

Alaska Real Estate Commission Report – August 5, 2013

The Commission was presented with a letter of resignation from one of our public members, Charlene Flyum from Homer. The Commission is looking for someone to fulfill the balance of Ms. Flyum's term. Public members must not be actively engaged in the real estate profession since their purpose is to bring a consumer's perspective to the Commission.

Individuals who are interested in applying should contact Jason Hooley, the Director of Boards and Commissions (jason.hooley@alaska.gov).

Don Habeger, Director of Corporations, Businesses & Professional Licensing, gave a brief overview of HB 187, a bill that was introduced during the latter part of the most recent legislative session. According to Mr. Habeger the intent of the bill is to stabilize licensing fees and avoid significant changes from one licensing period to the next. The expectation is that HB 187 will be heard in committee during the next legislative session. The Director will be attending the September 17th meeting of the Commission to give a more detailed explanation of how this legislation will affect licensing fees. A link to the bill can be found on the Real Estate Commission's website.

Since the June 5th meeting, several regulation projects that have been in the queue for some time have been released for public comment.

The most significant proposed changes include a new article that establishes regulations for errors and omissions insurance coverage in accordance with AS 08;88.172. The proposed regulations address such things as insurance requirements, equivalent coverage, non-payment of premium, proof of insurance and other miscellaneous provisions. Once adopted, the Commission will be sending an RFP (request for proposal) to various insurance carriers to obtain quotes for coverage for licensees in Alaska. It is hoped that by obtaining group coverage through a State sponsored program E & O insurance can be provided for all licensees at a reduced cost.

Another topic being considered by the Commission is the utilization of the Alaska Real Estate Commission Consumer Pamphlet. The Commission has received comments from instructors and licensees regarding the need for separate disclosures for different areas of specialization, such as commercial real estate and property management. The Alaska Association of Realtors submitted sample formats for specialized versions and comments regarding how consumers receive and understand the information contained in the current disclosure form. There was discussion about various ways to present the disclosure to consumers and whether the Commission should take a more active role in the type of training provided to new licensees in the use of the AREC pamphlet. The topic will be discussed in further detail at a future meeting.

The next meeting of the Alaska Real Estate Commission will be held September 17th at 9:00 a.m. in the Atwood Building at 550 E. 7th Avenue, Room 1270. The meeting is being held on the first day of the Alaska Association of Realtors Convention and licensees are encouraged to attend the meeting.