

# School Files

Hawaii Real Estate Commission

October 2013

www.hawaii.gov/hirec

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## ADVERTISING A CE COURSE

Recently, two different continuing education (“CE”) course flyers were forwarded to the Real Estate Branch. After reviewing both course flyers, the following determinations were made:

- 1) It was not clear who the CE Provider was for the course being advertised.
- 2) Although the CE Provider was noted on the advertising flyer, there were other entities named, which made it difficult to determine what entity was offering the CE course.
- 3) An entity not registered with the Commission as a CE Provider was collecting the course fees.
- 4) Both flyers included a “Sponsored by \_\_\_\_\_” and named an entity that was not the registered CE Provider offering the course.

So, what do the Rules say?

Hawaii Administrative Rules (“HAR”), §16-99-113, Advertising states, “(a) For purposes of this subchapter, “advertising” means an announcement **by a continuing education provider for the purpose of promoting itself** or for soliciting students and includes, but is not limited to, all printed and visual communications, such as newspaper advertisements, direct public mailings, books and periodicals, television and radio commercials, and others.” The bold-faced section above is the important point of this specific rule. The advertising is by the registered CE Provider, and should not be promoting any other entity.

HAR, §16-99-114 states, “Prohibited advertising practices. A continuing education provider shall not engage in any of the following acts: . . . (2) Use any name, other than the full name or the trade name registered with the commission, for advertising or publicity purposes; . . .”

Applying the meaning of §16-99-114(2) to the course flyers reviewed results in the following determination:

- 1) Names of entities other than the registered name of the CE Provider should not appear in any advertising for the CE course.

The registered CE Provider is responsible for the administration of the course offering, pursuant to HAR §16-99-99(a). Administrative responsibilities include record-keeping for the CE course offered, student registration and information, course registration and course completion information, student attendance, issuing of course completion certificates, etc. Student registration is inclusive of collection of course fees at the appropriate time as stipulated by the CE Provider. No other entity should be collecting course registration fees.

HAR §16-99-114(4), states that a CE Provider shall not “Advertise that it is endorsed by business establishments, organizations, or individuals engaged in the kind of work for which training is given until written evidence of this fact is filed with the commission; . . .”

In both of the CE course flyers reviewed, each included a statement that another entity was “sponsoring” the course. As noted above, no other entity’s name should appear in the course flyer. HOWEVER, if written evidence is filed with the commission that another entity endorses the CE Provider and the specific course they are offering, including the name of this endorsing entity will be permitted. Please keep in mind that the name of the registered CE Provider should be prominently used, and the “endorsing” entity’s name should not lead to confusion in identifying the CE Provider.

Please heed the above rules when advertising a CE course. If CE course flyers are brought to the attention of the Commission, the CE flyer may be submitted to the Regulated Industries Complaints Office (“RICO”) for review and further action, if necessary.



## CONTINUING EDUCATION – DID YOU KNOW. . . . ?



The course author/owner is responsible for re-certifying his or her continuing education (“CE”) course each biennium, not the CE provider. See Hawaii Administrative Rules (“HAR”) §16-99-105. When submitting the course certification application, if the name of a CE provider is noted in the application, when the course is approved, the subject will be entered into the CE database for that noted CE provider. If any other CE provider is interested in offering the course, the course author/owner will submit the “Course Author/Owner Authorization to Offer Course” form, available on the Online CE website via [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

The course certification and/or the registration of a CE provider may be suspended or revoked if the course “. . . contains outdated or incorrect information; . . .” and the CE provider “. . . allows its instructors to use outdated course information and material in the teaching of any continuing education course.” (See HAR §16-99-108 and 16-99-109, respectively)

When the CE Online System was first introduced in 2008, there was a flurry of concern in the CE community because for the first time the specific CE courses completed by a licensee could be tracked. HAR §16-99-95 Duplicate continuing education hours would be enforced.

Thus began an attempt to amend the course content by at least 25% and to alter the original course title to reflect the change in the course content. This was, in reality, a misapplication of HAR §16-99-95, which states, “Except as provided by the commission or by this subchapter, a licensee shall not take a continuing education course that is substantially similar to a course or which the licensee has already received a certificate. A continuing education provider shall not issue to a licensee a certificate for substantially the same course completed by the licensee. “Substantially similar” as used in this section means that at minimum, seventy-five percent of the course content of a course is repeated in another course offering.”

