

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC
DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL
LICENSING
REAL ESTATE COMMISSION

MINUTES OF TELECONFERENCE
November 4, 2005

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Real Estate Commission was held November 4, 2005, at the Atwood Building, Room 1500, Anchorage, Alaska.

Friday, November 4, 2005

Call to Order

Chairperson Barbara Ramsey called the meeting to order at 1:36 p.m.

Roll Call

Members present constituting a quorum were:

Barbara Ramsey, Associate Broker, 3rd Judicial District

Members present via teleconference:

David B. Somers, Broker at Large
Gene DuVal, Associate Broker, 4th Judicial District
Rita Wilson, Associate Broker, Broker at Large
Bradley Fluetsch, Public Member
Roger Stone, Broker, 1st Judicial District

Staff Present:

Sharon Walsh, Executive Administrator
Nancy Harris, Licensing Examiner
Jun Maiquis, Regulation Specialist, via teleconference
Gayle Horetski, Assistant Attorney General, via teleconference

Excused Absences:

Tim Worthen, Public Member

Adopt Proposed Regulations

Ms. Ramsey said that the Commission members are here to discuss the proposed regulations.

Commission members reviewed and discussed the proposed regulations 12 AAC 64.64.064 - Education requirements after initial license, 12 AAC 4.071 - License renewal, 12 AAC 64.400 - Purpose of course certification and instructor approval, 12 AAC 64.410 - Minimum course requirements, 12 AAC 64.440- Instructor approval, 12AAC 64.460 – Withdrawal or denial of instructor approval, 12 AAC 64.470 – Withdrawal or denial of course certification.

Ms. Gayle Horetski, Assistant Attorney General for the Department of Law, explains to the Commission members that staff asked that she look over the proposed regulations on behalf of the Department of Law before the Commission adopted the regulations due to the impending deadline when the statutes would take effect. She said the draft that they had received from the Commission listed many items in the modules that were not designated by either a number or a letter. Ms. Horetski said that is not allowable under the drafting manual, you have to have either a number or it needs to be part of a list that is part of a number. Therefore, they arbitrarily broke it down and areas that were separated by semi colons they separated with commas thinking it was part of the same group. Ms. Horetski then proceeded to ask the Commission members questions, for clarification, regarding the proposed regulations.

The Commission members discuss the changes to the regulations.

Page 1 - (b)(1) (vii) After personal service agreements, eliminate “listings and buyers”

Page 2 – number (v) under module 2, personal service agreements, management agreements and lease-listing agreements;

Ms. Horetski points out to the Commission members, that in the original proposal it was not clear, from the written

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language, that the Commission intended persons that were brokers to meet certain requirements and people that were salespersons were to meet different requirements. Now that is the way it is set up here and that language is found in subsection (a) on the first page, where it says, "meet the requirements of either (b) or (c) of this section as appropriate. She wanted to make sure that the Commission realizes that is what happened and agrees that was their intent."

The Commission members agreed that was their intent.

Ms. Horetski also points out areas where she made changes. The requirements on (d) of page 4, within 30 days the licensee must certify that they have taken the courses and pay the appropriate fee. In section (e) is language where they were hoping to implement the Commission's direction that if a licensee used these courses for post licensing education then they cannot count them as CE. However, a person can take these courses and count them as CE if they do not need to meet the requirements of the 20 hours of post licensing education because they are not a new licensee. Ms. Horetski said that one of the things that this project does not include at the present time is an explicit mechanism in the regulations for individuals to reinstate once their license has lapsed. In her view, the Commission should allow staff to open a second follow up project that would address the issue of reinstatement of lapse licenses. Also, there is a provision in the statute, AS 08.88.098, which talks about continuing education once your license has been suspended as a disciplinary matter, which also was not addressed in this project.

Ms. Horetski added, in the absence of regulations the general provisions of AS 08.01.100 would apply, that deals with renewal, lapse and reinstatement. However, what requirements need to be met, whether there is a penalty fee or a reinstate fee will be charged or how long will it take, the regulations are silent on these matters.

Ms. Ramsey said the Commission would make sure that a follow up project would be done.

Ms. Ramsey asks the Commission to refer back to Ms. Wilson's recommendation for increasing module one to

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seven hours and decreasing module two to two hours.

On a motion duly made by Wilson have modular one seven hours and modular two, two hours.

Motion fails due to lack of a second.

Page 1 – no changes.

Page 2 – already made changes to number (2)(v) to read: personal service agreements, management agreements and lease listing agreements;

Item 3 – delete “issues” from (iii) to, surety fund;

Item 4 - to read: environmental issues;

zoning;

covenant, conditions and restrictions;

title reports;

resale certificates, public offering statements;

Page 3 – change (c) (1) to: surety fund issues, including case studies on: misrepresentation, conversion of trust funds, fraud and deceit;

Page 4 – item (3) (ix) - change to: disclosures, including property, licensee relationships, consumer pamphlet and waiver, buying and selling the licensee’s own property;

(x) strategic alliance and business relationships, in compliance with the law.

Page 5 – no changes.

Page 6 -- no changes.

Page 7 – no changes.

Page 8 – no changes.

Page 9 – no changes.

On a motion duly made by Fluetsch, seconded by Somers, it was

RESOLVED to adopt the proposed regulations as amended, to include that the Commission has paid special attention to the cost to private persons of the regulatory action being taken.

All in favor. Motion passes.

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**On a motion duly made by Somers, seconded by
Fluetsch, it was**

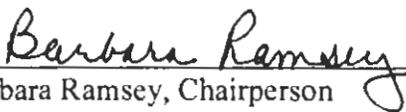
RESOLVED to adjourn the meeting.

All in favor. Motion passes.

Meeting adjourned at 2:31 p.m.

Prepared and submitted by Division Staff.

Approved:



Barbara Ramsey, Chairperson
Real Estate Commission

Date: 12/1/05