

Annual Report
Fiscal Year 2006
REAL ESTATE COMMISSION

September 2006



**DIVISION OF CORPORATIONS BUSINESS AND
PROFESSIONAL LICENSING**

October 24, 2006

Mr. Rick Urion, Director
Division of Corporations, Business and Professional Licensing
P.O. Box 110806
Juneau, AK 99811-0806

Dear Mr. Urion,

Enclosed is the Annual Report of the Real Estate Commission for FY2006 to meet statutory requirements under AS 08.01.

This report contains information regarding the Commission's activities for the fiscal year as well as issues relevant to the regulations of the profession and the Commission goals for the future.

If you have questions regarding this report, feel free to contact me or the Executive Administrator, Sharon Walsh. We appreciate the privilege of serving Alaskans in our role as volunteer members of the Real Estate Commission.

Sincerely,

Barbara Ramsey
Chairperson, FY 2006
Alaska Real Estate Commission

REAL ESTATE COMMISSION
IDENTIFICATION OF BOARD
(As of June 2006)

Name Mailing Address E-mail Address	Judicial District / Phone		Fax	Term Expires
	Work	Home		
Barbara Ramsey 3111 C Street, Suite 100 Anchorage, AK 99503-3925 E-mail: info@ramseyteam.com	Chairperson, Associate Broker / 3 rd Judicial District		261-7555	March 1, 2007
Bradley J. Fluetsch, CFA 5730 N. Douglas Hwy. # B Juneau, AK 99801-9437 E-mail: bjf@gci.net	Public Member		523-1029 321-2723(c)	March 1, 2007
David Somers 711 Gaffney Road, Suite 100 Fairbanks, AK 99701-4662 E-mail: dsomers@alaska.net	Broker at Large		456-7653	March 1, 2007
Gene DuVal ReMax Associates of Fairbanks PO Box 73404 Fairbanks, AK 99707 E-mail: duval@gci.net	Associate Broker / 4 th Judicial District		452-4363	March 1, 2009
Roger Stone Alliance Realty Property Management LLC PO Box 5891 2204 Tongass Avenue Ketchikan, AK 99901 E-mail: trpm63@hotmail.com	Broker / 1 st Judicial		225-4108	March 1, 2009
Rita Wilson 3801 Centerpoint Drive, #200 Anchorage, AK 99503 E-mail: rstuckart@jackwhite.com	Broker at Large		762-3112	March 1, 2008
Tim Worthen 1900 Premier Ct. Anchorage, AK 99502-1113 Email: timworthen@msn.com	Public Member		279-0001	March 1, 2008

Name Mailing Address E-mail Address	Judicial District / Phone		Fax	Term Expires
	Work	Home		

STAFF

Sharon Walsh
 550 West 7th Avenue, Suite 1500
 Anchorage, AK 99501-3567
 Email:
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Executive Administrator

269-8197

269-8156

Vacant Position
 550 West 7th Avenue, Suite 1500
 Anchorage, AK 99501-3567
 Email:

Publication Specialist

269-8168

269-8156

Nancy Harris
 550 West 7th Avenue, Suite 1500
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 E-mail:
nancy_harris@commerce.state.ak.us

Licensing Examiner

269-8162

269-8156

Margo Mandel
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 99501-3567
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Investigator

269-8124

269-8195

REAL ESTATE COMMISSION
NARRATIVE STATEMENT

The Alaska Real Estate Commission's Mission Statement:

The mission of the Alaska Real Estate Commission is to protect the public interest by licensing practitioners and enforcing the established standards, to promote professional excellence in the real estate industry and to support and encourage licensees.

Real Estate Statute adding Post Licensing Education Requirements

HB169 was signed by Governor Murkowski in June 2005 requiring 20 hours of Post-Licensing education in the state of Alaska, mandatory for all new licensees after January 1, 2006.

Real Estate Regulations

The Commission dealt with many regulations priority for the members was to implement regulations that accompany the Post-Licensing requirement.

