Have there been any pets/animals in the house?
- b. If Yes, what kind? _____

I / We have completed this disclosure statement according to AS 34.70.010 - AS 34.70.200 and these instructions, and the statements are made in good faith and are true and correct to the best of my/our knowledge as of the date signed. I/We authorize any licensees involved or participating in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated transfer of the property or interest in the property.

Seller: _____

Date: _____

Seller: _____

Date: _____

Buyer's Notice and Receipt of Copy

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the Transferee's (Buyer's) potential real estate transaction. This information is available at the following locations: Alaska State Trooper Posts, Municipal Police Departments, and on the State of Alaska, Department of Public Safety Internet site: www.dps.state.ak.us.

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.

The Buyer is urged to inspect the property carefully and to have the property inspected by an expert. Buyer understands that there are aspects of the property of which the Seller may not have knowledge and that this disclosure statement does not encompass those aspects. Buyer also acknowledges that he/she has read and received a signed copy of this statement from the Seller or any licensee involved or participating in this transaction.

Buyer: _____

Date: _____

Buyer: _____

Date: _____

_____/_____/_____
Seller's Initials Date

Property Address

_____/_____/_____
Buyer's Initials Date



State of Alaska Residential Real Property Transfer Disclosure Statement

Exemption For First Sale

Prepared in compliance with Alaska Statute (AS) 34.70.010 - 34.70.200

Legal Description: _____

Property Address/City: _____

Under AS 34.70.120, the first transfer of an interest in residential real property that has never been occupied is exempt from the requirement for the Seller to complete the Disclosure Statement.

Buyer may wish to obtain inspections of the property and seek other professional advice.



Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the Transferee's (Buyer's) potential real estate transaction. This information is available at the following locations: Alaska State Trooper Posts, Municipal Police Departments, and on the State of Alaska, Department of Public Safety Internet site: www.dps.state.ak.us.



Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.



I certify that this is the first transfer of an interest in the property identified above and that the property has not been occupied before this transfer of interest.

Seller: _____

Date: _____

Seller: _____

Date: _____

Buyer: _____

Date: _____

Buyer: _____

Date: _____

_____/_____/_____
Seller's Initials Date

Property Address

_____/_____/_____
Buyer's Initials Date



State of Alaska Residential Real Property Transfer Disclosure Statement

Waiver By Agreement

AS 34.70.110

Prepared in compliance with Alaska Statute (AS) 34.70.010 - 34.70.200

Legal Description: _____

Property Address/City: _____

Under AS 34.70.110, completion of this disclosure statement may be waived when transferring an interest in residential real property if the Seller and Buyer agree in writing.

Parties may wish to obtain professional advice and/or inspection of the property.

It is recommended that the buyer read the complete State of Alaska Residential Real Property Transfer Disclosure Statement.

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Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether a person who has been convicted of a sex offense resides in the vicinity of the property that is the subject of the Transferee's (Buyer's) potential real estate transaction. This information is available at the following locations: Alaska State Trooper Posts, Municipal Police Departments, and on the State of Alaska, Department of Public Safety Internet site: www.dps.state.ak.us.

★ ★ ★ ★ ★ ★ ★ ★

Transferee (Buyer) Awareness Notice: Under AS 34.70.050, Transferee (Buyer) is independently responsible for determining whether, in the vicinity of the property that is the subject of the transferee's potential real estate transaction, there is an agricultural facility or agricultural operation that might produce odor, fumes, dust, blowing snow, smoke, burning, vibrations, noise, insects, rodents, the operation of machinery including aircraft, and other inconveniences or discomforts as a result of lawful agricultural operations.

★ ★ ★ ★ ★ ★ ★ ★

By law, completion of this disclosure statement may be waived when transferring an interest in residential real property if the Transferor (Seller) and the Transferee (Buyer) agree in writing. If both parties agree to waive the requirement to complete this disclosure statement, please sign below.

Signing this waiver does not affect other obligations for disclosure.

Seller: _____

Date: _____

Seller: _____

Date: _____

Buyer: _____

Date: _____

Buyer: _____

Date: _____

_____/_____/_____
Seller's Initials Date

Property Address

_____/_____/_____
Buyer's Initials Date



ALASKA REAL ESTATE COMMISSION CONSUMER DISCLOSURE

This Consumer Disclosure, as required by law, provides you with an outline of the duties of a real estate licensee (licensee). This document is not a contract. By signing this document you are simply acknowledging that you have read the information herein provided and understand the relationship between you, as a consumer, and a licensee. (AS 08.88.600 – 08.88.695)

There are different types of relationships between a consumer and a licensee. Following is a list of such relationships created by law:

Specific Assistance

The licensee does not represent you. Rather the licensee is simply responding to your request for information. And, the licensee may "represent" another party in the transaction while providing you with specific assistance.

Unless you and the licensee agree otherwise, information you provide the licensee is not confidential.

Duties **owed** to a consumer by a licensee providing specific assistance include:

- a. Exercise of reasonable skill and care;
- b. Honest and good faith dealing;
- c. Timely presentation of all written communications;
- d. Disclosing all material information known by a licensee regarding the physical condition of a property; and
- e. Timely accounting of all money and property received by a licensee.

Representation

The licensee represents only one consumer unless otherwise agreed to in writing by all consumers in a transaction.

Duties **owed** by a licensee when representing a consumer include:

- a. Duties owed by a licensee providing specific assistance as described above;
- b. Not intentionally take actions which are adverse or detrimental to a consumer;
- c. Timely disclosure of conflicts of interest to a consumer;
- d. Advising a consumer to seek independent expert advice if a matter is outside the expertise of a licensee;
- e. Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- f. Making a good faith and continuous effort to accomplish a consumer's real estate objective(s).

Neutral Licensee

A neutral licensee is a licensee that provides specific assistance to both consumers in a real estate transaction but does not "represent" either consumer. A neutral licensee must, prior to providing specific assistance to such consumers, secure a Waiver of Right to be Represented (form 08-4212) signed by both consumers.

Duties **owed** by a neutral licensee include:

- a. Duties owed by a licensee providing specific assistance as described above;
- b. Not intentionally taking actions which are adverse or detrimental to a consumer;
- c. Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
- d. If a matter is outside the expertise of a licensee, advise a consumer to seek independent expert advice;
- e. Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- f. Not disclosing the terms or the amount of money a consumer is willing to pay or accept for a property if different than what a consumer has offered or accepted for a property.

If authorized by the consumers, the neutral licensee may analyze and provide information on the merits of a property or transaction, discuss price terms and conditions that might be offered or accepted, and suggest compromise solutions to assist consumers in reaching an agreement.

Designated Licensee

In a real estate company, a broker may designate one licensee to represent or provide specific assistance to a consumer and another licensee in the same office to represent or provide specific assistance to another consumer in the same transaction.

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 a real estate licensee. I/We

understand that _____ of _____
(licensee name) *(brokerage name)*

will be working with me/us under the relationship(s) selected below.

(Initial)

_____ **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)

Date: _____

Signature: _____
(Licensee)

Date: _____

Signature: _____
(Consumer)

Date: _____

Signature: _____
(Consumer)

THIS CONSUMER DISCLOSURE IS NOT A CONTRACT



THIS IS NOT A CONTRACT

ALASKA REAL ESTATE COMMISSION

CONSUMER DISCLOSURE

This Consumer Disclosure, as required by law, provides you with an outline of the duties of a real estate licensee (licensee). This document is not a contract. By signing this document you are simply acknowledging that you have read the information herein provided and understand the relationship between you, as a consumer, and a licensee. (AS 08.88.600 – 08.88.695)

There are different types of relationships between a consumer and a licensee. Following is a list of such relationships created by law:

Specific Assistance

The licensee does not represent you. Rather the licensee is simply responding to your request for information. And, the licensee may "represent" another party in the transaction while providing you with specific assistance.

Unless you and the licensee agree otherwise, information you provide the licensee is not confidential

Duties **owed** to a consumer by a licensee providing specific assistance include:

- Exercise of reasonable skill and care;
- Honest and good faith dealing;
- Timely presentation of all written communications;
- Disclosing all material information known by a licensee regarding the physical condition of a property; and
- Timely accounting of all money and property received by a licensee.

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Representation

The licensee represents only one consumer unless otherwise agreed to by all consumers in a transaction.

Duties **owed** by a licensee when representing a consumer include:

- Duties owed by a licensee providing specific assistance as described above;
- Not intentionally take actions which are adverse or detrimental to a consumer;
- Timely disclosure of conflicts of interest to a consumer;
- Advising a consumer to seek independent expert advice if a matter is outside the expertise of a licensee;
- Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- Making a good faith and continuous effort to accomplish a consumer's real estate objective(s).

Neutral Licensee

A neutral licensee is a licensee that provides specific assistance to both consumers in a real estate transaction but does not "represent" either consumer. A neutral licensee must, prior to providing specific assistance to such consumers, secure a Waiver of Right to be Represented (form 08-4212) signed by both consumers.

Duties **owed** by a neutral licensee include:

- Duties owed by a licensee providing specific assistance as described above;
- Not intentionally taking actions which are adverse or detrimental to a consumer;
- Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
- If a matter is outside the expertise of a licensee, advise a consumer to seek independent expert advice;
- Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- Not disclosing the terms or the amount of money a consumer is willing to pay or accept for a property if different than what a consumer has offered or accepted for a property.

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If authorized by the consumers, the neutral licensee may analyze and provide information on the merits of a property or transaction, discuss price terms and conditions that might be offered or accepted, and suggest compromise solutions to assist consumers in reaching an agreement.

Designated Licensee

In a real estate company, a broker may designate one licensee to represent or provide specific assistance to a consumer and another licensee in the same office to represent or provide specific assistance to another consumer in the same transaction.

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 a real estate licensee.

Date: _____ Signature: _____ Date: _____ Signature: _____
(Consumer) (Consumer)

Form Provided by: _____ Brokerage _____ Licensee _____



ALASKA REAL ESTATE COMMISSION WAIVER OF RIGHT TO BE REPRESENTED

About This Form:

Occasionally, a licensee is "representing" a consumer (buyer or lessee) that has interest in acquiring a property where another consumer (seller or lessor) is also "represented" by the same licensee. Prior to showing the property, the licensee must obtain written approval from both consumers to change their working relationship from representation to providing specific assistance in a neutral capacity. AS 08.88.610

In Alaska, real estate licensees are **required by law** to provide this document, prior to providing specific assistance to the parties, in conjunction with the Alaska Real Estate Consumer Disclosure (form 08-4145), outlining the duties of a real estate licensee when acting in a neutral capacity.

Duties of a Neutral Licensee: A neutral licensee is a licensee that provides specific assistance to both consumers in a real estate transaction.

Duties **owed** by a neutral licensee include:

- a. Exercise of reasonable skill and care;
- b. Honest and good faith dealing;
- c. Timely presentation of all written communications;
- d. Disclosing all material information known by a licensee regarding the physical condition of a property;
- e. Timely accounting of all money and property received by a licensee;
- f. Not intentionally taking actions which are adverse or detrimental to a consumer;
- g. Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
- h. Advising a consumer to seek independent expert counsel if a matter is outside the expertise of a licensee;
- i. Not disclosing consumer confidential information during or after representation without the written consent of the consumer unless required by law; and
- j. Not disclosing the terms or the amount of money a consumer is willing to pay or accept for a property.