If the above rule was enforced, it would require the CE provider to verify if two different courses on the same topic, for example, 1030 exchanges, were “substantially similar”. This would entail reviewing each of the two courses to determine if at least 75% of one CE course was repeated in the second course of the same topic.

What took place, briefly, was the amending of course content by at least 25%, and submitting the course for recertification, including the changing of the title, by, most often, appending the biennium to the title. This was an attempt to provide a bit of compromise so that CE providers would be able to offer the course and still attract licensees to register for the course and receive credit.

At this time, this practice will no longer be accepted. The rule changes are in progress, and when the amended rules are approved, HAR §16-99-95 will permit licensees to repeat a CE course every other biennium, not two biennia in a row.

Mahalo for your understanding and cooperation!



## **INCREASE IN EXAM FEE**

Effective January 1, 2014, the PSI licensing exam fee will increase from \$63.00 to \$68.00 per exam. Licensing candidates may take the exam as many times as necessary to pass the exam within the two-year validity of their applicable licensing equivalency certificates. This is the first increase in the exam fee since the Real Estate Commission first contracted with PSI in 2006.



## **COMING SOON - PRELICENSE ONLINE SYSTEM**




The Continuing Education Online System premiered in 2008. This year, 2013, we are expecting to launch an online system for all prelicense schools, much like the online system for CE. The unveiling of the Prelicense Online System is expected to be about November 2013. Prelicense principals will be able to schedule and offer prelicense courses, handle administrative tasks regarding license candidates completing their course(s), date of completion, prelicense school and instructor information, issuing of the school completion certificates, and other related tasks that will become so much easier, and efficient.

# AUTHOR/OWNER AUTHORIZATION TO OFFER COURSE

As a CE Provider, you strive to offer interesting, worthwhile, and educational CE courses to licensees. If a course authored by another individual catches your interest, please contact the author of the course, and ask the author to submit the “Author/Owner Authorization to Offer Course” form, available on the Commission’s website at [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec), click on “Forms,” scroll to the Continuing Education subheading and look for the form. The author/owner will submit the form to the Real Estate Branch. Once received, the course will be entered into the CE Provider’s “subjects” and the CE Provider may then schedule the course.

See a sample of the form below:

  
STATE OF HAWAII  
REAL ESTATE BRANCH  
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
KING KALAKAUA BUILDING  
335 MERCHANT STREET, ROOM 333  
HONOLULU, HI 96813

**COURSE AUTHOR/OWNER  
AUTHORIZATION TO OFFER COURSE**

\_\_\_\_\_  
*(Name - Course Author/Owner)*

hereby authorizes

\_\_\_\_\_  
*(Name - Continuing Education Provider)*

to offer the following Real Estate Commission certified continuing education course(s).

Course Title	Specific Offering Date(s) or If for Remainder of Current Biennium Check Box	
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>

\_\_\_\_\_  
Signature - Course Author/Owner

\_\_\_\_\_  
Date

CEOFFER03\_2013



## CORE B 2013-2014

The main topic for the Commission’s mandatory core course, 2013-2014, Part B, will be “agency”. Yes, it’s another visit to this important topic, and appears to be necessary. The Commission’s 2007 Core Course featured “agency”. Since then, there have been a couple attempts to change the existing rules on agency in Chapter 99 Hawaii Administrative Rules (“HAR”), with no results as the bottom line arrived at was that the existing rules are sufficient.

Also included in Core B 2013-2014, will be a summary of real estate-related legislation from the 2014 legislative session.

Remember that effective January 1, 2014, Core A 2013-2014, may only be offered in an on-line format. To date, 1,958 licensees have completed Core A. There are approximately 14,624 individual real estate licensees in Hawaii.



## 2013 REAL ESTATE COMMISSION MEETING SCHEDULE

<b>Laws &amp; Rules Review Committee – 9:00 a.m.</b> <b>Condominium Review Committee – Upon adjournment of the Laws &amp; Rules Review Committee Meeting</b> <b>Education Review Committee – Upon adjournment of the Condominium Review Committee Meeting</b>	<b>Real Estate Commission</b> <b>9:00 a.m.</b>
Wednesday, October 9, 2013*	Friday, October 25, 2013
Wednesday, November 13, 2013	Wednesday, November 27, 2013
Wednesday, December 11, 2013	Friday, December 20, 2013

\*The October 9<sup>th</sup> meeting will be held in Kona, Hawaii

All meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor.