Staff Vacancies

The Publication Specialist position remains vacant since March 16, 2006. We attempted to fill the vacancy but have not found qualified candidates for this position as it is described.

Broker Manual Book Update

REC members and staff completed the update for the Broker Manual. It is out for distribution through our web site. This has been long overdue and many changes have occurred that needed to be captured in the manual to assist new brokers.

Surety Fund Report

The surety fund did not pay out any claims in this past fiscal year. Many claims were withdrawn and those that were heard by an Administrative Law Judge had proposed decisions that did not prove a loss in a real estate transaction against a licensee. The ultimate authority for adopting decisions in Surety Fund claims is left to the vote of the Commission.

REAL ESTATE COMMISSION
NARRATIVE STATEMENT, continued

Continuing Education

Twenty hours of continuing education are required for every real estate licensee whether active or inactive every renewal period (two year cycle). The goal for this renewal period was to reduce the number of licensees who were audited and didn't complete this requirement. The Commission staff went to Fairbanks, Juneau, Soldotna, Homer and Anchorage reviewing licensee's certificates for continuing education and providing them with information renewing their license. They had a number of options but we emphasized online renewal as a fast, efficient process. As a result, we had over 64% of real estate licensees renew online.

Another concept we have recently been exploring is to ask members in other professional positions to consider writing a course or teach a course offering their specialty to real estate licensees.

FISCAL YEAR 2006 STATISTICAL OVERVIEW

Program: REAL ESTATE COMMISSION

AS 08.88

12 AAC 64

Name of Individual Completing Report: Nancy Harris

Date: 7/5/2006

CATEGORY	NEW – ISSUED DURING FY 2006	TOTAL AS OF 6/30/06	NOTES
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A. Current Active Licenses, Permits, Endorsements, Courtesy Licenses, Apprentice/Student Permits, etc.

(List type and if issued by examination or credential, as applicable)

1. Salesperson (exam)	401	1596	
2. Salesperson (endorsement)	4	---	
3. Associate Broker (exam)	56	401	
4. Associate Broker (endorsement)	1	---	
5. Broker (exam)	6		
6. Broker (endorsement)	1	477	
7. Associate Broker – practice ltd to Community Assoc Mgmt	0		
8. Broker – practice ltd to Community Assoc Mgmt	0		
9. Temporary – CSED/Temp		0	
TOTAL	469	2474	

B. Current Inactive Licenses

(Only Medical, Dental, CPA, and Real Estate)

1. Salesperson	114	114	
2. Associate Broker	10	10	
3. Broker	0	0	
4. All type of licenses (S, A, B)			
TOTAL	124	124	

CATEGORY	NEW – ISSUED DURING FY 2006	TOTAL AS OF 06/30/06	NOTES
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C. Retired Licenses

1. All license types (lost contact w/ broker)	N/A	N/A	
TOTAL			

D. Disciplined or Conditioned
(Suspended, Revoked, Surrendered, Probation, Limited, Continuing Education Enforcement, etc.)

1. Suspended		1	
2. Active Probation		0	
3. Associate Broker-Practice Ltd to Association Mgmt.		3	
4. Broker – Practice Ltd to Assoc. Mgmt.		3	
TOTAL		7	

E. Other action taken during fiscal year for which a fee was required

(License verifications processed, roster requests, name changes, etc.)

TYPE OF ACTION	NUMBER PROCESSED
1. License Verifications	28
2. Certified Copies of Files	9
3. Name Changes	8
4. Roster Requests	3
5. Wall Certificates	0
6. Applications Received	3215
7. Transfers	733
8. Landlord – Tenant Booklets sold	730

F. Examination Dates

(List each examination administration separately. Subdivide if more than one exam is given in administration.)