_____ Date

_____ Date

_____ Real Estate Licensee

_____ Date

_____ Real Estate Company

If authorized by consumers, the neutral licensee may analyze and provide information on the merits of a property or transaction, discuss price terms and conditions that might be offered or accepted, and suggest compromise solutions to assist them in reaching an agreement.

Additional Authorization:

I hereby authorize the "neutral" licensee to engage in the following conduct in a good faith effort to assist in reaching final agreement in a real estate transaction:

- Analyzing, providing information, and reporting on the merits of the transaction to each consumer;
- Discussing the price, terms, or conditions that each consumer would or should offer or accept; or
- Suggesting compromises in the consumer's respective bargaining positions.

_____ Date

_____ Date



ALASKA REAL ESTATE COMMISSION WAIVER OF RIGHT TO BE REPRESENTED

About This Form:

Occasionally, a licensee is "representing" a consumer (buyer or lessee) that has an interest in acquiring a property where another consumer (seller or lessor) is also "represented" by the same licensee. By statute, when this occurs the consumer must agree to allow the licensee to act in a "Neutral" capacity and sign a Waiver of Right to be Represented as outlined below, or the Licensee may reduce the level of service provided to the consumer to Specific Assistance as detailed below.

In Alaska, real estate licensees are required by law to provide this document and obtain your signature acknowledging your receipt and consent, prior to providing specific assistance, in conjunction with the Alaska Real Estate Consumer Disclosure (form 08-4145), outlining the duties of a real estate licensee when acting in a Neutral Licensee capacity.

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Duties of Specific Assistance

1. Exercise of reasonable skill and care;
2. Honest and good faith dealing;
3. Timely presentation of all written communications;
4. Disclosing all material information known by a licensee regarding the physical condition of a property;
5. Timely accounting of all money and property received by a licensee;

Additional Duties owed when offering Representation or by a Neutral Licensee include:

1. Not intentionally taking actions which are adverse or detrimental to a consumer;
2. Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
3. Advising a consumer to seek independent expert counsel if a matter is outside the expertise of a licensee;
4. Not disclosing consumer confidential information during or after representation without the written consent of the consumer unless required by law; and
5. Not disclosing the terms or the amount of money a consumer is willing to pay or accept for a property if different than what the consumer has offered or accepted for a property.

Waiver of Right to be Represented

Releases the Licensee from the statutory requirement to offer the following Duties:

1. Making a good faith and continuous effort to accomplish a consumer's real estate objective(s)

_____	Date	_____	Date
_____	Date	_____	Date
Real Estate Licensee	Date	Real Estate Company	Date

If authorized by consumers, the neutral licensee may analyze and provide information regarding the property or transaction, discuss price terms and conditions that might be offered or accepted, and suggest ways to assist them in reaching an agreement.

Additional Authorization:

I hereby authorize the "neutral" licensee to engage in the following conduct in a good faith effort to assist in reaching final agreement in a real estate transaction:

- Analyzing, providing information and reporting on the merits of the transaction to each consumer;
- Discussing the price, terms, or conditions that each consumer would or should offer or accept; or
- Suggesting compromises in the consumer's respective bargaining positions.

_____	Date	_____	Date
-------	------	-------	------

New Business

Annual Report

Fiscal Year 2020

REAL ESTATE COMMISSION



**Department of Commerce, Community
and Economic Development**

**Division of Corporations, Business
and Professional Licensing**

This annual performance report is presented in accordance with
Alaska statute AS 08.01.070(10).

Its purpose is to report the accomplishments, activities, and the
past and present needs of the licensing program.

**REAL ESTATE COMMISSION
FY 2020 Annual Report**

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**REAL ESTATE COMMISSION
FY 2020 Annual Report**

Identification of the Board

Board Member	Duty Station	Date Appointed	Term Expires
PeggyAnn McConnochie, Chairperson Broker/1 st Judicial District	Juneau	Mar 01, 2019	Mar 01, 2021
Samuel Goldman Broker/3 rd Judicial District	Wasilla	Feb 25, 2020	Mar 01, 2023
David Pruhs Broker, 4 th Judicial District	Fairbanks	Mar 01, 2017	Mar 01, 2021
Margaret Nelson Broker/Broker at Large	Anchorage	Jan 25, 2019	Mar 01, 2021
Cheryl Markwood Broker/Broker at Large	Fairbanks	Mar 01, 2019	Mar 01, 2023
Jaime Matthews Public Member	Glennallen	Mar 01, 2019	Mar 01, 2023
Jesse Sumner Public Member	Wasilla	Mar 01, 2019	Mar 01, 2023

**REAL ESTATE COMMISSION
FY 2020 Annual Report**

Identification of Staff

Shyla Consalo – Executive Administrator

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Alaska Real Estate Commission
550 W. 7th Avenue, Suite 1500
Anchorage, Alaska 99501
(907) 269-8197

Nancy Harris – Project Assistant

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Alaska Real Estate Commission
550 W. 7th Avenue, Suite 1500
Anchorage, Alaska 99501
(907) 269-8168

Autumn Roark – Investigator

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Alaska Real Estate Commission
550 W. 7th Avenue, Suite 1500
Anchorage, Alaska 99501
(907) 269-8177

Jun Maiquis – Regulations Specialist II

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-2550

Sher Zinn – Regulations Specialist II

Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-2550

REAL ESTATE COMMISSION

FY 2020 Annual Report

Narrative Statement

Effective June 1, 2020, the Alaska Real Estate Commission consists of 7 members who were appointed by the Governor and approved by the Legislature; of the 7 members, 6 were held over and 1 is new. The Commission is comprised of brokers or associate brokers who represent 3 of the Judicial Districts; 2 are at large, and 2 are public members.

Our most significant accomplishment this year was to, at the request of the Division, formulate and adopt a Strategic Plan. At our March 2020 meeting, we drafted and adopted our Strategic Plan. In addition to this, the Commission has already made significant strides in putting the Plan into action. This is the first time the Commission has ever had such a specific, actionable plan. It has already been helpful to keep us focused on both short-and long-term objectives.

Our year started out a bit hectic with our former Executive Administrator, Sharon Walsh, moving to her new position of Deputy Director for the Division; and our Project Assistant, Nancy Harris, temporarily taking over the Executive Administrator duties. Ms. Harris did an excellent job as our temporary Executive Administrator, while continuing her other duties. These duties included but were not limited to: approving education courses as they were submitted, processing license requests, staffing and organizing Commission meetings, and mid-way through the year working through license and instructor certification renewals as well as errors and omissions policy verifications.

Shyla Consalo did a phenomenal job as our investigator getting through cases to ensure consumer claims were dealt with quickly, efficiently, and appropriately. During this time, we had a total of 95 cases opened and 86 cases closed; this included continuing education and probation cases.

Effective March 16, 2020, Ms. Consalo was appointed as our permanent Executive Administrator, and Autumn Roark was appointed as our new investigator. Ms. Consalo was a pivotal part of the March 2020 Strategic Planning session and is working hard with the Commission to achieve those objectives. In addition, Ms. Consalo has been working diligently at the direction of the Commission, to organize OnBoard for ease of use for Commission members, as well getting the Commission website updated with more current information. Ms. Roark, with training from Ms. Consalo, is doing an excellent job of keeping up with complaints as they come in, as well as working through cases that are in progress.

Effective April 21, 2020, in light of the COVID-19 pandemic, the Commission adopted an emergency regulation change to 12 AAC 64.063 relating to minimum education requirements for licensure. This change gives licensees who have completed the required education for initial licensure, the needed extension to take their exams and file their applications due to the closure of testing facilities during a declared disaster by the Governor under AS 26.23.020. This allows applicants, who have completed the required education, the ability to apply for a real estate license up to 60 days after testing becomes available. This prevents applicants from having to re-complete the education requirement if it expires because of testing facilities being closed. The Commission has moved forward to make this regulation change permanent.

Other highlights of this year include the establishing of 2 subcommittees with Commission and public members to work on:

1. Education: Establishing content for the 8 Designated Continuing Education (DCE) hours the Commission identified for the 2020-2022 renewal cycle. The Committee presented their recommendations to the Commission, which were accepted and approved.
2. Property Management: Establishing best practices for the property management industry, and discussing the possibility of updating if, what, and how the Commission should regulate in this area.

FY 2020 Narrative Statement (continued)

Commission members are also working diligently on:

- Updating of the State Consumer Disclosure and Waiver of Right to Be Represented forms
- Updating of the State Property Disclosure form
- Updating regulations to bring them into 2020

We maintained a Recovery Fund balance above the minimum required (per AS 08.88.455) of \$250,000, yet under the maximum of \$500,000. The balance as of now is \$376,458.

Last fiscal year, the Commission had 2 in-person meetings in Anchorage at the Atwood building, and 4 Zoom/Teleconference meetings. The Education Committee had 3 in-person meetings in Anchorage at the Atwood building. The Property Management Committee had 3 in-person meetings in Anchorage at the Atwood building, and 1 Zoom/Teleconference meeting. We will continue to use the Zoom platform for as many meetings as practicable.

The Commission is requesting at least one in-person meeting (if possible under the current circumstances) during our next September meeting, at which we will be looking at finalizing a large regulation project to bring the Commission's regulations into the 21st century. Because of the unique nature and difficulty of matters being worked through by the Commission, additional in-person meeting may be required.

With our Strategic Plan in place, we are excited to be focused and working to accomplish our objectives. The Strategic Plan is attached for your information below.

FY 2020 Narrative Statement (continued)

ALASKA REAL ESTATE COMMISSION STRATEGIC PLAN 2020

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 Shyla Consalo, Project Assistant Nancy Harris, and Investigator Autumn Roark, will all support us in reaching our goals.