*Meeting dates, locations and times are subject to change without notice. Please visit the Commission’s website at [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec) or call the Real Estate Commission Office at (808) 586-2643 to confirm the dates, times and locations of the meetings. This material can be made available to individuals with special needs. Please contact the Executive Officer at (808) 586-2643 to submit your request.*

## **PSI INDUSTRY DAY**

### **ATTENTION ALL PRELICENSE INSTRUCTORS:**

The annual Industry Day for all of our real estate education instructors sponsored by the Real Estate Commission and PSI, the Commission's test vendor, is scheduled for Monday, October 28, 2013, at the Hilton Hawaiian Village. A flyer will be distributed shortly announcing Industry Day, specifying the time and exact location.

Please take the time to attend. If you have any questions or concerns, you may raise these matters during the meeting.



### **WELCOME TO KATHERINE KAY LINSTER NEW CONDOMINIUM SPECIALIST**

The Real Estate Branch welcomed Katherine Kay Linster as a new Condominium Specialist in August 2013. Katherine was employed by the Insurance Division at the Department of Commerce and Consumer Affairs, as a health insurance premium analyst.

She is a graduate of Hawaii Pacific University, and the University of Illinois, College of Law, and has knowledge of real estate transactions, real property law, and alternative dispute resolution. She enjoys research and writing.

### **WELCOME TO MARILYN ANTOLIN NEW SECRETARY**

The Real Estate Branch also welcomed Marilyn Antolin as Secretary in August 2013. Marilyn previously worked at the Regulated Industries Complaints Office (RICO) and then moved to the Department of the Attorney General in the Criminal Justice Division, Tobacco Enforcement Unit, where she was a legal clerk for the past six years.

Marilyn enjoys reading, walking/running and agility classes, and traveling.



