

Kevin Meyer
Lieutenant Governor
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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Debbie Morgan
Department of Commerce Community and Economic Development

FROM: April Simpson, Office of the Lieutenant Governor 
465.4081

DATE: October 29, 2019

RE: Filed Permanent Regulations: Department of Commerce Community and Economic Development

Department of Commerce, Community, and Economic Development regulations re:
Real Estate Errors and Omissions Insurance (12 AAC 02.530, .590)

Attorney General File:	2019200672
Regulation Filed:	10/29/2019
Effective Date:	11/28/2019
Print:	232, January 2020

cc with enclosures: Harry Hale, Department of Law
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO
REGULATIONS OF THE DEPARTMENT OF COMMERCE,
COMMUNITY, AND ECONOMIC DEVELOPMENT

The attached one page of regulations, dealing with real estate errors and omissions insurance, is adopted and certified to be a correct copy of the regulation changes that the Department of Commerce, Community, and Economic Development adopts under the authority of 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.

In considering public comments, the Department of Commerce, Community, and Economic Development paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under 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:

1 Oct 19
Juneau, Alaska


Sara Chambers, Director
Division of Corporations, Business and
Professional Licensing

FILING CERTIFICATION

April Simpson for

I, ^{*for*} Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on October 29, 2019 at 10:41 a.m., I filed the attached regulations according to the provisions of AS 44.62.040 – 44.62.120.

for 
Kevin Meyer, Lieutenant Governor

Effective: November 28, 2019.

Register: 232, January 2020.

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

**I, KEVIN MEYER, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA,
designate the following state employees to perform the Administrative Procedures Act
filing functions of the Office of the Lieutenant Governor:**

**Josh Applebee, Chief of Staff
Kady Levale, Notary Administrator
April Simpson, Regulations and Initiatives Specialist**

**IN TESTIMONY WHEREOF, I have
signed and affixed the Seal of the State of
Alaska, in Juneau, on December 11th,
2018.**



A handwritten signature in blue ink, appearing to read "K. Meyer", is written over a horizontal dotted line.

**KEVIN MEYER
LIEUTENANT GOVERNOR**

Chapter 02. General Occupational Licensing Functions.

The introductory language of 12 AAC 02.530 is amended to read:

12 AAC 02.530. Standards for equivalent coverage. An insurer issuing equivalent coverage under AS 08.88.172(c)(2) shall hold a certificate of authority issued under AS 21.09. All activities contemplated under AS 08.88.172 must be covered. The insurance must meet the minimum coverage standards of 12 AAC 02.510(a)(1) – (3), 12 AAC 02.510(b), and 12 AAC 02.510(c)(1) and (5) [12 AAC 02.510], except that

...

(Eff. 12/4/2011, Register 200; am 3/25/2017, Register 221; am 11 / 28 / 2019, Register 232)

Authority: AS 08.88.172

12 AAC 02.590(3) is amended to read:

(3) "equivalent coverage" means errors and omissions insurance coverage obtained independently of the master errors and omissions insurance policy available from the Real Estate Commission and that complies with the requirements, terms, and conditions as set out in 12 AAC 02.530 [12 AAC 02.510 – 12 AAC 02.590];

(Eff. 12/4/2011, Register 200; am 3/25/2017, Register 221; am 11 / 28 / 2019, Register 232)

Authority: AS 08.88.172

MEMORANDUM


State of Alaska Department of Law

To: The Honorable Kevin Meyer
Lieutenant Governor

Date: October 25, 2019

File No.: 2019200672

Tel. No.: 465-3600

From: Susan R. Pollard 
Chief Assistant Attorney General
and Regulations Attorney
Legislation and Regulations Section

Re: Department of Commerce,
Community, and Economic
Development regulations re: 12 AAC
02.530, .590: Real Estate Errors and
Omissions insurance

The Department of Law has reviewed the attached regulations of the Department of Commerce, Community, and Economic Development against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Department of Commerce, Community, and Economic Development after the close of the public comment period. The regulations concern the standards for equivalent coverage for errors and omissions insurance held by Real Estate Commission licensees.