GUIDING PRINCIPLE	OBJECTIVE – how will we meet this guiding principle?	Who will complete this task?
Protect the Consumer / Inform Licensees	With agreement of the appropriate departments, upload informational videos done by appropriate personnel on: 1) how to file a complaint against a licensee and its process; and 2) if a complaint is filed against a license what the process is for a license. Additionally, provide best practice “white papers” on various topics as approved by the Commission for placement on our website.	Commission, Staff & Investigator
Protect the Consumer	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. And, provide a list of property management FAQs (frequently asked questions) for both licensed property managers and property owners, to be approved by the Commission then placed on our website.	Property Management Committee of the Commission
Protect the Consumer	Refine and rework current processes, to increase the speed of actions to keep outside licensees and/or non-licensees from transacting business for which an Alaska real estate license or broker’s license is required. Then, put this information on the Commission website and make sure it is easily accessible.	Commissioners Nelson & Pruhs, plus Shyla & Investigator
Protect the Consumer / Inform Licensees	Define minimum standards, based on what other jurisdictions have successfully implemented, for team advertising (i.e. the requirement to include brokerage information, minimum size etc).	Commissioner Nelson & McConnochie to provide information to Staff
Inform Licensees	Assist staff to clear up the following issues: <ul style="list-style-type: none"> How “inactive status” is logged/started and the notification to the affected licensee How required education, for those who apply for license by endorsement, is defined and verified Provided a military spouse has a current license in good standing in another state, streamline the process when they apply for an Alaska real estate license Change how the Commission receives and disseminates license history; i.e. paper versus digital, or some other process Define and simplify the criteria for getting or upgrading an Alaska real estate license; i.e. referring to <u>criminal history</u> and what specifically constitutes a valid reason a license will not be given/upgraded and the timing since conviction or completion of sentence 	Commissioner McConnochie & Staff
Protect the Consumer / Inform Licensees	Review all regulations and propose one major regulation change (clean up) which will bring regulations into the 21 st century.	ALL

REAL ESTATE COMMISSION
Fiscal Year 2020 Annual Report

Budget Recommendations for FY 2021

The 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
September 23, 2020	Anchorage	7	4
<input checked="" type="checkbox"/> Airfare:			\$800.00
<input checked="" type="checkbox"/> Hotel:			\$525.00
<input checked="" type="checkbox"/> Ground:			\$150.00
<input checked="" type="checkbox"/> Other: MI&E and Mileage			\$315.00
Total Estimated Cost:			\$1,790.00

Board Meeting Date	Location	# Board	# Staff
December 16, 2020	Anchorage	7	4
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other: MI&E and Mileage			\$315.00
Total Estimated Cost:			\$315.00

Board Meeting Date	Location	# Board	# Staff
March 2021	Anchorage	7	4
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other: MI&E and Mileage			\$315.00
Total Estimated Cost:			\$315.00

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Budget Recommendations for FY 2021

The 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
June 2021	Anchorage	7	4
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other: MI&E and Mileage			\$315.00
Total Estimated Cost:			\$315.00

Travel Required to Perform Examinations			
<input checked="" type="checkbox"/> Not applicable			
Date	Location	# Board	# Staff
Description of meeting and its role in supporting the mission of the Board:			
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input type="checkbox"/> Conference:			\$0.00
<input type="checkbox"/> Other:			\$0.00
Describe “Other” (break out all sections):			
Total Estimated Cost:			\$0.00

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Budget Recommendations for FY 2021 (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
September 23-26, 2020	Montreal, Canada		1

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

One staff member to attend the Association of Real Estate License Law Officials (ARELLO) annual conference. Attending this conference would allow for the staff member that attends, to bring back to the REC information regarding current trends and issues in the real estate industry in the US and CAN. This information would provide the REC with concepts on how other jurisdictions are handling those issues through regulation, education, and licensing.

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$380.00	\$0.00	\$0.00	\$380.00
<input checked="" type="checkbox"/> Hotel:	\$945.00	\$0.00	\$0.00	\$945.00
<input checked="" type="checkbox"/> Ground:	\$100.00	\$0.00	\$0.00	\$100.00
<input checked="" type="checkbox"/> Conference:	\$630.00	\$0.00	\$0.00	\$630.00
<input checked="" type="checkbox"/> Other	\$150.00	\$0.00	\$0.00	\$150.00
Describe "Other" (break out all sections):				
Net Total:	\$0.00	\$0.00	\$0.00	\$2,205.00

**REAL ESTATE COMMISSION
Fiscal Year 2020 Annual Report**

Budget Recommendations for FY 2021 (continued)

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

#2 Rank in Importance

Date	Location	# Board	# Staff	
October 2020 (Date TBD)	TBD		1	
Description of meeting and its role in supporting the mission of the Board:				
2020 Investigator Workshop. This event gathers all real estate investigators and auditors to discuss current trends in real estate, real estate issues, and investigative skills (how conduct interviews, report writing, etc.). It also provides an opportunity to learn and share valuable information about current problems and discovering solutions for investigators.				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$892.16	\$0.00	\$0.00	\$892.16
<input checked="" type="checkbox"/> Hotel:	\$772.48	\$0.00	\$0.00	\$772.48
<input checked="" type="checkbox"/> Ground:	\$225.00	\$0.00	\$0.00	\$225.00
<input checked="" type="checkbox"/> Conference:	\$450.00	\$0.00	\$0.00	\$450.00
<input checked="" type="checkbox"/> Other	\$152.50	\$0.00	\$0.00	\$152.50
Describe "Other" (break out all sections):				Numbers are based on previous year estimations due to current unavailability of information on the ARELLO website
Net Total:	\$0.00	\$0.00	\$0.00	\$2,492.14

Non-Travel Budget Requests

- Not Applicable Resources Examinations
 Membership Training Other

Product or Service	Provider	Cost Per Event
Association of Real Estate License Law Officials	ARELLO	\$990.00

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

Membership to ARELLO offers the REC access to a nationwide disciplinary database. It also provides access to education, investigation, and licensing resources.

REAL ESTATE COMMISSION
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Budget Recommendations for FY 2021 (continued)

Summary of FY 2021 Fiscal Requests

Board Meetings and Teleconferences:	\$2,735.00
Travel for Exams:	\$0.00
Out-of-State and Additional In-State Travel:	\$4,697.14
Dues, Memberships, Resources, Training:	\$990.00
Total Potential Third-Party Offsets:	-\$0.00
Other:	\$0.00
Total Requested:	\$8,422.14

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Legislation Recommendations Proposed Legislation for FY 2021

No Recommendations

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

Recommendations

The Board has the following recommendations for proposed legislation:

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Regulation Recommendations Proposed Legislation for FY 2021

No Recommendations

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

Recommendations

The Board has the following recommendations for proposed regulations:

12 AAC 64.059(b)(1)(E) and (d)(1)(E) – Review of License Applications

This regulation will remove the notarized signature requirements for license applications. It will eliminate the need to appear in person before a notary.

12 AAC 64.063(h) – Minimum Education Requirements for Licensure

This regulation will give licensees who have completed the required education for initial licensure, the needed extension to take their exams and file their applications due to the closure of testing facilities during a declared disaster by the Governor under AS 26.23.020. This will allow applicants, who have completed the required education, the ability to apply for a real estate license up to 60 days after testing becomes available. This prevents applicants from having to re-complete the education requirement if it expires because of testing facilities being closed.

12 AAC 64.440(f) – Instructor Approval

This regulation will change the time period that a person who applies for an initial instructor certification from January 1 through March 31 to January 1 through April 1, which would make it consistent with the expiration of an instructor certification.

The Commission will also be submitting a large regulation project that addresses numerous areas of the regulations in order to bring them into the 21st century. This was identified as one of the Commission's objectives in their 2020 Strategic Plan.

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Goals and Objectives

Part I

FY 2020's goals and objectives, and how they were met:

- 1) Rewrite the Alaska Real Estate Commission Consumer Disclosure and Alaska Real Estate Commission Waiver of Right to be Represented forms and create a regulation project as soon as possible.

This goal is in process, and is being reviewed by the Department of Law for recommendations.

- 2) Review and revamp the State of Alaska Residential Real Property Transfer Disclosure Statement form.

This goal is in process and will be addressed with Commission members at the June 2020 meeting.

- 3) Create a process for disseminating information to the public and licensees by staff and investigator.

This is ongoing through the ListServ, providing quarterly reports at Commission meetings, conducting trainings, and providing information at forums/conferences.

- 4) Discuss the potential of a separate Property Management Consumer Disclosure and Waiver of Right to be Represented form.

A Property Management Committee was created, and has been working on addressing best practices within the property management industry, as well as looking to see if any regulation changes are necessary. They have been very helpful in providing information to the Commission for consideration and are diligently working on getting approved items posted to the Commission website.

- 5) Long-term goal - to review the Landlord Tenant Act and look at changes in conjunction with the real estate industry.

This goal is being accomplished through the Property Management Committee.

- 6) Review and update property management regulations with regards to trust accounts and security deposits issues.

This goal is being accomplished through the Property Management Committee.

**REAL ESTATE COMMISSION
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Goals and Objectives (continued)

Part I (continued)

FY 2020's goals and objectives, and how they were met:

7) Look at Errors & Omissions self-insurance vs. state provided pool insurance.

The Commission spoke with their pool insurer and the Department to get a more complete explanation of what the insurance policies covered and how they were administered. This provided the necessary information to satisfy the Commission's objective.

Goals for FY2021 were discussed and considered at the March 2020 quarterly meeting.

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Goals and Objectives

Part II

FY 2021's goals and objectives, and proposed methods to achieve them.

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

- 1) With agreement of the appropriate departments, upload informational videos done by appropriate personnel on: a) how to file a complaint against a licensee and its process; and b) if a complaint is filled against a license what the process is for that license.

Commission staff will be working with the investigations team in accomplishing this goal over the next fiscal year.

- 2) Provide best practices white papers on various topics, as deemed appropriate, on the Commission website as approved by the Commission.

As topics arise, Commission members and staff will work together to draft best practices accordingly and post them on the Commission website.

- 3) Provide to the Commission for consideration, what the Commission 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.

A Property Management Committee was created, and has been working on addressing best practices within the property management industry, as well as looking to see if any regulation changes are necessary. The Committee will continue to address these items over the next fiscal year.

- 4) Provide a list of property management FAQs (frequently asked questions) for both licensed property managers and property owners, to review to put on the Commission website.

This is being addressed through the Property Management Committee over the next fiscal year.

- 5) Refine and rework current processes, to increase the speed of actions to keep outside licensees or non-licensees from transacting business for which an Alaska real estate license or broker's license is required. Then, provide this information on the Commission website.

The Commission will review this issue over the next fiscal year.

REAL ESTATE COMMISSION
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Goals and Objectives (continued)

Part II (continued)

FY 2021's goals and objectives, and proposed methods to achieve them.

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

6) Define minimum standards, based on what other jurisdictions have successfully implemented, for team advertising (i.e. the requirement to include brokerage information).

The Commission will review this issue over the next fiscal year.

7) Long-Term Goal: Review all regulations and propose one major regulation change (clean up) which bring regulations into the 21st century.

Commission members and staff have been actively working on this project since the implementation of the 2020 Strategic Plan in March. This goal will take considerable time and effort to implement and remains a long-term goal of the Commission.

8) Long-Term Goal: Assist staff to clear up the following issues:

- How “inactive status” is logged/started and the notification to the affected licensee;
- How required education, for those who apply for license by endorsement, is defined and verified;
- Provided a military spouse has a current license in good standing in another state, streamline the process when they apply for an Alaska real estate license;
- Change how the Commission receives and disseminates license history; i.e. paper versus digital, or some other process; and
- Define and simplify the criteria for getting or upgrading an Alaska real estate license; i.e. referring to criminal history and what specifically constitutes a valid reason a license will not be given/upgraded and the timing since conviction or completion of sentence.

Due to the multi-faceted nature of this goal, some of which may require regulation changes or coordination with other sections within the Division, this goal will take considerable time and effort to implement and remains a long-term goal of the Commission.

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Sunset Audit Recommendations

Date of Last Legislative Audit: June 15, 2017
Board Sunset Date: June 30, 2026

Audit Recommendation: The audit recommends the DCPBL Chief Investigator continue to improve oversight to ensure cases are actively investigated and completed timely.

