

Ino mentioned that two (2) attempts were made to appear before the SBRRB but were unsuccessful due to a lack of quorum.

Program of Work – Legislative and Government Participation Report

Supervising Executive Office (SEO) Fujitani reported that the new legislation session has officially started on Wednesday, January 21, 2015 and advised of a couple of bills not yet introduced but could affect REB. SEO requested the Commission's comments on two upcoming bills, one relating to Real Estate Brokers and Salespersons; and the other relating to Taxation.

Bill Relating to Real Estate Brokers and Salespersons

Chair Senter addressed dual agency representation and the similarities of this particular bill. Chair Senter inquired if this was a statutory issue or an ethics code issue. Based on her personal experience, Commissioner Klein commented that if a broker is not present with their client(s) at the time of viewing, condominium project developers may not offer compensation for a Buyer's outside representation.

Commissioner Pang suggested that Page 6, Paragraph 18, should eliminate the word "all", as it is difficult to provide all material facts concerning every property. Commissioner Arakaki added that it depends on the nature of the litigation to determine what is material.

Also, Commissioner Pang suggested that Page 7, Paragraph 22 should replace the word "prevents" with discourages. Commissioner Lee interpreted the bill to address the seller's market when a broker is not present. A developer's broker may not pay the cooperating broker but does not bar representation.

Myoung Oh of Hawaii Association of REALTORS® indicated that this particular bill involves a situation where a son accompanied his mother to a showing and he signed in. On a subsequent visit, the mother was advised that she could not have her own broker. Mr. Oh mentioned that in some instances, there is an internal agreement in place between the brokerage firm and developer in regards to representation. In some instances, an internal agreement is flexible and outside representation is allowed.

Commissioner Lee inquired if the potential buyers were asked if they were already represented. Mr. Oh replied that he was not certain on the actual circumstances but mentioned that the sign-in, consisting of multiple pages, could have been a contract.

Commissioner Wada mentioned that the brokerage firm usually makes the call on representation. Commissioner Sherley said that in some instances, the developer can be the brokerage firm. Commissioner Arakaki mentioned that it will need to be clarified if refusing to share the