

School Files

Hawaii Real Estate Commission

June/July 2015

www.hawaii.gov/hirec

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SUMMER!!!

EARLY ISSUE OF SCHOOL FILES

Usually, the Real Estate Commission publishes School Files in July. The "July" issue of School Files is this issue you are reading, a bit early for July. There are important events occurring in June, so the July School Files issue is coming to you early.

The next issue of School Files will appear on schedule in October 2015.

NEW LAW IN HRS 467

This past 2015 legislative session, a new law was passed. Act 41, HB 279 HD2, SD1, relating to real estate brokers and salespersons, added the following to §467-14, "(22) When the licensee, being a real estate broker or a real estate salesperson, acting on behalf of a seller or purchaser of real estate, acts in a manner that prohibits a prospective purchaser or prospective seller of real estate from being able to retain the services of a real estate broker or real estate salesperson." The effective date is November 2, 2015.

This was prompted by an incident that occurred when an individual went to a new condominium project, signed in, but also apparently, signed some other paperwork, looked around and left. Later, he returned to the project with his mother, who expressed an interest in the unit. However, the developer's sales agent refused to recognize the mother's agent representative. The developer's sales agent was adamant and refused to acknowledge the mother had representation of her own. The mother and son subsequently left and did not go through with any purchase agreement.

A bill was then submitted to the 2015 Hawaii State Legislature, resulting in the creation of Act 41. The new law provides for anyone to have representation in a real estate transaction, but it does not address any compensation or commission for the licensees involved.



CONTINUING EDUCATION ANNOUNCEMENTS

2015-2016 CORE COURSE, PART A, LEGISLATIVE UPDATE AND CONDOMINIUMS

The Commission's mandatory core course, Part A, Legislative Update and Condominiums, was approved by the Commission at its monthly meeting of the Education Review Committee on June 10, 2015. The core course for the 2015-2016 biennium is for a total of 8 hours of continuing education credit, an increase over the previous 5 hours of core course credit. Parts A and B of the 2015-2016 core course will be 4 hours each.

The Train-the-Trainer session for all interested continuing education instructors will be held Wednesday, June 24, 2015, at the Honolulu Board of REALTORS®, 9:30 a.m. – 1:30 p.m. A **webinar** of the Train-the-Trainer will also be available the same day and time. Please go to the link below to register the continuing education instructors who would like to teach Part A of the 2015-2016 Core Course. Again, this is the link to register for the webinar version of the Train-the-Trainer session. <https://attendee.gotowebinar.com/register/7618054640191528450>

If the continuing education instructor is attending the **live** Train-the-Trainer session at the Honolulu Board of REALTORS®, please register by emailing roster@dcca.hawaii.gov, and provide the name of the person attending, the name of the CE Provider they will teach the core course for, and a contact email address and contact phone number. The deadline for registration is Monday, June 22, 2015.

The 2015-2016 Core Course, Part A materials will be emailed to the Train-the-Trainer participants prior to the live and webinar sessions.

Continuing Education Providers are encouraged to line up instructors for Part A who are comfortable and knowledgeable about condominiums and the requirements of Hawaii Revised Statutes ("HRS"), Chapters 514A and 514B. Additionally, knowledge and understanding of HRS 508D is also recommended. While no instructor knows "everything" about a subject (or most subjects), the condominium topic is a dense and complicated one, with two HRS chapters applicable, depending on the condominium and how it was created and registered.

The core course materials will include an Instructor Manual, a Student Manual, and a PowerPoint for the course materials. The online version of the core course will also be available either at the same time the live version is available, or by the next week. A CE Provider, currently registered with the Commission, may create their own online version using the Commission-approved core course materials. For those CE Providers who would like to use an online version created by the developer of the core course materials, further information will be provided.

CE instructors may and should embellish the provided materials and add their own "war-stories" to clarify and bring this, perhaps, unexciting topic to life for licensees. Seasoned instructors should be able to "run with" the information provided, and make it their own, rather than reading, verbatim, from the course materials.

Given the fact that there will be so many new condominium projects developed and built in the greater Honolulu area, licensees should all be aware of what is involved in creating, developing, and selling a condominium unit.