Action Taken: The Chief Investigator has new procedures in place to ensure that the timeliness of cases, complaints, and in-take matters are addressed through quarterly reporting.

Next Steps: Continue monitoring cases in quarterly reports from the Investigator to the Real Estate Commission at their quarterly meetings.

Date Completed: Ongoing



Lieutenant Governor Kevin Meyer
STATE OF ALASKA

MEMORANDUM

To: Alaska's Licensing Boards
From: Lieutenant Governor Kevin Meyer *KM*
Date: June 5, 2020

Subject: Election Worker Recruitment Effort

The upcoming 2020 election cycle will be unlike any election we've conducted in Alaska's history. We are working on new and innovative ways to recruit poll workers for our August 18th Primary and November 3rd General elections.

Recently, I learned from Secretary of State Robert B. Evnen of Nebraska that his Elections Division collaborated with the Board of Public Accountancy, and the Society of Certified Public Accountants and other licensing boards to help ensure that they had a sufficient number of poll workers available for their recent primary election. This partnership was a success! I think it will work here in Alaska.

Nebraska worked out a unique arrangement where licensed professionals who register to serve as poll workers received 1.5 hours of continuing education credit after completion of the election training and working at the polls on Election Day.

This is a creative and effective way for professionals to engage in this civic duty and at the same time add to their efforts to maintain their license to practice in our great State.

Would your Board be willing to pursue a similar arrangement here in Alaska? If so, please contact Dianne Prince in my office at 907-269-7460 by June 30, 2020 so we can begin this exciting discussion.

The need for poll workers has never been greater, I hope we can use such a creative idea to help Alaska for years to come, and that your licensing board will be part of this future.

Thank you for your consideration of this request, and for your service to our great State.

12 AAC 64.010. EXAMINATION. (a) A person may apply for the real estate salesperson or broker examination ~~with the commission. If a testing service is authorized by the commission under AS 08.88.191, a person may also apply for the examination~~ **with the commission approved** testing service.

(b) Deadlines for registration for the examination ~~will be published with the registration information or will be available from the commission. Deadlines for registration will not be less than three days before the examination~~ **are set by the commission approved testing service.**

(c) Registration fees for the ~~written~~ examination are not refundable.

(d) An applicant for licensure shall pass ~~an written~~ examination, approved by the commission, before applying for a license as a real estate broker, associate real estate broker, or real estate salesperson. The ~~written~~ examination consists of a general part and a state part. An applicant must sit for both parts of the ~~written~~ examination during the same examination session.

Editor's note: Information regarding the examination described in 12 AAC 64.010 may be obtained by ~~writing or calling~~ contacting the commission at Real Estate Commission, 550 W. 7th Avenue, Suite 1500, Anchorage, Alaska, 99501-3567, Phone: (907) 269-8162, Fax: (907) 269-81956, **at their website:**

<https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateCommission.aspx>, or **from** the testing service at ~~Pearson Vue Promissor, 3 Bala Plaza West, Suite 300, Bala Cynwyd, Pennsylvania 19004, Phone: (800) 274-5992, Fax: (888) 204-6291.~~ **Pearson VUE, 5601 Green Valley Drive, Bloomington, MN 55437-1099, Phone: (800) 274-5992, or their website: , <https://home.pearsonvue.com/>.**

12 AAC 64.040. ADMISSION TO EXAMINATION. (a) Before the scheduled examination date, an applicant who has registered to sit for the examination will be sent ~~an admission ticket from the commission that specifies the time and place of the examination. If a testing service is authorized by the commission under AS 08.88.191, the applicant will be sent~~ a confirmation notice or receive a confirmation number by ~~telephone~~ **email** from the testing service that specifies the time and place of the examination.

(b) An applicant who has not **pre-**registered for the examination by the deadline described in 12 AAC 64.010(b) ~~will~~ **may** not be admitted to the examination **at the sole discretion of the testing service.**

12 AAC 64.060. APPLICATIONS FOR LICENSURE.

~~(f) If a licensee who holds an associate broker license limited to practice community association management becomes an owner of a community association management company, or is hired by a corporation, partnership, limited partnership, or limited liability company to be a broker of a community association management office, the licensee shall return the associate broker license to the commission. After receiving the associate broker license, the commission will issue a broker license to the licensee limited to practice community association management.~~

~~(g) A licensee who holds a broker or associate broker license limited to practice community association management may obtain a broker or associate broker license that is not limited as described in (f) of this section, by complying with the requirements of AS 08.88.171 and this chapter.~~

12 AAC 64.061. LICENSE BY ENDORSEMENT.

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

(i) determine that the applicant must provide additional information regarding the applicant's active status by furnishing a report of listings and sales, **or property management activity**, accomplished by the applicant during two or more years within the last three years of licensure immediately preceding application in order to verify that the applicant meets the requirements of this subparagraph; the report must be certified as correct by the broker with whom the applicant has been associated; if due to conditions outside of the control of the applicant, a broker is not reasonably available to certify the report, an applicant may request and receive approval from the commission for an alternative manner to provide verification that the report is correct. **This report may be provided electronically or by US mail;**

12 AAC 64.071. LICENSE RENEWAL. (a) Except as provided in (g) of this section, all licenses lapse January 31 of every even-numbered year unless renewed under this section and in accordance with AS 08.88.091, 08.88.171, and, 08.88.251. A renewal reminder ~~document~~ will be provided **by the commission, either electronically or by US mail,** to each licensee with a current expiration date, at least 60 days before the renewal date.

12 AAC 64.075. EMPLOYMENT AND TRANSFER. (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 electronically or by US mail,** a notice of employment of the individual and the individual's license certificate 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 shall sign and date the front of the license certificate, provide a copy to the licensee, and submit the original to the commission, **either electronically or by US mail,** within 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 signed license certificate 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 no 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 signed license certificate 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.

(e) Failure of the licensee to notify the commission of a transfer or status change within 15 days after ~~written~~ of the commission's receipt, **either electronically or by US mail,** of notice from the licensee's terminating broker, interrupts the licensee's period of active and continuous experience.

12 AC 64.077. BROKER AUTHORIZATION OF LICENSE APPLICATIONS. (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 or non-digitally, and may be submitted either electronically or by US mail.**

(c) When the registered broker of an office notifies the commission office in advance of an absence from the office, the broker or an associate broker designated by the registered broker to supervise transactions or licensees during the broker of record's absence may sign, **either digitally or non-digitally**, for the broker of record on a license application.

12 AAC 64.410. MINIMUM CLASSROOM AND VIRTUAL COURSE REQUIREMENTS. (a) Except as provided in (f) and (g) of this section, only real estate education courses certified by the commission, or the commission's designee, meet the requirements of AS 08.88.091 and 08.88.095. To be certified a course whether delivered **in a classroom or virtually** must meet the following minimum requirements:

(1) the course must add to the practical knowledge required to perform the duties of a real estate practitioner in areas identified in 12 AAC 64.063, 12 AAC 64.064, and 12 AAC 64.500;

(2) the course content must be applicable to all areas of the state, but may also include consideration of unique local circumstances;

(3) repealed 6/28/97;

(4) the course must be taught by an instructor approved by the commission to teach that course topic;

(5) a guest instructor who is not approved may be used to present a specialized portion of a course if an approved instructor for the course topic is also present;

(6) students must be required to adhere to a strict attendance policy, whether in a **classroom or attending virtually**, in order to receive credit for the course;

(7) **students taking a course virtually must be present using a device with video and audio capabilities;**

(8) students must complete a course and instructor evaluation on a form ~~required by the commission; the commission will provide a master copy of the form to each course sponsor~~ **that meets or exceeds the basic evaluation provided by the commission;**

(8 9) a certificate of completion shall be given to each student who attends and participates in the course and completes the evaluation, showing the

(A) name of student;

(B) city where course was held;

(C) course title and course approval number;

(D) date the course was delivered;

(E) number of contact hours awarded;

(F) signature of the course instructor or sponsor; and

(G) name of the course instructor.

(b) A transcript from a college or university registrar may substitute for the certificate of completion required in (a)(8) of this section.

(c) Regardless of the number of courses taken in a single day, a student may not receive credit for more than

(1) 10 hours of instruction per day to meet the continuing education requirements of AS 08.88.091 and 12 AAC 64.500; or

(2) eight hours of instruction per day to meet the education requirements of AS 08.88.095 and 12 AAC 64.064.

(d) The commission will maintain a list, updated quarterly, of approved courses that are open to any licensee. The commission will make the list available at the division's office in Anchorage, ~~in~~ **through** the commission newsletter **List Serv**, ~~through a publicly accessible electronic medium~~ **the commission's website**, and by other appropriate methods.

(e) A **Any** course outline submitted to the commission in compliance with 12 AAC 64.420(a)(3)(D) is the property of the author or course sponsor.

(f) Courses developed by a national organization that issues professional designations in specific areas of licensed real estate practice, and that are required to earn or maintain a nationally recognized professional designation, will be recognized for credit if

(1) the course is taught by an instructor certified by the national organization to deliver the course; and

(2) the national organization provides

(A) a list of the designations offered, and the courses required for each designation to the commission annually; and

(B) a certificate of successful course completion.

(g) Courses in the subject areas identified in 12 AAC 64.500 offered by an accredited college or university will be recognized for credit. To determine the number of credit hours to be granted, the licensee must

(1) submit a syllabus of the course, **either electronically, through a link, or by US mail**; and

(2) arrange for and ensure the submission of an official transcript directly from the college or university where the course was offered, **either electronically or by US mail**.

(h) for a course recognized under (f) or (g) of this section,

(1) a course approval fee will not be charged; and

(2) credit will be recognized equal to the number of hours of actual class time, excluding examinations, up to maximum of 12 hours per course.

12 AAC 64.430. CORRESPONDENCE COURSES. (a) To obtain certification of a correspondence course a sponsor must

(1) meet the requirements of 12 AAC 64.420;

(2) submit a copy of the complete course materials that will be provided to participants, including any published texts ~~and audiocassette or videotapes~~ **videos**; and

(3) submit ~~the written~~ **a copy of the** instructions for completing each lesson, **either electronically or by US mail**.

(b) All courses taken by correspondence must include an **unanswered** examination, or a project activity, to be turned into the instructor for grading **upon completion of the course**. The **examination or** project activity must be submitted along with the course material to the commission for prior approval, **either electronically or by US mail**.

12 AAC 64.440. INSTRUCTOR APPROVAL. (a) Except as provided in 12 AAC 64.410(f) and (g), only a course taught by an instructor who is approved by the commission, or the commission's designee, to teach a course on that topic meets the education requirements of AS 08.88.091, AS 08.88.095, and this chapter. A national instructor must obtain approval from the commission, or

the commission's designee, in the appropriate topic area before teaching any course other than a course required to qualify a licensee for a professional designation in licensed real estate practice from a national organization.

