All real estate licenses (active & inactive) expire on December 31, 2018. Licensees must renew their license and pay the licensing fees by November 30, 2018 to ensure successful renewal before the license expiration date. Licenses that are not successfully renewed will be automatically forfeited as of January 1, 2019. A forfeited licensee is unlicensed and shall not engage in real estate activity, and cannot receive any compensation for real estate brokerage activity.

**MyPVL (pel.ehawaii.gov/mypvl):**

What is MyPVL? MyPVL is a website which allows professional and vocational licensees access to all information regarding their license(s), including continuing education information and status, and license renewal. To access MyPVL, users will have to first create their own eHawaii.gov account. For more information on how to create your account, please visit the Real Estate Branch home page at www.hawaii.gov/hirec.

**PRINCIPAL BROKERS (PBs), BROKERS IN CHARGE (BICs), BRANCH OFFICES (RBOs), AND BROKERAGE FIRMS RENEWALS:**

By law, the PB is responsible for all the licenses of the brokerage firm. Using the “MyPVL” online service referenced above, the PB shall verify all associated licensees and initiate any corrections immediately. To assist in the process, you may link the entity license to your individual MyPVL account using the entities license number and the file number aka a BP ID number. (It is not required to link your license to the entity. However, for you to be able to view your associated licensees continuing education records, you must link the entity license to your individual MyPVL account). The BP ID number will be reflected on the renewal postcard for your entity which will be mailed out on October 19, 2018.

All other licensees are able to access their license information via MyPVL using their individual license number and the last four digits of their social security number.

It is highly recommended that the licenses/registrations of the brokerage firm, PB, BICs, and RBOs be simultaneously renewed during early November and prior to renewals of all associating licensees to ensure sufficient time to correct any problems and to ensure successful renewals of associating licensees. If an associating licensee renews prior to the PB’s, BIC’s, and brokerage firm’s renewal, the associating licensee’s renewal application will be held in suspense until the PB, BIC, and brokerage firm have successfully renewed all licenses.

PBs and BICs should complete all CE requirements immediately as a successful renewal includes completion of CE requirements prior to the submission of your renewal. To re-register a branch office, a BIC’s license must also be successfully renewed in addition to the PB’s license and the brokerage firm’s license. If the PB’s, BIC’s, and/or the
Principle Broker License Renewal (cont. from page 1)

brokerage firm’s licenses are not successfully renewed before December 31, 2018 and prior to the associating licensees, all associating licensees will be renewed on inactive status.

RENEWING ON ACTIVE STATUS: All individual licensees who renew their license on active status need to complete 20 hours of approved continuing education (CE) courses. Licensees are required to take the mandatory core course (totaling 6 hours) and elective courses (totaling 14 hours). The CE completion certificates do not have to be submitted unless otherwise instructed. Any individual licensee who does not complete the CE requirement will be renewed on an inactive status without further notice.

RENEWING ON INACTIVE STATUS: All individual licensees who renew their license on an inactive status do not have to complete the CE requirement but must renew and pay the renewal fees by November 30, 2018. An inactive licensee desiring to change to active status shall submit the original CE certificates with a completed Change Form and a reactivation fee.

NEW SALESPERSON IN 2018: If you were issued a new salesperson license in calendar year 2018 and renew your license by the renewal deadline of November 30, 2018, you will be deemed to have completed equivalent to the CE requirement and will not have to complete the CE requirement for this license renewal.

CANDIDATES FOR LICENSURE: Subject to compliance with the license application deadline, a candidate for licensure may want to consider being licensed as of January 1, 2019, rather than the remaining months of 2018 and be subject to renewal requirements. Please call the Real Estate Branch for additional information.

ONLINE RENEWALS: The online renewal system will be available for access beginning October 22, 2018. A renewal reminder card will be mailed to all licensees prior to the system becoming available. Renew online at:

pvl.ehawaii.gov/mypvl

If a licensee has a “YES” answer to any of the following questions, the online renewal system will not allow you to proceed with the online renewal:

1. In the past 2 years has your license in this state or any other jurisdiction been formally disciplined by way of a fine, suspension, restriction, or revocation?
2. Are there any disciplinary actions pending against you in this state or any other jurisdiction?
3. In the past 2 years have you been convicted of a crime in which the conviction has not been annulled or expunged?