Part B of the 2015-2016 core course will continue with the condominium topic, and will focus on self-governance issues, and common issues that arise when buying, living-in, and selling a condominium unit.

CE COURSES NOT TIMELY CREDITED TO LICENSEE

From time to time, a CE course completed by a licensee is not credited in a timely manner to that licensee. This may affect the renewal of the real estate license during a renewal year. In most instances, when this has been brought to the attention of the Real Estate Branch, the CE Provider has updated the correct date of completion to the licensee's CE History, the Licensing Branch is informed that the renewed license should have been effective 1/1 of the new biennium, and life goes on.

Please note that all licensees receive a new pocket card for each biennium they renew their license. If the licensee has NOT completed the required CE in order to renew his/her license as current and active come 1/1 of the new biennium, or has renewed his/her license on inactive status, the word, "INACTIVE" is clearly printed on the new license pocketcard, which each licensee also signs.

Recently, a licensee who did not complete the required CE, received his 2015-2016 pocketcard which stated he was "inactive", and then, 5 months later, discovered that one continuing education course had not been credited to his history by the CE Provider during the renewal period. At this point, the month of May of the new biennium, enough time has passed and the licensee should be aware that his license is inactive, and he/she should not be practicing real estate. The licensee who did not renew his/her license in a timely manner, should submit a Change Form to reactivate his license, along with the \$25.00 reactivation fee, and a brief explanation regarding the continuing education course that was not timely credited to his CE history, the name of the course, and the name of the CE Provider.

CE COURSE ADVERTISING – "SPONSORS" AND REC-APPROVED COURSES

"Hawaii Administrative Rules (HAR), §16-99-114 Prohibited advertising practices. A continuing education provider shall not engage in any of the following acts: . . . (4) 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 the past year or so, copies of advertisements have been forwarded to the Real Estate Branch, questioning the content of the advertisements. These advertisements included names and logos of organizations and businesses and of names and photos of individuals working at the identified organizations and businesses. These businesses/individuals were also labeled as "sponsors" for the named CE course. CE Providers were contacted and requested to submit endorsement letters from the businesses included in the course advertisements based on the above HAR.

If you name specific sponsors for your CE courses, please have these businesses submit individual letters each biennium, stating the sponsoring business endorses the CE course(es) offered by the CE Provider. The letter should be on the letterhead of that sponsoring organization/business.

“HAR, §16-99-114 (6) – A continuing education provider shall not engage in any of the following acts; . . . Advertise a course which has not been certified by the commission, unless the advertisement clearly states that it is a “proposed” or “tentative” offering, subject to the certification by the commission; . . .” Regular elective CE courses may not be advertised by CE Providers unless certified by the commission. If the CE elective course is not yet certified, but will be shortly, it may be advertised but must be labeled as a “proposed” or “tentative” offering subject to the certification by the commission. THIS APPLIES TO ADVERTISING THE COMMISSION’S MANDATORY CORE COURSE.

2013-2014 CORE COURSES

The 2013-2014 Core Course, Parts A and B, is NO LONGER AVAILABLE for licensees to complete to restore or reactivate their license. In lieu of completing the 2013-2014 core course, the licensee must take 20 hours of elective continuing education courses.



IDWs AND REAL ESTATE SEMINAR FOR 2015-2016

At its February 27, 2015 monthly meeting the Real Estate Commission approved the awarding of the contract to develop Instructors Development Workshop(s) (“IDW”) and a Real Estate Seminar for the 2015-2016 biennium to the Hawaii Association of REALTORS®.

The first IDW will be an encore presentation of “T3 – Teaching Trainers to Train” by Beth Holiday, geared towards “new” instructors. An IDW for the more seasoned and experienced instructors will be presented at a later date. The first IDW will take place in July, 2015.

An IDW for experienced instructors will be held towards the end of 2015. Further information will be provided when available.