(b) An applicant for instructor approval must apply to the commission by submitting

- (1) a completed application on a form provided by the department;
- (2) the fees required in 12 AAC 02.360;
- (3) a list of topics the applicant is seeking approval to teach; and
- (4) a resume indicating the education and experience of the applicant in the

requested topic areas, including the experience and education required in (c) of this section.

(c) To be approved as an instructor, an applicant must have experience teaching or training adults, and at least one of the following:

- (1) a bachelor's degree in real estate or a related field;
- (2) five years of experience as a real estate licensee with documented experience in the topic area the applicant is seeking approval to teach;
- (3) another combination of experience and education that establishes the applicant's credentials in the requested topic area;

(4) be listed as an approved instructor by a national organization that offers professional real estate courses that have been approved by the commission for continuing education credit under 12 AAC 64.420.

(d) Successful completion of an instructor workshop sponsored by the Association of Real Estate License Law Officials (ARELLO), the National Association of Realtors (NAR), the Real Estate Educators' Association (REEA), the International Right of Way Association (IRWA), the Community Association Institute (CAI), or other national organization determined to be comparable by the commission, or the commission's designee, may be substituted for the teaching experience or training required in (c) of this section.

(e) If necessary, to verify or substantiate the qualifications of an applicant for instructor approval, the commission, or its designee, will interview an applicant for instructor approval. If the commission requests division staff to conduct the interview, the division staff shall conduct the interview using the standards for instructor approval set out in this section. The division staff shall prepare a report on the interview and provide it to the commission for further action.

(f) The applicant must have not been disciplined within the last five (5) years by any real regulating authority or professional real estate association.

(f g) An instructor approval expires on April 1 of years ending in 0 and 5. An initial instructor approval issued under (b) of this section from January 1 through March 31 of a year ending in 0 or 5 will expire on April 1 of the next year that ends in a 0 or 5. An applicant for renewal of an instructor approval must submit to the department

- (1) a completed application for renewal on a form provided by the department;
- (2) the instructor approval recertification fee specified in 12 AAC 02.360; and
- (3) evidence of completion during the biennial licensing period for real estate

licensee's immediately preceding the date of application, or the current biennial licensing period if in progress at the date of application, of

(A) at least two hours of continuing education in each topic area for which the instructor is applying for recertification;

(B) teaching a course in the topic area for which the instructor is applying for recertification; or

(C) practical experience in the topic.

(g h) *Repealed 06/22/2008.*

(h i) An applicant for initial instructor approval that wishes to substitute completion of an instructor workshop in (d) of this section for teaching experience or training required in (c) of this section, must apply for instructor approval not later than six months after completing an approved instructor workshop.

Editor's note: Information on workshops described in 12 AAC 64.440 may be obtained from the applicable organizations at the following addresses: Association of Real Estate License Law Officials (ARELLO), ~~P.O. Box 129, Centerville, UT 84014-0129~~; National Association of Realtors (NAR), ~~430 North Michigan Ave., Chicago, IL 60611~~; Real Estate Educator's Association (REEA), ~~10565 Lee Highway, Suite 104, Fairfax, VA 22030-3135~~; International Right of Way Association (IRWA), ~~13650 South Gramercy Place, Gardena, CA 90249~~; Community Association Institute (CAI), ~~1630 Duke Street, Alexandria, VA 22314~~.

12 AAC 64.990. DEFINITIONS

(b)(10) "virtual course" means a course that is approved for credit by the commission and is provided in an interactive on-line, real-time learning environment where the majority of the curriculum is delivered using the internet; and in which students are separated by location from their instructor of record, yet have the ability to participate through chats and audio.

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 14	FY 15	Biennium	FY 16	FY 17	Biennium	FY 18	FY 19	Biennium	FY 20 1st - 3rd QTR
	Revenue									
Revenue from License Fees	\$ 1,139,844	\$ 322,870	\$ 1,462,714	\$ 1,086,258	\$ 297,161	\$ 1,383,419	\$ 766,875	\$ 282,453	\$ 1,049,328	\$ 556,316
Allowable Third Party Reimbursements	-	-	-	-	-	-	-	-	-	\$ -
TOTAL REVENUE	\$ 1,139,844	\$ 322,870	\$ 1,462,714	\$ 1,086,258	\$ 297,161	\$ 1,383,419	\$ 766,875	\$ 282,453	\$ 1,049,328	\$ 556,316
Expenditures										
Non Investigation Expenditures										
1000 - Personal Services	179,769	121,773	301,543	137,073	118,908	255,981	115,076	120,856	235,932	84,313
2000 - Travel	12,096	13,013	25,109	12,781	6,803	19,584	15,632	5,036	20,668	3,046
3000 - Services	24,221	20,404	44,624	26,599	14,085	40,684	13,683	9,813	23,496	8,999
4000 - Commodities	925	600	1,525	1,229	34	1,263	649	-	649	-
5000 - Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	217,011	155,790	372,801	177,682	139,830	317,512	145,040	135,705	280,745	96,358
Investigation Expenditures										
1000-Personal Services	118,045	94,399	212,443	91,700	90,606	182,306	51,422	83,598	135,020	68,799
2000 - Travel										2,078
3023 - Expert Witness	4,651	2,400	7,051	-	4,922	4,922	-	-	-	-
3088 - Inter-Agency Legal	59,300	57,113	116,413	43,639	45,154	88,793	646	530	1,176	1,692
3094 - Inter-Agency Hearing/Mediation	6,956	18,825	25,781	6,929	19,603	26,532	-	3,689	3,689	-
3000 - Services other								958	958	803
4000 - Commodities								-	-	-
Total Investigation Expenditures	188,951	172,737	361,688	142,268	160,285	302,553	52,068	88,775	140,843	73,372
Total Direct Expenditures	405,962	328,527	734,489	319,950	300,115	620,065	197,108	224,480	421,588	169,730
Indirect Expenditures										
Internal Administrative Costs	85,845	61,048	146,893	95,730	87,001	182,731	108,746	110,362	219,108	82,772
Departmental Costs	55,495	68,943	124,438	54,735	58,811	113,546	53,154	57,353	110,507	43,015
Statewide Costs	38,787	39,391	78,178	20,226	23,348	43,574	18,608	20,811	39,419	15,608
Total Indirect Expenditures	180,127	169,382	349,509	170,691	169,160	339,851	180,508	188,526	369,034	141,395
TOTAL EXPENDITURES	\$ 586,089	\$ 497,909	\$ 1,083,998	\$ 490,641	\$ 469,275	\$ 959,916	\$ 377,616	\$ 413,006	\$ 790,622	\$ 311,125
Cumulative Surplus (Deficit)										
Beginning Cumulative Surplus (Deficit)	\$ (278,770)	\$ 274,985		\$ 99,946	\$ 695,563		\$ 523,449	\$ 912,708		\$ 782,155
Annual Increase/(Decrease)	553,755	(175,039)		595,617	(172,114)		389,259	(130,553)		245,191
Ending Cumulative Surplus (Deficit)	\$ 274,985	\$ 99,946		\$ 695,563	\$ 523,449		\$ 912,708	\$ 782,155		\$ 1,027,346
Statistical Information										
Number of Licensees	2,761	3,001		3,066	3,558		4,129	4,041		-

Additional information:

- 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 reduction 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 program changes per AS 08.01.065.

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

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Appropriation	(All)
AL Sub Unit	(All)
PL Task Code	REC1

Sum of Expenditures Object Name (Ex)	Object Type Name (Ex)			Grand Total
	1000 - Personal Services	2000 - Travel	3000 - Services	
1011 - Regular Compensation	82,354.48			82,354.48
1014 - Overtime	131.25			131.25
1021 - Allowances to Employees	2.46			2.46
1023 - Leave Taken	11,872.11			11,872.11
1028 - Alaska Supplemental Benefit	5,794.54			5,794.54
1029 - Public Employee's Retirement System Defined Benefits	9,990.42			9,990.42
1030 - Public Employee's Retirement System Defined Contribution	2,574.68			2,574.68
1034 - Public Employee's Retirement System Defined Cont Health Reim	1,616.68			1,616.68
1035 - Public Employee's Retirement Sys Defined Cont Retiree Medical	646.17			646.17
1037 - Public Employee's Retirement Sys Defined Benefit Unfnd Liab	5,937.71			5,937.71
1039 - Unemployment Insurance	293.16			293.16
1040 - Group Health Insurance	23,606.37			23,606.37
1041 - Basic Life and Travel	35.17			35.17
1042 - Worker's Compensation Insurance	854.79			854.79
1047 - Leave Cash In Employer Charge	2,077.20			2,077.20
1048 - Terminal Leave Employer Charge	1,244.58			1,244.58
1053 - Medicare Tax	1,281.82			1,281.82
1069 - SU Business Leave Bank Contributions	1.77			1.77
1077 - ASEA Legal Trust	112.60			112.60
1079 - ASEA Injury Leave Usage	4.76			4.76
1080 - SU Legal Trst	27.88			27.88
1970 - Personal Services Transfer	2,651.15			2,651.15
2005 - In-State Non-Employee Airfare			436.78	436.78
2009 - In-State Non-Employee Taxable Per Diem			212.00	212.00
2010 - In-State Non-Employee Non-Taxable Reimbursement			503.08	503.08
2012 - Out-State Employee Airfare			1,533.38	1,533.38
2013 - Out-State Employee Surface Transportation			201.58	201.58
2014 - Out-State Employee Lodging			1,673.15	1,673.15
2015 - Out-State Employee Meals and Incidentals			564.50	564.50
3000 - Training/Conferences			1,110.00	1,110.00
3002 - Memberships			812.00	812.00
3035 - Long Distance			4.57	4.57
3044 - Courier			37.73	37.73
3045 - Postage			656.94	656.94
3046 - Advertising			2,388.85	2,388.85
3057 - Structure, Infrastructure and Land - Rentals/Leases			304.12	304.12
3069 - Commission Sales			42.00	42.00
3085 - Inter-Agency Mail			2,281.60	2,281.60
3088 - Inter-Agency Legal			2,706.56	2,706.56
3094 - Inter-Agency Hearing/Mediation			1,150.10	1,150.10
Grand Total	153,111.75	5,124.47	11,494.47	169,730.69

Investigative Report



MEMORANDUM

DATE: June 04, 2020
TO: Real Estate Commission
THRU: Greg Francois, Chief Investigator
FROM: Autumn Roark, Investigator
RE: Investigative Report for the June 17, 2020 Meeting

The following information was compiled as an investigative report to the Board for the period of March 10, 2020 thru June 04, 2020; this report includes cases, complaints, and intake matters handled since the last report.

Matters opened by the Paralegal in Juneau, regarding continuing education audits and license action resulting from those matters are not covered in this report.