The August 18, 2019, public notice and the October 1, 2019, adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

SRP:sjw

cc: Honorable Julie Anderson, Commissioner
Department of Commerce, Community, & Economic Development
Sara Chambers, Division Director
Department of Commerce, Community, & Economic Development
Amy Demboski, Assistant Commissioner
Department of Commerce, Community, & Economic Development
Glenn Hoskinson, Special Assistant to the Commissioner
Department of Commerce, Community, & Economic Development
Debbie Morgan, Regulations Contact
Department of Commerce, Community, & Economic Development
Sher Zinn, Regulations Specialist
Department of Commerce, Community, & Economic Development
Peggy Ann McConnochie, Chair
Real Estate Commission
(via e-mail through Sher Zinn)
Harriet Milks, Assistant Attorney General
Department of Law, Commercial & Fair Business Section



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

Department of Commerce, Community,
and Economic Development

OFFICE OF THE COMMISSIONER

P.O. Box 110800
Juneau, Alaska 99811-0800
Main: 907.465.2500
Toll free fax: 907.465.2500

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations, outside of the Alcohol and Marijuana Control Office (AMCO), but for the Division of Corporations, Business and Professional Licensing (CBPL), under the Alaska Administrative Procedure Act, is hereby delegated to:

Sara Chambers
Division Director
Division of Corporations, Business and Professional Licensing
DCCED
P.O. Box 110806
Juneau, AK 99811-0806
907-465-2536
sara.chambers@alaska.gov

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations of the Alcohol and Marijuana Control Office, under the Alaska Administrative Procedure Act, is hereby delegated to:

Shawn Williams
Assistant Commissioner
DCCED
550 West Seventh Avenue, Suite 1535
Anchorage, AK 99501
907-269-8100
shawn.williams@alaska.gov

This Delegation of Authority will remain in effect until modified or revoked by a subsequent delegation. This Delegation supersedes and revokes all delegations preceding it.

Dated the 30th day of April, 2019

A handwritten signature in black ink, appearing to read "Julie Anderson", written over a horizontal line.

Julie Anderson
Commissioner
Department of Commerce, Community,
and Economic Development

**NOTICE OF PROPOSED CHANGES RELATING TO REAL ESTATE ERRORS AND
OMISSIONS INSURANCE IN THE REGULATIONS OF THE DEPARTMENT OF
COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT**

BRIEF DESCRIPTION: The Department of Commerce, Community, and Economic Development proposes to update regulations regarding standards for equivalent coverage and definition of “equivalent coverage”.

The Department of Commerce, Community, and Economic Development (Department) proposes to adopt regulation changes in Title 12, Chapter 02 of the Alaska Administrative Code including the following:

1. **12 AAC 02.530. Standards for equivalent coverage**, is proposed to be amended to add the section citations to clarify the requirements of equivalent coverage in relation to the requirements of the minimum coverage standards for errors and omissions insurance.
2. **12 AAC 02.590. Definitions**, is proposed to be amended to add the section citations to clarify the definition of “equivalent coverage”.

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 Department 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/195191>, and using the comment link. **The comments must be received not later than 4:30 p.m. on September 18, 2019.** Comments received after this deadline will not be considered by the Department.

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 Department 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 Department 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 September 11, 2019 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/RE-E&O-Insurance-0819.pdf>.


