

**Alaska Association of REALTORS  
Industry Issues Meeting**

Monday, December 3, 2007  
1:00 pm  
Prudential Vista Conference Room

The meeting was call to order at 1:05 pm by Industry Issues Chair Dave Feeken.

Present	Dave Feeken	Perry Underwood	Art Clark
	Sharon Walsh	Janice Strong	Brad Cole
	Denny Wood	Don McKenzie	Wendy Chamberlain
	Teleconference:	Gene DuVal, Ruth Blackwell	

**Surety Fund**

The Committee discussed alternatives to the recommendation of increasing the Surety Fund from \$50,000 to \$100,000. Research will be done on implementing mandatory Errors & Omissions insurance for Alaska. Currently there are approximately 15 states that have mandatory E & O insurance.

The committee discussed following ideas:

- Leave the Surety Fund in place for a few years to cover past claims.
- Have a judgment obtained prior to filing a Surety Fund claim that determines the claim is uncollectible.
- Extend the Surety Fund filing period to two years after judgment is obtained.
- Promote the mandatory E & O Insurance as consumer protection.
- Look at Colorado's transition into E & O insurance.
- Meet with Mark Davis, Linda Hall and Dept. of Law to discuss the concept of Mandatory E & O Insurance.
- Amend the current administrative bill to eventually implement E & O insurance, or submit a separate E & O Insurance bill.

Follow-Up

- Sharon Walsh will contact E & O Insurance providers to obtain quotes.
- Wendy Chamberlain will setup meetings with Mark Davis, Linda Hall, the Dept. of Law to discuss the concept.
- Art Clark & Dave Feeken will attend the meetings.
- After meetings, either amend the current administrative bill with a provision to eventually implement mandatory E & O Insurance, or draft new legislative to implement mandatory E & O Insurance.

The committee will meet after the quotes are obtained and the meetings with Mark Davis, Linda Hall & the Dept of Law are held.

### **Frivolous Lawsuits**

The Committee reviewed a bill that was drafted last year that patterns the Colorado legislation of loser pays when frivolous lawsuits are filed. The Colorado bill has a Judge determine whether a lawsuit filed is frivolous.

#### Recommendations Discussed:

- Create an action plan to involve various groups in the community including the homebuilders, chamber of commerce, the medical industry and attorneys that are in favor of the bill.
- Introduce the bill in a committee and have various groups unite to support the bill.
- Contact Representative Kurt Olson about introducing the bill next session in the House Labor & Commerce committee.
- Recommend that the loser payments are doubled.

#### Follow-up

- Wendy Chamberlain and Dave Feeken will contact Kurt Olson.
- Art Clark will talk to the Anchorage Chamber and the Anchorage Homebuilders about supporting the bill.
- Janice Strong will talk to the Wasilla Chamber and the Anchorage Homebuilders about supporting the bill.

### **Broker Qualifications**

The committee agreed that this is not an issue that needs to be addressed at this time.

The meeting was adjourned at 2:45 pm.