OPEN - 36

<u>Case Number</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Status Date</u>
REAL ESTATE BROKER			
2020-000406	Financial scam	Intake	04/27/20
2020-000429	Fraud or misrepresentation	Intake	05/04/20
2020-000439	Financial scam	Intake	05/06/20
2020-000449	Violation of agreement	Intake	05/01/20
2019-001070	Fraud or misrepresentation	Complaint	11/05/19
2020-000078	Supervision	Complaint	01/23/20
2020-000140	License application problem	Complaint	02/04/20
2020-000230	Fraud or misrepresentation	Complaint	04/22/20
2020-000268	Violation of licensing regulation	Complaint	03/10/20
2020-000224	Criminal action - no conviction	Monitor	
2016-000807	Fraud or misrepresentation	Investigation	04/25/19

2016-000949	Fraud or misrepresentation	Investigation	04/25/19
2017-000602	Fraud or misrepresentation	Investigation	04/25/19
2018-001411	Violation of licensing regulation	Investigation	02/21/19
2019-000210	Supervision	Investigation	01/09/20
2020-000118	Falsified application	Investigation	03/09/20

REAL ESTATE SALESPERSON

2020-000426	Violation of licensing regulation	Intake	05/04/20
2020-000456	Fraud or misrepresentation	Intake	05/14/20
2019-001263	Unlicensed practice or activity	Complaint	11/25/19
2020-000015	Fraud or misrepresentation	Complaint	01/07/20
2020-000020	Trust account	Complaint	01/07/20
2020-000077	Fraud or misrepresentation	Complaint	01/23/20
2020-000110	Advertising	Complaint	01/28/20
2020-000132	Fraud or misrepresentation	Complaint	02/13/20
2020-000363	Fraud or misrepresentation	Complaint	04/22/20
2020-000400	Advertising	Complaint	04/23/20
2020-000440	Fraud or misrepresentation	Complaint	05/07/20
2019-001288	Criminal action - no conviction	Monitor	
2018-001085	Fraud or misrepresentation	Investigation	06/25/19
2019-000209	Violation of licensing regulation	Investigation	01/09/20
2019-000211	Unlicensed practice or activity	Investigation	01/09/20
2019-000403	Fraud or misrepresentation	Investigation	06/25/19
2019-000421	Fraud or misrepresentation	Investigation	06/25/19
2019-001043	Advertising	Investigation	01/05/20
2020-000139	Falsified application	Investigation	04/15/20
2020-000164	Falsified application	Investigation	03/11/20

Closed - 8

<u>Case #</u>	<u>Violation Type</u>	<u>Case Status</u>	<u>Closed</u>	<u>Closure</u>
REAL ESTATE ASSOCIATE BROKER				
2020-000044	Supervision	Closed-Complaint	04/08/20	No Action - No Violation
REAL ESTATE BROKER				
2020-000324	Fraud or misrepresentation	Closed-Intake	04/27/20	Incomplete Complaint
2020-000457	Real estate - other	Closed-Intake	06/02/20	No Action - Lack of Jurisdiction

2019-001404	Violation of licensing regulation	Closed-Complaint	03/31/20	No Action - No Violation
2018-001122	Violation of licensing regulation	Closed-Investigation	03/31/20	License Action
REAL ESTATE SALESPERSON				
2020-000305	Unlicensed practice or activity	Closed-Intake	04/27/20	Incomplete Complaint
2020-000403	Real estate - other	Closed-Intake	06/01/20	Incomplete Complaint
2020-000048	Violation of licensing regulation	Closed-Complaint	04/06/20	Incomplete Complaint

END OF REPORT



PROBATION REPORT

DATE: June 4, 2020
TO: Alaska Real Estate Commission
THRU: Amber Whaley, Senior Investigator 
FROM: Ryan Gill, Investigator/Probation Monitor
SUBJECT: Probation Report for the June 17, 2020 Commission Meeting

The following is a complete list of individuals on probation for this Commission. There are currently **three (3)** individuals being monitored on probation. Since the last probation report, **one (1)** probation cases was completed based on satisfaction of probation terms. All individuals are in compliance with their agreements, except as noted below.

<u>NAME</u>	<u>CASE NUMBER</u>	<u>PROBATION START</u>	<u>PROBATION END</u>
Finis Shelden	2016-001317	11/08/2017	11/08/2020
Frank Zellers	2019-000873	07/24/2019	01/24/2021
*Stacy Hague	2019-000862	07/24/2019	07/24/2020

PROBATIONS COMPLETED

<u>NAME</u>	<u>CASE NUMBER</u>	<u>PROBATION START</u>	<u>PROBATION END</u>
Katherine Uei	2019-000368	03/27/2019	03/27/2020

Special Notes:

***Stacy Hague-** License lapsed on January 31, 2020. Non-compliance letter issued February 25, 2020. As of March 3, 2020, license has still not been renewed or surrendered. Surrender has been offered by Inv. Roark.

END OF REPORT

Regulation Revisions Proposed for Adoption

**NOTICE OF ADOPTION OF EMERGENCY REGULATION ON MINIMUM EDUCATION
REQUIREMENTS FOR LICENSURE IN THE REGULATIONS OF
THE REAL ESTATE COMMISSION**

BRIEF DESCRIPTION: The Real Estate Commission proposes to update regulation changes made by an emergency regulation relating to minimum education requirements for licensure.

On **April 20, 2020**, the Real Estate Commission (Commission) adopted, as an emergency regulation, changes in Title 12, Chapter 64, of the Alaska Administrative Code including the following:

12 AAC 64.063. Minimum education requirements for licensure, is proposed to be changed to give licensees who have completed the required education for initial licensure the needed extension to take their exams and file their applications due to the closure of testing facilities caused by the COVID-19 pandemic.

The emergency regulation took effect on **April 21, 2020**, and will expire **August 18, 2020**. The Commission intends to make the emergency regulation permanent.

You may comment on the regulation changes, including the potential costs to private persons of complying with the 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/197964>, and using the comment link. **The comments must be received not later than 4:30 p.m. on May 27, 2020.** 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 May 20, 2020 to ensure that any necessary accommodation can be provided.

A copy of the emergency regulation 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-EmergencyRegs-0420.pdf>.

The language of the permanent regulation may be different from that of the original emergency regulation and may include other provisions dealing with the same subject. **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 08.01.070; AS 08.88.071; AS 08.88.081; AS 08.88.091; AS 08.88.171

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.01.070; AS 08.88.071; AS 08.88.081; AS 08.88.091; AS 08.88.171

Fiscal Information: The regulations are not expected to require an increased appropriation.

DATE: 4/22/2020

/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:** Minimum education requirements for licensure.
3. **Citation of regulation:** 12 AAC 64.063.
4. **Department of Law file number:** 2020200332
5. **Reason for the proposed action:** Emergency regulations.
6. **Appropriation/Allocation:** Corporations, Business and Professional Licensing – #2360.
7. **Estimated annual cost to comply with the proposed action to:**
A private person: None known.
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 2020 or in subsequent years.
9. **The name of the contact person for the regulation:**
Shyla Consalo, Executive Administrator
Alaska Real Estate Commission
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Telephone: (907) 269-8197
E-mail: shyla.consalo@alaska.gov
10. **The origin of the proposed action:** Real Estate Commission.
11. **Date:** 4/22/2020 **Prepared by:** /s/
Jun Maiquis
Regulations Specialist

EMERGENCY REGULATION

Register 234, July 2020 PROFESSIONAL REGULATIONS

Chapter 64. Real Estate Commission.

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

12 AAC 64.063 is amended to read:

12 AAC 64.063. Minimum education requirements for licensure. (a) All real estate education courses used to qualify for initial licensure must

(1) meet the requirements of 12 AAC 64.400 - 12 AAC 64.470 and this section;

and

(2) have been completed within the 18 months immediately preceding the date of application, except that the real estate education courses used to qualify for initial licensure by endorsement must have been completed within the 24 months immediately preceding the date of application.

(b) To meet the real estate education requirements for licensure under AS 08.88.171(a) or (b), an applicant for a broker or associate broker license must document completion of the following contact hours of education in the following topics:

(1) broker supervision requirements and record keeping - four contact hours;

(2) trust accounting procedures - three contact hours;

(3) organizing and managing a real estate office - three contact hours;

(4) property management - two contact hours; and

(5) broker-level education to understand the applicability of the following areas covered previously in the applicant's initial education course to receive a real estate salesperson license:

EMERGENCY REGULATION

Register 234, July 2020 **PROFESSIONAL REGULATIONS**

- (A) licensee relationships, disclosure, and conflict of interest - three contact hours;
- (B) forms of ownership - two contact hours;
- (C) property law, public and private rights and limitations - two contact hours;
- (D) forms of conveyances and recording of documents - two contact hours;
- (E) contracts and transaction documents - two contact hours;
- (F) financing instruments and accounting principles - two contact hours;
- (G) Alaska real estate license law and Alaska landlord tenant law - three contact hours; and
- (H) federal fair housing and Real Estate Settlement Procedures Act (RESPA) laws - two contact hours.

(c) To meet the real estate education requirements for licensure under AS 08.88.171(c), an applicant for an initial real estate license shall document completion of the following topics and hours:

- (1) licensee relationships, disclosure, and conflict of interest - six contact hours;
- (2) forms of ownership - four contact hours;
- (3) property law, public and private rights and limitations - four contact hours;
- (4) forms of conveyances and recording of documents - four contact hours;
- (5) contracts and transaction documents - eight contact hours;
- (6) financing instruments and accounting principles - six contact hours;
- (7) Alaska real estate license law and Alaska landlord tenant law - six contact

EMERGENCY REGULATION

Register 234, July 2020 PROFESSIONAL REGULATIONS

hours; and

(8) federal fair housing and RESPA laws - two contact hours.

(d) To document the real estate education received, an applicant shall list on the application form the following information:

- (1) course title and commission course approval number, if applicable;
- (2) course sponsor;
- (3) number of contact hours; and
- (4) instructor of the course.

(e) An associate broker who has met the education requirements in (b) of this section does not need to repeat those requirements when upgrading to a broker license.

(f) A licensee is responsible for maintaining adequate and detailed records, including course certificates or transcripts, showing completion of education courses claimed, and shall make the records available to the commission upon request. Records must be retained for three years after the date a course was taken.

(g) For the purposes of this section and AS 08.88.091,

- (1) one contact hour equals a minimum of 50 minutes of instruction;
- (2) one academic semester credit hour equals 15 contact hours;
- (3) one academic quarter credit hour equals 10 contact hours.

(h) If, during a disaster declared by the governor of this state under AS 26.23.020, the real estate salesperson or broker examination is not administered, an applicant who has completed the real estate education courses required in (b) or (c) of this section may submit a completed application up to 60 days after testing has resumed. (Eff. 10/8/90, Register 116;

EMERGENCY REGULATION

Register 234, July 2020 **PROFESSIONAL REGULATIONS**

am 3/6/91, Register 117; am 2/12/99, Register 149; am 8/31/2006, Register 179; am 3/27/2008,

Register 185; am 3/1/2017, Register 221; am 4 / 21 / 2020, Register 234)

Authority: AS 08.88.081 AS 08.88.091 AS 08.88.171

Maiquis, Jun C (CED)

From: Regulations and Public Comment (CED sponsored)
Sent: Friday, April 24, 2020 9:32 AM
To: Katie Uei
Subject: RE: Notice of Adoption of Emergency Regulations (Real Estate Commission - 12 AAC 64.063)

No. This change would give licensees who have completed the required education for initial licensure, the needed extension to take their exams and file their applications due to the closure of testing facilities during a declared disaster by the Governor under AS 26.23.020. This will allow applicants, who have completed the required education, the ability to apply for a real estate license up to 60 days after testing becomes available. This prevents applicants from having to re-complete the education requirement if it expires because of testing facilities being closed.