After the public comment period ends, the Department 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 08.88.172

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.88.172


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

DATE: 8/16/19


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:** Department of Commerce, Community, and Economic Development – Division of Corporations, Business and Professional Licensing.
2. **General subject of regulation:** Standards for equivalent coverage and definitions.
3. **Citation of regulation:** 12 AAC 02.530 and 12 AAC 02.590.
4. **Department of Law file number:** To be assigned.
5. **Reason for the proposed action:** Update and clarification of current 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:**
Nancy Harris, Acting Executive Administrator
Alaska Real Estate Commission
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Telephone: (907) 269-8168
E-mail: nancy.harris@alaska.gov
10. **The origin of the proposed action:** Division of Corporations, Business and Professional Licensing and the Real Estate Commission.
11. **Date:** 8/16/19 **Prepared by:** 
Jun Maiquis
Regulations Specialist
(907) 465-2537

ANCHORAGE DAILY NEWS

AFFIDAVIT OF PUBLICATION

RECEIVED
Juneau

AUG 29 2019

Account #: 268972 ST OF AK/DEC/OCCU

Order #: W0011203

Cost: \$483.1

CBPL

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Joleesa Stepetin being first duly sworn on oath deposes and says that she is a representative of the Anchorage Daily News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

08/18/2019

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed



Subscribed and sworn to before me
this 19th day of August 2019.

Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska

MY COMMISSION EXPIRES

7/14/2020

STATE OF ALASKA
NOTARY

PUBLIC

Jada L. Nowling

Notice of proposed changes relating to real estate errors and omissions insurance in the regulations of the Department of Commerce, Community, and Economic Development

The Department of Commerce, Community, and Economic Development (Department) proposes to adopt regulation changes in Title 12, Chapter 02 of the Alaska Administrative Code including the following:

12 AAC 02.530. Standards for equivalent coverage, is proposed to be amended to add the section citations to clarify the requirements of equivalent coverage in relation to the requirements of the minimum coverage standards for errors and omissions insurance.

12 AAC 02.590. Definitions, is proposed to be amended to add the section citations to clarify the definition of "equivalent coverage".

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 Department 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/195191>, and using the comment link. **The comments must be received not later than 4:30 p.m. on September 18, 2019.** Comments received after this deadline will not be considered by the Department.

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 Department 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 Department 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 September 11, 2019 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/RE-E&O-Insurance-0819.pdf>.

After the public comment period ends, the Department 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 08.88.172

Statutes Being Implemented, Interpreted, or Made Specific:
AS 08.88.172

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

DATE: 8/16/19

/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.

Published: August 18, 2019

STATE OF ALASKA)
FIRST JUDICIAL DISTRICT) ss.

**AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION**

I, Jun Maiquis, Regulations Specialist, of the Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 12 AAC 02.530 and 12 AAC 02.590, dealing with real estate errors and omissions insurance, has been given by being

1. published in a newspaper or trade publication;
2. furnished to every person who has filed a request for notice of proposed action with the state agency;
3. furnished to appropriate state officials;
4. furnished to interested persons;
5. furnished to the Department of Law, along with a copy of the proposed regulation;
6. furnished electronically to incumbent State of Alaska legislators;
7. posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1).

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to persons in (2), (4), and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.


DATE: 10/8/19
Juneau, Alaska



Jun Maiquis, Regulations Specialist

SUBSCRIBED AND SWORN TO before me this 8th day of October, 2019.





Notary Public in and for the
State of Alaska
My commission expires: w/office

FIRST JUDICIAL DISTRICT

AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT

I, Jun Maiquis, Regulations Specialist for the Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing, being duly sworn, state the following:

In compliance with AS 44.62.215, the Department of Commerce, Community, and Economic Development has kept a record of its use or rejection of factual or other substantive information that was submitted in writing as public comment and that was relevant to the accuracy, coverage, or other aspect of the Department of Commerce, Community, and Economic Development regulations on dealing with real estate errors and omissions insurance.

DATE: 10/8/19
Juneau, Alaska


Jun Maiquis, Regulations Specialist

SUBSCRIBED AND SWORN TO before me this 8th day of October, 2019.



Jolene Livila
Notary Public in and for the
State of Alaska
My commission expires: 10/1/2025