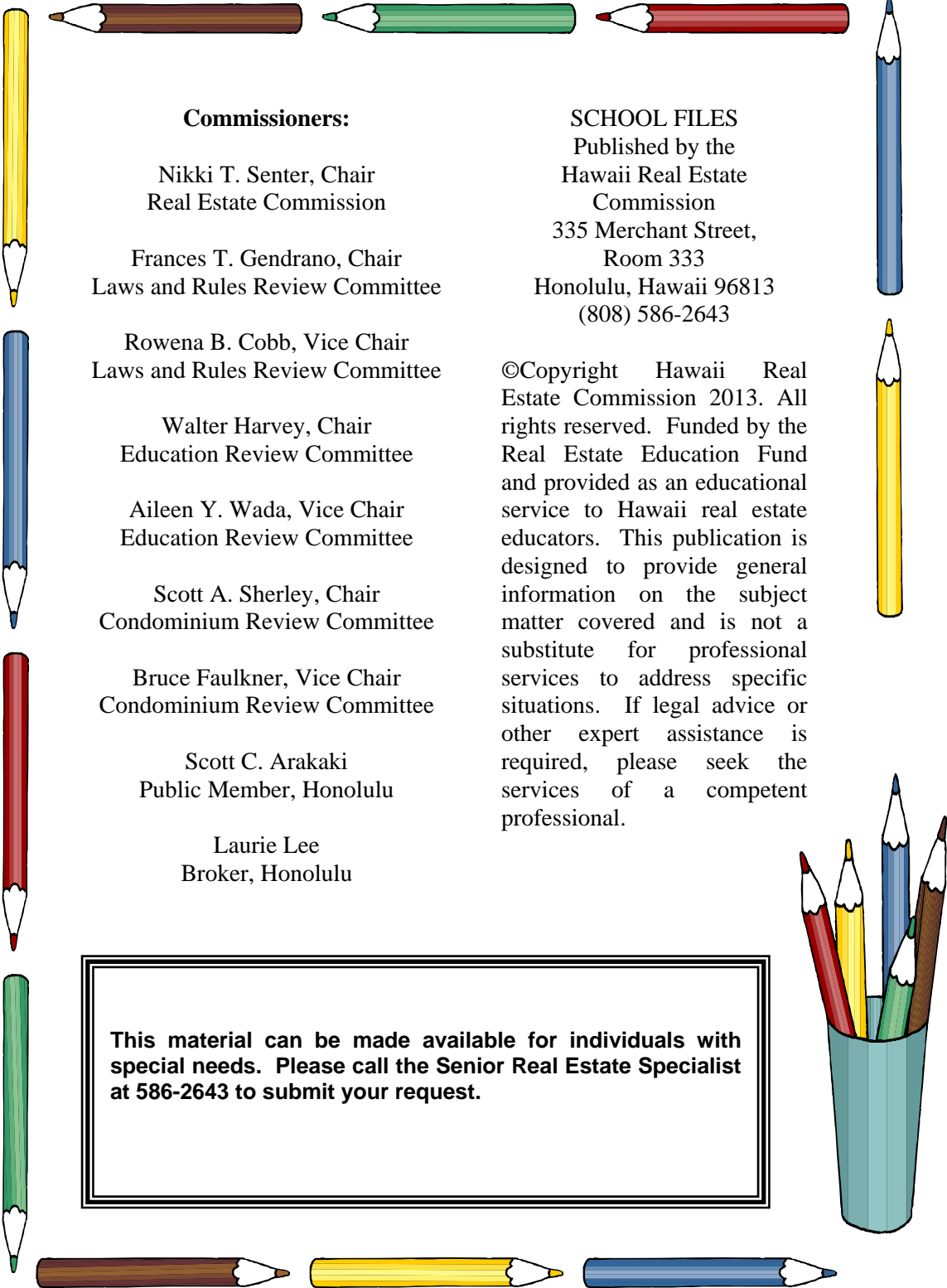
## CONTINUING EDUCATION PROVIDERS

Abe Lee Seminars  
Akahi Real Estate Network, LLC  
Carol Ball School of Real Estate  
Carol M. Egan, Attorney at Law  
Charfen Institute dba Distressed Properties  
Institute LLC  
Coldwell Banker Pacific Properties Real  
Estate School  
Continuing Ed Express, LLC  
Dower School of Real Estate  
Eddie Flores Real Estate Continuing  
Education  
Green Building, LLC  
Hawaii Association of Realtors  
Hawaii Business Training  
Hawaii CCIM Chapter  
Hawaii Institute of Real Estate, LLC  
Hawaii Island Realtors  
Honolulu Board of Realtors  
Institute of Real Estate Management – Hawaii  
Chapter No. 34  
Institute of Real Estate Management – Nat'l  
Investment Property Exchange Services, Inc.  
Kauai Board of Realtors  
Key Realty School, LLC  
Lorman Business Center, Inc. dba Lorman  
Education Services  
McKissock, LP  
OnCourse Learning Corporation dba Career  
WebSchool  
Pacific Real Estate Institute  
Property Merchants, Inc. dba All Islands Real  
Estate School  
ProSchools, Inc.  
Ralph Foulger's School of Real Estate  
Real Class, Inc.  
Realtors' Association of Maui, Inc  
REMI School of Real Estate  
Russ Goode Seminars  
Shari S. Motooka-Higa  
The CE Shop, Inc  
The Seminar Group  
TM Education Services  
University of Hawaii Maui College – OCET  
Real Estate School  
Vitousek Real Estate Schools, Inc.  
West Hawaii Association of Realtors

## PRELICENSE SCHOOLS

Abe Lee Seminars  
Akahi Real Estate Network, LLC  
Carol Ball School of Real Estate  
Coldwell Banker Pacific Properties Real  
Estate School  
Continuing Ed Express LLC  
Dower School of Real Estate  
Fahrni School of Real Estate  
Hawaii Institute of Real Estate, LLC  
Inet Realty  
Property Merchants, Inc. dba All Islands Real  
Estate School  
ProSchools, Inc.  
Ralph Foulger's School of Real Estate  
REMI School of Real Estate  
Seiler School of Real Estate  
University of Hawaii Maui College – OCET  
Real Estate School  
Vitousek Real Estate Schools, Inc.





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Real Estate Commission

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Laurie Lee  
Broker, Honolulu

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**This material can be made available for individuals with special needs. Please call the Senior Real Estate Specialist at 586-2643 to submit your request.**

