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OFFICE OF THE LIEUTENANT GOVERNOR
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MEMORANDUM

TO: Jun Maiquis, AAC Contact
Department of Commerce, Community, & Economic Development

FROM: Scott Meriwether
Special Assistant 
907.465.3509

DATE: September 17, 2014

RE: Filed Permanent Regulations: Real Estate Commission

Real Estate Commission Regulations re: Errors and Omissions Insurance: 12 AAC
64.600 - .650

Attorney General File:	JU2013200419 (Part 2)
Regulation Filed:	9/10/2014
Effective Date:	10/10/2014
Print:	212, January 2015

cc with enclosures: Linda Miller, Department of Law
Crystal Koeneman, Administrative Regulation Review Committee
Judy Herndon, LexisNexis

JU2013200419 (Part 2)

ORDER CERTIFYING THE CHANGES TO REGULATIONS OF THE REAL ESTATE COMMISSION


The attached three pages of regulations, dealing with errors and omissions insurance, are hereby certified to be a correct copy of the regulation changes that the Real Estate Commission adopted at its December 12, 2013 teleconference meeting, under the authority of AS 08.88.071, AS 08.88.081, AS 08.88.171, and AS 08.88.172 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

On the record, in considering public comments, the Real Estate Commission paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes described in this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

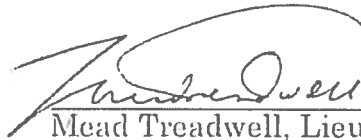
DATE: 21 April 2014
Anchorage, Alaska



Anita Bates, Chair
Real Estate Commission

FILING CERTIFICATION

I, Mead Treadwell, Lieutenant Governor for the State of Alaska, certify that on September 10, 2014 at 3:40 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 – 44.62.120.



Mead Treadwell, Lieutenant Governor

Effective: October 10, 2014.

Register: 212, January 2015.

Chapter 64. Real Estate Commission.

sections
12 AAC 64 is amended by adding a new article to read:

Article 10. Errors and Omissions Insurance.

Section

600. Insurance required

610. Time for filing certification of equivalent coverage
Suspension of license for

620. [^]Nonpayment of premium

630. Surrender of license for failure to provide proof of insurance
suspended

640. Proof of insurance required to activate [^]license

650. Authenticity of coverage

Subject to AS 08.88.172, a person licensed

12 AAC 64.600. Insurance required. [^]An applicant for issuance of a license on active as a real estate broker, associate real estate broker, or real estate salesperson, status, a licensee renewing a license, or a licensee with an inactive or suspended license as a condition of licensing, renewal, or reinstatement of a license, activating a license must submit proof of errors and omission insurance coverage through the master insurance policy group plan made available by the commission under AS 08.88.172(d) or through certification of "Equivalent coverage" has the meaning given in 12 AAC 02.590, equivalent coverage. [^](Eff. 10/10/2014, Register 212)

Authority: AS 08.88.071 AS 08.88.171 AS 08.88.172

AS 08.88.081

(a)
12 AAC 64.610. Time for filing certification of equivalent coverage. [^]A licensee ^{that} wishing to comply with AS 08.88.172 by obtaining ^sequivalent coverage under AS 08.88.172(c)(2) ² must file a certification of insurance showing equivalent coverage with the

commission[^] with the application to obtain or renew a license.

^b
(b) A licensee ^{substituting} wishing to replace coverage under the master insurance policy

made available by the commission under AS 08.88.172(c)(1) ^{with} or independent equivalent coverage
or substituting an equivalent coverage policy

[^] with another policy ~~shall~~ ^{must} file a certification of equivalent coverage with the commission prior to

5:00 p.m. on the date the licensee cancels coverage under the master insurance policy made
or cancels coverage under the equivalent insurance policy
available by the commission, ^{that is, being substituted for another equivalent} as required by this section; or coverage policy.

^c
(2) An affidavit certifying that the insured licensee has the financial resources to

pay the higher deductible or self-insured retention to be filed on the form provided by the

commission. If the certification is not filed as required by this section, the commission ^{will} ~~shall~~
[^] deny the application to obtain or renew a license; or
suspend the license. (Eff. 10/10/2014, Register 212)

^{existing}
Authority: AS 08.88.071 AS 08.88.171 AS 08.88.172

AS 08.88.081

Suspension of license for

12 AAC 64.620. ^{insurance policy issuer} ^{Nonpayment of premium.} If a licensee's insurance company or ^{master} group
[^] plan notifies the commission that a licensee has not paid a premium, ^{resulting in termination of coverage} the commission shall

suspend any license ^{required} under AS 08.88.161 held by that licensee as of the date of
termination of coverage. (Eff. 10/10/2014, Register 212)

Authority: AS 08.88.071 AS 08.88.171 AS 08.88.172

AS 08.88.081

12 AAC 64.630. Surrender of license for failure to provide proof of insurance.

When a licensee receives a notice of license suspension for failure to provide proof of insurance,
the licensee shall immediately surrender any license required under AS 08.88.161 to the

commission. (Eff. 10/10/2014, Register 212)

Authority: AS 08.88.071 AS 08.88.171 AS 08.88.172
AS 08.88.081

Suspended

12 AAC 64.640. Proof of insurance required to activate license. A licensee whose license has been suspended for failure to provide proof of errors and omissions insurance may not conduct any activities for which a license is required until proof of obtaining a certificate of insurance has been provided to the commission and the license has been activated. (Eff.

10/10/2014, Register 212)

Authority: AS 08.88.071 AS 08.88.171 AS 08.88.172
AS 08.88.081

12 AAC 64.650. Authenticity of coverage. A licensee may not willfully or knowingly cause or allow a certificate of coverage ~~or an affidavit certifying that the insured licensee has the financial resources to pay the higher deductible or self insured retention to be filed on a form~~ with the commission that is false, fraudulent, or misleading. (Eff. 10/10/2014, Register 212)

Authority: AS 08.88.071 AS 08.88.171 AS 08.88.172
AS 08.88.081

The article heading for Article 10 is amended to read:

Article 11 [10]. General Provisions.