Licensees answering “YES” to any of the questions above will not be able to renew online. The system will prompt the licensee to print the renewal application which must then be mailed together with the supporting documentation to the Professional and Vocational Licensing Branch at P. O. Box 3469. Honolulu, HI 96801.

Broker Experience Certificate

There have been numerous instances where a real estate broker candidate FAILS to timely file for and receive the Broker Experience Certificate (“BE”) prior to sitting for the Hawaii broker licensing exam. Sometimes they take the entire Hawaii real estate broker licensing exam WITHOUT the BE, or they may sit for the National portion of the exam without the BE, but apply for and receive the BE prior to sitting for the Hawaii State portion of the broker licensing exam.

There are several Hawaii Administrative Rules ("HAR") that directly impact these instances, with the resulting voiding of the applicant’s test score(s) and rejection of the license application.

HAR §16-99-19 states, “License applications. (a) All applications for a real estate salesperson or broker license shall be accompanied by: . . . (2) Supporting documents to satisfy the applicable education and experience requirements: Applications not accompanied by supporting documents shall be rejected. In the event an applicant has not satisfied the applicable education and experience requirements, the applicant’s examination score shall be declared void and the license application rejected.”

HAR §16-99-19.2(f), states, “If the applicant has satisfied the three-year full-time experience requirement, the commission shall issue to the applicant an experience certificate that shall be valid for two years from the date of issuance. The experience certificate shall be produced at the applicant’s examination appointment and submitted with the applicant’s application for individual broker license.”

HAR §16-99-29(g) states, “At the location for examination, all candidates for salesperson or broker examination shall present a current real estate school completion certificate or current education equivalency certificate. Candidates for broker examination also shall present a current experience certificate at the examination location.”

Prelicense instructors should clearly emphasize that broker candidates apply for and receive the BE prior to sitting for the broker licensing exam. This will save time, money, and frustration on the candidates’ side, and will diminish the emotional responses by candidates when dealing with the REB staff who is the bearer of bad news.
Aloha Real Estate Licensees:

My last Chair’s Message tried to clarify some of the mystery as to what the Hawaii Real Estate Commission ("HIREC") does and how it functions. In this Chair’s Message, I will address the distinction between the REALTOR® boards/associations and HIREC, and what each does for the vocation of real estate.

Hawaii Real Estate Commission

As mentioned previously, one of the primary functions of the HIREC is the responsibility for the licensure, education and discipline of real estate licensees. After passing a pre-licensing course (approved by the HIREC) and the required state licensing exam (also HIREC approved), the HIREC approves and issues your license. There are two classes of licenses:

1. Salesperson, which is the entry-level of licensure that allows you to practice real estate and earn commissions. Those with a salesperson’s license must be associated with a broker and be supervised by that broker.

2. Broker, which is granted after working a minimum of three (3) years, full time, as a salesperson, and upon passing the broker’s pre-license course and the broker’s state licensing exam. A broker’s license will additionally allow you to supervise other licensees and have your own brokerage.

There are currently about 17,977 real estate licenses in the state of Hawaii which includes 13,023 active (4,300 broker and 8,723 salesperson) and 4,954 inactive (642 broker and 4,312 salesperson) licensee. All real estate licensees, whether salesperson or broker, are:

1. Obligated to renew their license every two years after taking a required minimum number of hours of continuing education courses (currently 20 hours), including elective courses and two “Core” courses, from approved Continuing Education Providers registered with the HIREC.

2. Subject to disciplinary action by the HIREC if they violate any licensing law or. As a regulated industry, complaints of possible violations are brought to the Regulated Industries Complaints Office ("RICO"), investigated by RICO and sanctions recommended by RICO to the HIREC. The HIREC reviews and has final approval authority over disciplinary actions that can range from a fine to suspension or revocation of a real estate license, or a combination thereof. Real estate licensing violations are based on Hawaii Revised Statutes, Chapter 467 and Hawaii Administrative Rules, Title 16, Chapter 99.