The computerized exam is administered by contracting testing service, Promissor, now Pearson Vue. **Statistics are listed on a separate spreadsheet.**

Board Meetings and Teleconferences

DATE	LOCATION (<i>indicate if teleconference</i>)
September 12 & 13, 2005	Anchorage
December 1, 2005	Anchorage
December 29, 2005	Statewide Teleconference
January 26, 2006	Statewide Teleconference
March 13 & 14, 2006	Juneau
April 26, 2006	Statewide Teleconference
June 12 & 13, 2006	Fairbanks

Additional Teleconferences:

Education Advisory Group held meetings on the following dates:

March 1, 2006
March 15, 2006

April 5, 2006
April 19, 2006

May 3, 2006
May 17, 2006
May 23, 2006

REAL ESTATE COMMISSION
SURETY FUND CLAIM AND LICENSE VIOLATION STATISTICS

Surety Fund

Opened in FY 06	15
Finalized/completed FY 06	0
Withdrawn prior to hearing FY 06	6
Deny Claim FY 06	3
Current Open Fund Cases (awaiting hearing, report of findings, adjudication or held in abeyance)	6
Total Claims Paid in FY 2006	\$0.00

License Investigations

Opened	56
Closed	56
Accusations filed	3
License Surrenders	3
Memorandum of Agreement	2

**REAL ESTATE COMMISSION
STATISTICAL EDUCATION REPORT**

<u>Course Type</u>	<u>Approved</u>
Pre-licensing	9
Broker Training	3
Elective Continuing Education (ECE)	141
Designated Continuing Education (DCE)	37
Post Licensing Education	28

Instructors Approved	Initial Approval	Recertification	Total
Permanent	9	44	53
Temporary	0	1	1
	Total Approved	45	54

REAL ESTATE COMMISSION
GOALS AND OBJECTIVES FOR FY 2007

1. Review regulations with focus on technology shift
2. Update the website on a continuing basis with applications and forms for licensees.
3. Reassess the consumer pamphlet
4. Reassess the policies on: Broker Supervision, Home Office Supervision and Remote Site Supervision
5. Review Education Advisory Group recommendations: Evaluations; Certificate-Web evaluations; review content of courses through audit process; review online courses; consider developing Commission owned course development
6. Continue having staff meet with licensees to listen to regional and local real estate concerns for input at the Commission level.
7. Review Property Management Advisory Group findings and make changes to regulations.
8. Complete review/revision of the Residential Real Property Transfer Disclosure Statement.
9. Review statutes and regulations for authority of real estate applicants to be fingerprinted.

REAL ESTATE COMMISSION
BUDGET RECOMMENDATIONS

The REC met four times during the 2006 fiscal year. However, in the next fiscal year, it is anticipated that the board will meet once per quarter. Of these meetings, it is expected that two will be held in Anchorage, one in Fairbanks, and the other in Juneau, unless another site is designated. Based on the historical record of the meetings being held in these locations, we can estimate this activity in our budget recommendations. In addition to REC meetings, it is recommended that at least one Commission member and a staff person attend the national and regional conference for the Association of Real Estate License Law Officials (ARELLO).

Travel Requests – FY 2007:

Number of Commission meetings required by statute: 1
Number of Commission meetings requested: 4

Locations:

Fall	Wasilla
Winter	Anchorage
Spring	Juneau
Summer	Fairbanks
Administrator to ARELLO Conference September 22-27, 2006	San Antonio, TX
Member to Mid-Year Conference April 26-28, 2007	Banff, Alberta

An estimated budget recommendation for the FY 05 that includes travel in-state and out-of-state, lodging, meals, conference room rentals, and education committee meetings held telephonically, would be approximately similar to that of last year's expenditures. There are no foreseen requests for new purchases of equipment. The Commission recommends that the Division hire another Licensing Examiner and that the increase in real estate activity in the state justifies this consideration. The Commission also recommends that the Executive Administrator pursue more audits around the state at the brokerage offices, specifically reviewing compliance with the implementation of use by licensees of the Consumer Pamphlet as a result of HB29.

REAL ESTATE COMMISSION
LEGISLATIVE RECOMMENDATIONS

- Increase Pre-Licensing education hours
- Increase Post-Licensing education hours