From: Katie Uei [mailto:katieuei@gmail.com]
Sent: Thursday, April 23, 2020 4:43 PM
To: Regulations and Public Comment (CED sponsored) <regulationsandpubliccomment@alaska.gov>
Subject: Re: Notice of Adoption of Emergency Regulations (Real Estate Commission - 12 AAC 64.063)

This is confusing. Do we need to take another class?

If you have any questions at all ask me. I am always happy to help.

Katie Uei
Top Producing ICON Realtor
eXp Realty LLC
License #18597

Cell-(907)398-3864

"Real estate is the simplest, most consistent and easiest way to substantially increase your net worth!"

"You can have everything in life you want if you'll just help enough other people to get what they want!" -- Zig Ziglar

"Honesty and integrity will govern our actions Commitments made will be fulfilled Everyone will be treated with dignity and respect"

"Do you know anyone looking to buy or sell real estate? Please allow me the opportunity of contacting and assisting them. The highest compliment I could ever receive is a referral from your friends and family."

P Go Green! Please consider the environment before printing this e-mail

IMPORTANT NOTICE: Never trust wiring instructions sent via email. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct.

CONFIDENTIALITY NOTICE:

This electronic mail transmission, and any attachment to it, contains privileged and confidential information intended only for the personal and confidential use of recipient(s) designated above. If you are not the intended recipient of this communication, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any review, disclosure, copying, distribution or use of the contents of this information is strictly prohibited. If you have received this communication in error, please immediately notify the sender and please destroy the original message and all copies. Thank you

On Apr 23, 2020, at 4:16 PM, Regulations and Public Comment (CED sponsored)
<regulationsandpubliccomment@alaska.gov> wrote:

Dear Licensee,

The Alaska Real Estate Commission proposes to update regulation changes made by an emergency regulation relating to minimum education requirements for licensure.

Attached are copies of the public notice and the filed emergency regulation changes.

Thank you,
Alaska Real Estate Commission

<REC Emergency Regs Notice-0420.pdf>

Maiquis, Jun C (CED)

From: lisah@pobox.alaska.net
Sent: Friday, April 24, 2020 10:39 AM
To: Regulations and Public Comment (CED sponsored)
Subject: RE: Notice of Adoption of Emergency Regulations (Real Estate Commission - 12 AAC 64.063)

Thank you. Very good plan.

Thanks,

Lisa
Herrington and Company, LLC
907-229-6822
lisah@pobox.alaska.net
255 E. Fireweed Lane, Suite 102
Anchorage, Alaska 99503

From: Regulations and Public Comment (CED sponsored) <regulationsandpubliccomment@alaska.gov>
Sent: Friday, April 24, 2020 9:35 AM
To: lisah@pobox.alaska.net
Subject: RE: Notice of Adoption of Emergency Regulations (Real Estate Commission - 12 AAC 64.063)

Hello,
This change would give licensees who have completed the required education for initial licensure, the needed extension to take their exams and file their applications due to the closure of testing facilities during a declared disaster by the Governor under AS 26.23.020. This will allow applicants, who have completed the required education, the ability to apply for a real estate license up to 60 days after testing becomes available. This prevents applicants from having to re-complete the education requirement if it expires because of testing facilities being closed.

From: lisah@pobox.alaska.net [<mailto:lisah@pobox.alaska.net>]
Sent: Thursday, April 23, 2020 5:13 PM
To: Regulations and Public Comment (CED sponsored) <regulationsandpubliccomment@alaska.gov>
Subject: RE: Notice of Adoption of Emergency Regulations (Real Estate Commission - 12 AAC 64.063)

To give them until when to extend?

From: Regulations and Public Comment (CED sponsored) <regulationsandpubliccomment@alaska.gov>
Sent: Thursday, April 23, 2020 4:17 PM
To: undisclosed-recipients:
Subject: Notice of Adoption of Emergency Regulations (Real Estate Commission - 12 AAC 64.063)

Dear Licensee,

The Alaska Real Estate Commission proposes to update regulation changes made by an emergency regulation relating to minimum education requirements for licensure.

Attached are copies of the public notice and the filed emergency regulation changes.

Thank you,
Alaska Real Estate Commission

EMERGENCY REGULATION

Register _____, _____ 2020 **PROFESSIONAL REGULATIONS**

Chapter 64. Real Estate Commission.

The emergency adoption of 12 AAC 64.063(h) is made permanent to read:

(h) If, during a disaster declared by the governor of this state under AS 26.23.020, the real estate salesperson or broker examination is not administered, an applicant who has completed the real estate education courses required in (b) or (c) of this section may submit a completed application up to 60 days after testing has resumed. (Eff. 10/8/90, Register 116; am 3/6/91, Register 117; am 2/12/99, Register 149; am 8/31/2006, Register 179; am 3/27/2008, Register 185; am 3/1/2017, Register 221; am 4/21/2020, Register 234)

Authority: AS 08.88.081 AS 08.88.091 AS 08.88.171

NOTICE OF PROPOSED CHANGES ON APPLICATIONS AND INSTRUCTOR APPROVAL REQUIREMENTS IN THE REGULATIONS OF THE REAL ESTATE COMMISSION

BRIEF DESCRIPTION: The Real Estate Commission proposes to update regulations regarding applications and instructor approval requirements.

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

1. **12 AAC 64.059. Review of license applications**, is proposed to remove the notarized signature requirements for license applications.
2. **12 AAC 64.440. Instructor approval**, is proposed to update the time period that a person who applies for an initial instructor certification from January 1 through **April 1** instead of January 1 through March 31, to conform with the expiration of an instructor certification.

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/198177>, and using the comment link. **The comments must be received not later than 4:30 p.m. on June 12, 2020.** 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 June 5, 2020 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-0420.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 08.88.061; AS 08.88.071; AS 08.88.081; AS 08.88.091; AS 08.88.095; AS 08.88.171; AS 08.88.263

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.88.061; AS 08.88.071; AS 08.88.081; AS 08.88.091; AS 08.88.095; AS 08.88.171; AS 08.88.263

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

Chapter 64. Real Estate Commission.

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

12 AAC 64.059(b)(1)(E) is amended to read:

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

12 AAC 64.059(d)(1)(E) is amended to read:

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

(Eff. 2/11/95, Register 133; am 6/2/95, Register 134; am 2/12/99, Register 149; am 9/6/2002, Register 163; am 3/27/2008, Register 185; am 6/22/2008, Register 186; am 5/31/2012, Register 202; am 12/13/2014, Register 212; am 2/21/2019, Register 229; am ___/___/_____, Register _____)

Authority: AS 08.88.071 AS 08.88.091 AS 08.88.263
AS 08.88.081 AS 08.88.171

The introductory language of 12 AAC 64.440(f) is amended to read:

(f) An instructor approval expires on April 1 of years ending in 0 and 5. An initial instructor approval issued under (b) of this section from January 1 through **April 1** [MARCH 31] of a year ending in 0 or 5 will expire on April 1 of the next year that ends in a 0 or 5. An applicant for renewal of an instructor approval must submit to the department

• • •

Register _____, _____ 2020 **PROFESSIONAL REGULATIONS**

(Eff. 10/8/90, Register 116; am 3/6/91, Register 117; am 7/16/94, Register 131; am 6/28/97, Register 142; am 2/12/99, Register 149; am 1/1/2006, Register 176; am 6/22/2008, Register 186; am 1/9/2014, Register 209; am ____/____/_____, Register _____)

Authority: AS 08.88.061 AS 08.88.091 AS 08.88.095
AS 08.88.081

Maiquis, Jun C (CED)

From: Rich Harter <richharter@outlook.com>
Sent: Wednesday, May 13, 2020 2:37 PM
To: Regulations and Public Comment (CED sponsored)
Subject: Re: Notice of Proposed Regulations (Real Estate Commission - 12 AAC 64.059 and 12 AAC 64.440)

I think that the notarized page should stay intact.

Rich Harter
Owner/Broker
Alaska Life Realty
907-322-5888
www.akliferealty.com

Sent from my iPhone

On May 13, 2020, at 2:24 PM, Regulations and Public Comment (CED sponsored) <regulationsandpubliccomment@alaska.gov> wrote:

Dear Licensee,

The Alaska Real Estate Commission proposes to update regulations regarding applications and instructor approval requirements.

Attached are copies of the public notice and draft of the proposed regulation changes.

Thank you,
Alaska Real Estate Commission

<REC Notice-0520.pdf>

Chapter 64. Real Estate Commission.

12 AAC 64.059(b)(1)(E) is amended to read:

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

12 AAC 64.059(d)(1)(E) is amended to read:

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

(Eff. 2/11/95, Register 133; am 6/2/95, Register 134; am 2/12/99, Register 149; am 9/6/2002, Register 163; am 3/27/2008, Register 185; am 6/22/2008, Register 186; am 5/31/2012, Register 202; am 12/13/2014, Register 212; am 2/21/2019, Register 229; am ____/____/_____, Register _____)

Authority: AS 08.88.071 AS 08.88.091 AS 08.88.263
 AS 08.88.081 AS 08.88.171

The introductory language of 12 AAC 64.440(f) is amended to read:

(f) An instructor approval expires on April 1 of years ending in 0 and 5. An initial instructor approval issued under (b) of this section from January 1 through **April 1** [MARCH 31] of a year ending in 0 or 5 will expire on April 1 of the next year that ends in a 0 or 5. An applicant for renewal of an instructor approval must submit to the department

• • •

(Eff. 10/8/90, Register 116; am 3/6/91, Register 117; am 7/16/94, Register 131; am 6/28/97,

Register _____, _____ 2020 **PROFESSIONAL REGULATIONS**

Register 142; am 2/12/99, Register 149; am 1/1/2006, Register 176; am 6/22/2008, Register 186;
am 1/9/2014, Register 209; am ____/____/_____, Register _____)

Authority: AS 08.88.061 AS 08.88.091 AS 08.88.095
AS 08.88.081

Executive Administrator's Report

EDUCATION REPORT

June 17, 2020

(as of 06/9/2020)

<u>Course Type</u>	<u>Currently Approved</u>
Pre-Licensing (SPL)	12
Broker Upgrade Pre-Licensing (BPL)	4
Elective Continuing Education (ECE)	281
Designated Continuing Education (DCE)	22
Post Licensing Education (PLE)	70
	Total: 389

Instructor

Permanent	57
New instructor – Anchorage and Wasilla	2
Temporary Instructor	0

LICENSING REPORT

JUNE 17, 2020

New Licensees January 1, 2020 - June 9, 2020: 103
Total Number of <u>Active</u> Licensees with 1/31/2022 exp: 2604
Total Number of Licensees with 1/31/2022 exp: *2628

ACTIVE: 1/31/22 exp	Dec	Mar	Jun
Broker	423	393	405
Associate Broker	391	369	373
Salesperson	1954	1769	1826
Total Active:	2768	2531	2604