In addition, the HIREC licenses real estate entities of which there are currently 1,847 (corporations, partnerships, LLC’s and, LLP’s) in the state.

REALTOR® Boards/Associations

REALTOR® boards/associations are basically industry associations (member advocates) which include:

1. Island boards/associations: Honolulu Board of REALTORS®; REALTORS® Association of Maui, West Hawaii Association of REALTORS®, Hawaii Island Board of REALTORS® and Kauai Board of REALTORS®.

2. Once joining your island board/association, you will automatically belong to the Hawaii Association of REALTORS® (“HAR”) which is a statewide association encompassing over 9,500 members spread throughout all five island boards/associations.
3. Once becoming a member of HAR, you also will automatically become a member of the National Association of REALTORS (“NAR”) which is the largest trade association in America with 1.3 million members throughout 54 state and territory associations.

Not all real estate licensees are members of the REALTORS® boards/associations. It is not a requirement of your license, but anyone seeking a professional career in real estate may be well served by the comprehensive services they offer for real estate professionals. Multiple listing service, dispute resolution, educational classes, professional designations, professional standards, collective political action advocating the interests of REALTORS®, and the well-recognized NAR Code of Ethics, which all NAR members must abide by, are just some of the services offered to members. Here’s the link to get a copy of the NAR Code of Ethics: https://www.nar.realtor/about-nar/governing-documents/code-of-ethics/2018-code-of-ethics-standards-of-practice

REALTOR® boards/associations can sanction their members for violations of NAR’s Code of Ethics which could include anything from a letter of warning or reprimand, to fines, suspension or expulsion from the boards/associations. This would not directly affect a real estate license with the HIREC, unless a separate complaint was filed directly with RICO. However, real estate licensees that are not members of the REALTORS® boards/associations can still be held accountable for the standards set forth in NAR’s Code of Ethics.

Hawaii Revised Statutes §436B-19(9): “Grounds for refusal to renew, reinstate or restore and for revocation, suspension, denial, or condition of licenses” states “Conduct or practice contrary to recognized standards of ethics for the licensed profession or vocation;” and NAR’s Code of Ethics is a recognized standard of ethical conduct.

The HIREC (for real estate licensing and consumer protection) and REALTOR® boards/associations (for their members’ interests and industry professionalism), are separate entities that do different things but regularly cooperate with one another in many ways for the betterment of the vocation of real estate.

Mahalo,

Michael Pang, Chair

Core Topics for 2019 - 2020

At its monthly meeting on Wednesday, October 10, 2018, the Education Review Committee (“ERC”) approved the core course topics for 2019-2020. Core A 2019-2020 will address real estate licensing laws and rules (Hawaii Revised Statutes (“HRS”) Chapter 467, Real Estate Brokers and Salesperson, and Hawaii Administrative Rules (“HAR”) Title 16 Chapter 99, Real Estate Brokers and Salespersons, HRS Chapter 436B, Professional and Vocational Licensing Act, HRS Chapter 444, Contractors, HRS, Chapter 521, Residential Landlord Tenant Code, and HRS Chapter 508D, Mandatory Sellers Disclosures in Real Estate Transactions. This list is subject to change. Obviously, sections in these various statutes that may impact the practice of real estate will be focused on, not the entire chapter.

Core B 2019-2020 will focus on principal brokers and brokers-in-charge, their responsibilities, policies and procedures manual, client trust accounts, and other topics. A common reaction will be, “I’m not a principal broker or broker-in-charge, why should I have to sit through this class?” ALL licensees, whether they are PBs, BICs, or may potentially take on these roles, should be knowledgeable in what is expected of a PB and/or BIC in the brokerage they are associated with.
THOMAS MARTIN  
RS 72151  
Case No. REC-2017-119-L  
Dated 7/27/18

**RICO Allegations:** On or about June 9, 2015, the Respondent was convicted in Hawaii of the crime of Operating a Vehicle Under the Influence of an Intoxicant (“OVUII”). The Respondent fulfilled all Court-imposed terms and conditions of the conviction but did not report the conviction when answering the 2016 licensing renewal question that asks for criminal convictions.