PRELICENSE SCHOOLS

REMINDERS:

- Please submit a copy of the course evaluation for your prelicense **online/independent study** courses to the Real Estate Branch. You may bundle them together and submit these evaluations on a monthly basis.
- School Completion Certificates are NOT downloadable by the student. It is the responsibility of the prelicense school to provide the certificate to the student. When printing the certificate, please print on a white, 8 ½”x 11” sheet of paper. There was an instance where the certificate was shrunk to a 4” x 4” size, which is not acceptable, even if the image was on an 8 ½” x 11” sheet of paper.
- Hawaii Administrative Rules (HAR) §16-99-53, “Application for registration. . . . (h) A school ceasing to operate shall so inform the commission and shall surrender its registration within thirty days after cessation of operations. The registration of such a school shall be cancelled automatically thirty days after cessation of operations unless a longer period of inactivity has been applied for in writing and approved by the commission. For the purposes of this subsection, “a school ceasing to operate” means a school which has not held any classes for a period of three months.”



SPECIALISTS’ OFFICE FOR THE DAY IN LIHUE

The Real Estate Commission’s Real Estate and Condominium Specialists held its Specialists’ Offices for the Day at the Grove Farm Building in Lihue, on Wednesday, June 10, 2015, to discuss real estate licensing and condominium concerns with interested parties.

The Specialists are prepared to discuss questions about licensing laws and rules, license applications, broker experience certificate applications, examination administration, continuing education, new legislation, Commission procedures, educational programs, and related topics.

Other questions that may come up at the sessions concern boards, associations, meetings, managing agents, condominium association registration, condominium hotel operators, fidelity bonding, the condominium property regime statute, public reports, project registration, new legislation, reserves, and other condominium-related topics.

If you have any questions, you may contact a Real Estate Specialist or a Condominium Specialist at (808) 586-2643. You may also write to: Real Estate Commission, 335 Merchant Street, Room 333, Honolulu, HI 96813, or you may email staff at hirec@dcca.hawaii.gov.

The Specialists' Office for the Day program is funded by the Condominium Education Fund and the Real Estate Education Fund.



2015 REAL ESTATE COMMISSION MEETING SCHEDULE

Laws & Rules Review Committee – 9:00 a.m. Condominium Review Committee - Upon adjournment of the Laws & Rules Review Committee Meeting Education Review Committee – Upon adjournment of the Condominium Review Committee Meeting	Real Estate Commission 9:00 a.m.
Wednesday, June 10, 2015*	Friday, June 26, 2015
Wednesday, July 8, 2015	Friday, July 24, 2015
Wednesday, August 12, 2015	Friday, August 28, 2015
Wednesday, September 9, 2015	Friday, September 25, 2015
Wednesday, October 7, 2015	Friday, October 23, 2015
Tuesday, November 10, 2015	Wednesday, November 25, 2015
Wednesday, December 2, 2015	Friday, December 18, 2015

*The June 10, 2015 committee meetings will be held in Lihue, Kauai at The Grove Farm Building Conference Room at 9:30 a.m.

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 or call the Real Estate Commission Office at 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 586-2643 to submit your request.

CONTINUING EDUCATION PROVIDERS

Abe Lee Seminars
All Islands Real Estate School
American Dream Real Estate School, LLC
American School of Real Estate Express, LLC
Carol Ball School of Real Estate
Carol M. Egan, Attorney at Law
Coldwell Banker Pacific Properties Real Estate School
Continuing Ed Express, LLC
Dower School of Real Estate
Eddie Flores Real Estate Continuing Education
Hawaii Association of Realtors
Hawaii Business Training
Hawaii CCIM Chapter
Hawaii Island Realtors
Honolulu Board of Realtors
Institute of Real Estate Management – Hawaii Chapter No. 34
Institute of Real Estate Management – National International Association of Certified Home Inspectors (InterNACHI)
Kama'aina Realty, LLC dba RP Seminars Unlimited
Kauai Board of Realtors
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
Servpro Industries, Inc.
Shari S. Motooka-Higa
The CE Shop, Inc
Vitousek Real Estate Schools, Inc.
West Hawaii Association of Realtors

PRELICENSE SCHOOLS

Abe Lee Seminars
Akahi Real Estate Network, LLC
All Islands Real Estate School
American Dream Real Estate School, 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
Inet Realty
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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Oahu Commissioner

Aleta Klein
Oahu Commissioner

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(808) 586-2643

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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.