INACTIVE: 1/31/22 exp	Dec	Mar	Jun
Broker	1	0	1
Associate Broker	6	0	0
Salesperson	54	3	5
Total Inactive:	61	3	6

LAPSED: NON-COMPLIANCE OF PLE w/exp date of 1/31/22			
	Dec	Mar	Jun
Broker	0	0	0
Associate Broker	0	0	0
Salesperson	11	7	1
Total:	11	7	1

LAPSED: 1/31/20 exp	Dec	Mar	Jun
Broker	46	35	30
Associate Broker	45	37	36
Salesperson	388	333	318
Total Lapsed:	481	405	384

Transfers:	Dec	Mar	Jun
	118	156	175

PLE Completed:	Dec	Mar	Jun
	76	45	97

Upgrades:	
S - AB = 6	S - B = 7

In this reporting period	Dec	Mar	Jun
License Returned	159	6	197
Probation License	4	3	3
Suspended	0	0	0
Revoked	0	0	1
Surrendered	0	0	1

*includes licensees that are active, inactive, lic rtnd, probation, suspension, surrender, and lapsed (PLE), all with 1/31/2022 expiration date

RICE INSURANCE SERVICES COMPANY, LLC
 CLAIMS LISTING FOR CNA CLAIMS
 ALASKA REAL ESTATE COMMISSION GROUP POLICY
 FIRST QUARTER 2020

Claim #	Loss Date	Report Date	Date Notified	Allegation	Policy #	Status	Claim Reserves	Expense Reserves	Claims Payment	Expense Payment	Subr	Incurred
CC13284	9/1/2016	10/16/2018	9/5/2018	Non-Disc / Misrep Mold	18 EO 0001AK-	O	\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$2,000.00
							\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$2,000.00
				CLAIMS COUNT:		1			--Losses---	---LAE---		---Total---
				CLOSED CLAIMS:		0	Closed Paid:		\$0.00	\$0.00		\$0.00
				OPEN CLAIMS:		1	Closed Recovery:		\$0.00	\$0.00		\$0.00
							Closed Incurred:		\$0.00	\$0.00		\$0.00
							Open Paid:		\$0.00	\$0.00		\$0.00
							Open Reserves:		\$1,000.00	\$1,000.00		\$2,000.00
							Open Incurred:		\$1,000.00	\$1,000.00		\$2,000.00
							Current Recov's:		\$0.00	\$0.00		\$0.00
							Total Incurred:		\$1,000.00	\$1,000.00		\$2,000.00
CC14132	10/25/2017	9/19/2019	9/19/2019	Incident / Allegations Unknown	19 EO 0002AK-	C	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CC13986	4/4/2019	7/25/2019	6/28/2019	Negligent Hiring of Contractor	19 EO 0002AK-	C	\$3,000.00	\$0.00	\$3,000.00	\$0.00	\$0.00	\$3,000.00
CC14231	4/15/2017	10/28/2019	10/28/2019	Subpoena	19 EO 0002AK-	D	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
							\$3,000.00	\$0.00	\$3,000.00	\$0.00	\$0.00	\$3,000.00
				CLAIMS COUNT:		3			--Losses---	---LAE---		---Total---
				CLOSED CLAIMS:		3	Closed Paid:		\$3,000.00	\$0.00		\$3,000.00
				OPEN CLAIMS:		0	Closed Recovery:		\$0.00	\$0.00		\$0.00
							Closed Incurred:		\$3,000.00	\$0.00		\$3,000.00
							Open Paid:		\$0.00	\$0.00		\$0.00
							Open Reserves:		\$0.00	\$0.00		\$0.00
							Open Incurred:		\$0.00	\$0.00		\$0.00
							Current Recov's:		\$0.00	\$0.00		\$0.00
							Total Incurred:		\$3,000.00	\$0.00		\$3,000.00

**RICE INSURANCE SERVICES COMPANY, LLC
ALASKA REAL ESTATE COMMISSION
GROUP POLICY CLAIMS INFORMATION
FIRST QUARTER 2020**

Group Policy Number	TOTAL PAID FOR CLOSED CLAIMS			TOTAL INCURRED FOR OPEN CLAIMS			Claims Count	Total Incurred
	Claims Count	Loss	Legal	Claims Count	Loss	Legal		
18 EO 0001AK-	0	\$0.00	\$0.00	1	\$1,000.00	\$1,000.00	1	\$2,000.00
19 EO 0002AK-	2	\$3,000.00	\$0.00	1	\$0.00	\$0.00	3	\$3,000.00
20 EO 0003AK-	0	\$0.00	\$0.00	0	\$0.00	\$0.00	0	\$0.00
TOTALS	2	\$3,000.00	\$0.00	2	\$1,000.00	\$1,000.00	4	\$5,000.00

Total Incurred Closed Claims \$3,000.00

Total Incurred Open Claims \$2,000.00

*The incurred amount for open claims includes payments and reserve amounts set by the adjusters (the estimated amount needed for damages and claims expenses to close the open claims) but does not include any amounts incurred but not reported (IBNR), loss development amounts (a factor used by actuaries to determine the ultimate loss incurred), or administrative costs (the insurer's costs to provide the program, including their staffing costs and expense allocations, program administration, marketing, and claims adjustment costs). All of these factors are additional costs for the program.

**Statement of Net Positions
Real Estate Recovery Funds
March 31, 2020**

	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
ASSETS							
Cash and Investments	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 381,655	\$ 264,816
Total Assets	<u>454,264</u>	<u>465,770</u>	<u>392,207</u>	<u>394,514</u>	<u>277,675</u>	<u>381,655</u>	<u>264,816</u>
LIABILITIES							
Accounts Payable and Accrued Liabilities	7,211	(30)	1,517	(10,691)	11,230	5,198	11,230
Total Liabilities	<u>7,211</u>	<u>(30)</u>	<u>1,517</u>	<u>(10,691)</u>	<u>11,230</u>	<u>5,198</u>	<u>11,230</u>
FUND BALANCES							
Reserved for Education and Claims	447,053	465,800	390,691	405,205	266,445	376,458	253,586
Total Fund Balance	<u>447,053</u>	<u>465,800</u>	<u>390,691</u>	<u>405,205</u>	<u>266,445</u>	<u>376,458</u>	<u>253,586</u>
Total Liabilities and Fund Balances	<u>\$ 454,264</u>	<u>\$ 465,770</u>	<u>\$ 392,207</u>	<u>\$ 394,514</u>	<u>\$ 277,675</u>	<u>\$ 381,655</u>	<u>\$ 264,816</u>
		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 2 year licensing cycle fund balance:		<u>\$ 460,017</u>	<u>\$ 428,988</u>	<u>\$ 393,361</u>	<u>\$ 336,095</u>	<u>\$ 329,665</u>	<u>\$ 323,236</u>

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 FY21 Liabilities projected using FY19

Statement of Revenues, Expenditures, and Changes in Fund Balances
Real Estate Recovery Fund
Actual for Years Ended June 30, 2015 through March 31, 2020
and
Projected for Fiscal Years Ending June 30, 2020 and June 30, 2021

	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 Quarter Ended 9/30/19	For the Quarter Ended 12/31/19	For the Quarter Ended 3/31/20	For the Quarter Ended 6/30/20	For the Fiscal Year Ended 6/30/20	For the Fiscal Year Ended 6/30/21
REVENUES											
Licenses and Permits	38,425	\$ 126,910	38,370	133,550	29,465	6,840	35,800	138,460	(1)	189,447 (1)	29,465
Interest and Investment Income	2,164	2,533	3,178	4,230	9,964	1,258	1,267	2,004	(2)	5,587 (2)	9,964
TOTAL REVENUES	40,589	129,443	41,548	137,780	39,429	8,098	37,067	140,464	-	195,034	39,429
EXPENDITURES											
Personal Services	113,145	112,763	115,097	134,846	126,366	26,801	4,258	1,171	(3)	89,897 (3)	126,366
Travel	0	-	-	-	-	-	-	-		-	-
Commodities	0	89	-	617	-	-	-	-		617	-
Services - Non-claims	732	5,085	13	10	5,000	-	321	105		540	5,000
Services - Claims & Associated Legal costs	0	-	-	-	24,902	-	25,300	-		-	24,902
TOTAL EXPENDITURES	113,877	117,937	115,110	135,473	156,268	26,801	29,879	1,276	-	91,054	156,268
Excess (Deficiency) Revenues Over Expenditures	(73,288)	11,505	(73,562)	2,307	(116,839)	(18,703)	7,187	139,188	-	103,980	(116,839)
Other Financing Sources (Uses)	-	-	-	-	-	-	-	-		-	-
Net Change in Fund Balances	(73,288)	11,505	(73,562)	2,307	(116,839)	(18,703)	7,187	139,188	-	103,980	(116,839)
Fund Balances - Beginning of Year	527,552	454,264	465,770	392,207	394,514	277,675	258,972	266,160	405,348	277,675	381,655
Fund Balances - End of Year	454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	258,972	266,160	405,348	405,348	\$ 381,655	\$ 264,816

(1) For FY21, licenses and permits revenue projected to be the same as FY19.

(2) Projecting through FY20 based on FY18 rate of earnings.

For FY20, the annual personal services costs are projected for the Executive Administrator to spend 10% and the Project Assistant to spend

(3) 100% of their time on Real Estate Recovery Fund related tasks.

Statement of Cash Flows
Real Estate Recovery Fund
March 31, 2020

	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
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts for Licenses & Permits	\$ 38,425	\$ 126,910	\$ 38,370 ⁽¹⁾	\$ 133,550 ⁽¹⁾	\$ 29,465 ⁽¹⁾	\$ 189,447	\$ 29,465
Payments to Employees	(113,145)	(112,763)	(115,097) ⁽²⁾	(134,846) ⁽²⁾	(126,366) ⁽²⁾	(89,897)	(126,366)
Payments for Services/Claims	-	-	-	- ⁽³⁾	(24,902) ⁽³⁾	-	(24,902)
Other Payments	(732)	(5,174)	(13)	(627)	(5,000)	(1,157)	(5,000)
Net Cash Provided (Used) by Operating Activities	(75,452)	8,973	(76,740)	(1,923)	(126,803)	98,393	(126,803)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest and Dividends on Investments	2,164	2,533	3,178 ⁽³⁾	4,230 ⁽³⁾	9,964 ⁽³⁾	5,587	9,964
Net Cash Provided (Used) by Investing Activities	2,164	2,533	3,178	4,230	9,964	5,587	9,964
Net Increase (Decrease) in Cash	(73,288)	11,505	(73,562)	2,307	(116,839)	103,980	(116,839)
Cash and Cash Equivalents - Beginning of Year	527,552	454,264	465,770	392,207	394,514	277,675	381,655
Cash and Cash Equivalents - End of Year	\$ 454,264	\$ 465,770	\$ 392,207	\$ 394,514	\$ 277,675	\$ 381,655	\$ 264,816

(1) For FY21, licenses and permits revenue projected to be the same as FY19.

(2) Projecting through FY20 based on FY18 rate of earnings.

(3) For FY20, 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