**Violations:**  

**Terms of Settlement:** Voluntary surrender of license.

BROOKE A. DERBY  
RS 70979  
Case No. REC-2017-284-L  
Dated 7/27/18

**Uncontested Facts:** On or about February 17, 2015, the Respondent was convicted in the State of Hawaii of Criminal Contempt of Court, and Driving without License (“Convictions”). The Respondent fulfilled all court-imposed terms and conditions of the Convictions, but, answered “No” to the question on her renewal application received on January 17, 2017 that asked: “In the past 2 years have you been convicted of a crime in which the conviction has not been annulled or expunged?”

**Violations:**  
HRS § 436B-19(2), HRS § 436B-19(5) and HRS § 467-20.

**Sanctions:** Fine of $750.00.

GEORGE S. SCHNIPPER  
RB 21895  
Case No. REC-2018-68-L  
Dated 7/27/18

**RICO Allegations:** On or about October 16, 2014, Respondent was convicted of the offense of Operating a Vehicle Under the Influence of an Intoxicant (“OVUII”). The Respondent fulfilled all Court-imposed terms and conditions of the conviction. On Respondent’s Application for License- Real Estate dated October 27, 2015, Respondent answered “No” to question 2 which asked, “During the past 20 years have you ever been convicted of a crime where there has not been an order annulling or expunging the conviction?”

**Respondent Representations:** Respondent admits that he answered “no” to question 2 on the real estate license application; however, he asserts that he believed the term crime only applied to felonies.

**Violations:**  
HRS § 436B-19(2), HRS § 436B-19(5), HRS § 436B-19(14) and HRS § 436B-19(17).

**Sanctions:** Administrative fine of $1,000.00. $500.00 shall be due upon return of the Settlement Agreement to RICO. A subsequent payment of $500.00 shall be due by the end of the following calendar month.

TAI K. GIBSON  
RS 72079  
Case No. REC-2017-205-L  
Dated 7/27/18

**Facts Supporting Licensing Violations:** On or about 2/12/09, Respondent submitted an application for a real estate salesperson license with the Commission. Question 2 on the application asked Respondent, “During the past 20 years have you ever been convicted of a crime where there has not been an order annulling or expunging the conviction?” Respondent answered “No.”

On or about 10/9/06 in the District Court of the First Circuit, State of Hawaii, Respondent was convicted of the petty misdemeanor offense of OVUII (hereinafter “OVUII”).

On or about 12/9/14, Respondent electronically renewed his real estate salesperson license. On his renewal application, Respondent was asked, “In the past 2 years have you been convicted of a crime in which the conviction has not been annulled or expunged?” Respondent answered, “No.”

On or about 7/31/13, in the District Court of the First Circuit, State of Hawaii, Respondent was convicted of the petty misdemeanor offenses of OVUII and driving without a Valid Driver’s License.

On or about 10/16/13, in the District Court of the First Circuit, State of Hawaii, Respondent was convicted of the petty misdemeanor offense of Theft in the Fourth Degree.

**Violations:**  
HRS § 436B-19(2), HRS § 436B-19(5), HRS § 436B-19(8), HRS § 436B-19(17) and HRS § 467-14(20), HRS § 467-20.

**Terms of Settlement:** Voluntary suspension of Respondent’s license for a period of thirty (30) days.

Fine of $1,000.00.
ANNIE K. MOENAHELE, formerly known as
ANNIE K. CASELLA
RB 17814
RB 21686
Case No. REC-2016-142-L, REC-2016-148-L and REC-2016-397-L
Dated 9/21/18

RICO Allegations:
Rico alleges that from in or about July 2015 to in or about September 2016, Respondents improperly handled the funds of three clients for whom Respondents were managing their rental properties, including but not limited to commingling the clients’ monies with Respondents’ funds, failing to account for those monies in a reasonable time, and failing to maintain a trust account for the deposit of rental receipts.

Violations:
HRS § 467-14(7), HRS § 467-14(15), HAR § 16-99-3(a) and HAR § 16-99-3(E)

Sanctions:
Voluntary surrender of Respondent’s license.

Restitution:
Respondents agree to pay restitution to Van Koin in the amount of $51,132.05 and John Antista in the amount of $6,618.00. Respondents further agree to fully satisfy the judgment (Civil No. 1RC16-1-8531, District Court of the First Circuit, Honolulu Division, filed on or about 7/19/17) awarded to Mihoko Kanematsu against Respondents in the amount of $38,040.33, including any statutory interest accrued. Respondents shall provide to the Commission proof of the payment of the above amounts within thirty (30) days of the completion of payment, and full payment of the above amounts shall be a condition of Respondents’ relicensure.

RONALD R. BARRON
RS 41839
Case No. REC-2017-369-L
Dated 9/21/18

RICO Allegations:
On or about December 10, 2015, Respondent was convicted of Operating a Vehicle Under the Influence of an Intoxicant (hereinafter “OVUII”). The Respondent fulfilled all Court imposed terms and conditions of the OVUII.

On Respondent’s renewal application which was dated on or about November 30, 2016, Respondent answered “no” to question 3 which asked, “In the past 2 years have you been convicted of a crime in which the conviction has not been annulled or expunged?”

In December of 2017, there was a federal tax lien in the amount of $76,100.25 against Respondent.

Respondent also failed to notify the Commission of his change of address in September of 2017.

Respondent admits that he answered “no” to question 3 on the renewal application; however, he asserts that he believed his conviction for OVUII was a traffic violation. Respondent stated that his long-time accountant “dropped the ball” in handling Respondent’s tax issues. Respondent has since fired that accountant and paid his federal liens in full.

Violations:
HRS § 436B-19(2), HRS § 436B-19(5), HRS § 436B-19(12), HRS § 436B-19(14), HRS § 467-20, HRS § 467-14(20) and HAR § 16-99-5

Sanctions:
Fine of $1,500.00. $100.00 is due upon return of the Settlement Agreement to RICO. Subsequent payments of $100.00 shall be due by the end of each calendar month thereafter until the fine has been paid in full.

Respondent Representations:
Respondent admits that he answered “no” to question 3 on the renewal application; however, he asserts that he believed his conviction for OVUII was a traffic violation. Respondent stated that his long-time accountant “dropped the ball” in handling Respondent’s tax issues. Respondent has since fired that accountant and paid his federal liens in full.
On or about November 13, 2000 in the District Court of the First Circuit, State of Hawaii, Honolulu Division, Respondent was convicted of the petty misdemeanor offense of Driving Under the Influence of an Intoxicating Liquid. 

Violations: 

Sanctions: 
Fine of $1,000.00.

RICO Allegations: 
On or about October 19, 2015, Respondent submitted an application for a real estate salesperson license with the Commission. 

Question 2 on the application asked Respondent, “During the past 20 years have you ever been convicted of a crime where there has not been an order annulling or expunging the conviction?” Respondent answered “No.”

Recent Arrests, Jury Verdict Highlight Ongoing Need for Wire Fraud Diligence

© ARELLO®. Reprinted courtesy of ARELLO’s Boundaries magazine.

A recent international law enforcement sweep and a federal court decision upholding a jury’s negligence verdict against a Kansas real estate agent serve as strong reminders of the ongoing need for all transaction participants to be aware of the very real threat of real estate escrow/closing wire fraud.

The Arrests: In June, the U.S. Department of Justice (DOJ), the Federal Bureau of Investigation (FBI) and other cooperating federal agencies announced the arrest of over 80 individuals in the U.S., Nigeria, Canada, Mauritius, Poland and other countries in connection with various alleged business e-mail compromise (BEC) scams. The FBI says that these sophisticated scams often target employees with access to company finances and trick them in various ways into making wire transfers to bank accounts that are thought to belong to trusted partners, but actually belong to criminals. The arrests were accomplished with the cooperation of law enforcement entities in Canada and several other countries, identified millions of dollars in hijacked transaction funds, and seized or disrupted the fraudulent transfer of millions more. The FBI says that since its Internet Crime Complaint Center (IC3) began keeping track of BEC and its variant, the e-mail account compromise (EAC), there has been a loss of over $3.7 billion reported to the IC3.

Real Estate Escrow Wire Scams on the Rise: In connection with the arrests, the Department of Justice said, “The same criminal organizations that perpetrate BEC also exploit individual victims, often real estate purchasers, the elderly, and others, by convincing them to make wire transfers to bank accounts controlled by the criminals.” Real estate escrow wire fraud involves criminals who digitally impersonate sellers, real estate licensees, title companies and other transaction participants in order to accomplish the fraudulent diversion of transaction funds. According to the FBI, “From calendar year 2015 to calendar year 2017 there was over an 1100% rise in the number of BEC/EAC victims reporting the real estate transaction angle and an almost 2200% rise in the reported monetary loss.”

Jury Holds Licensee Liable: The U.S. District Court for the District of Kansas recently upheld a jury verdict against a seller’s representative and her brokerage company in a transaction marred by escrow/closing wire fraud. According to the post-trial decision in the case, “An unknown criminal inserted himself into the transaction through emails, including with the use of fake email accounts with names similar to the accounts used by participants in the transactions, with the result that plaintiff [the buyer] lost the purchase price of $196,622.67 when he wired that amount to a bank account controlled by the criminal.” As summarized in the court decision, the evidence reflected that the criminal accomplished this by creating fake closing instructions and sending them to the seller’s representative, who then allegedly forwarded them to the buyer. The seller’s representative denied that she sent the email containing the fake instructions. The jury assigned 85 percent of the fault to the seller’s representative and 15 percent to the buyer. Accordingly, the U.S. District Court entered judgment for the buyer in the amount of $167,129.27.

The seller’s representative brought post-trial motions challenging the verdict, alleging that there was insufficient evidence to support it. The court denied the motions and ruled, among other things, that:

Administrative Actions (cont. from page 6) 
September 2018 

EMMANUEL NOEL CEREZO
RS 77891
Case No. REC-2017-340-L
Dated 9/21/18
Recent Arrests, Jury Verdict Highlight Ongoing Need for Wire Fraud Diligence (cont. from page 7)

- The jury could reasonably have found that in supplying the wiring instructions to the buyer, the seller’s representative was impliedly asserting that those instructions were correct.
- The jury could reasonably have concluded that the seller’s representative failed to act with reasonable care because she “conceded in her testimony ... that she did not confirm that she had the correct instructions (despite oddities in the instructions, such as an incomplete out-of-the-area bank address) and that she had the responsibility to make sure that she sent accurate information to [the buyer].”
- There was sufficient evidence to support the jury’s finding that the buyer, an experienced real estate investor, reasonably relied on the instructions received.

Resources: While real estate escrow/closing wire fraud scams have been widely reported, it is apparent that only heightened diligence on the part of all transaction participants will reduce the continuing risks. Numerous resources providing information about these scams and how to avoid them have been generated by industry associations, consumer groups, regulators and many others. Here are a few selected examples:

- According the National Association of Realtors®, several of its state associations have generated suggested wire fraud notices that explain the risks to clients and how to avoid being victimized. [Please note: Such notices are or may be subject to copyright laws-Ed.]
- Numerous federal agencies have issued warnings and tips, including the Consumer Financial Protection Bureau, the Federal Trade Commission (in cooperation with NAR) and the FBI/IC3.
- Warnings and advice to real estate and other licensees, and consumers, have been issued by regulators in dozens of jurisdictions, including Colorado, New Jersey and Utah; and in the Idaho Real Estate Commission’s most recent The Real Estate老師 publication and a previous edition of the North Carolina Real Estate Commission’s Real Estate Bulletin.

2018 Condominium-Related Legislative Wrap-Up
By Carole R. Richelieu, Senior Condominium Specialist

On January 17, 2017, the 30th legislature convened its regular session which adjourned on May 8, 2017. Approximately 29 bills were introduced regarding some aspect of condominiums, and the Real Estate Branch was actively engaged in tracking, monitoring, and testifyng on various proposed measures.

Most of the new laws enacted relate to condominium governance.

Act 195 amends section 667-94 (cure of default), Hawaii Revised Statutes (“HRS”), of the foreclosure law, regarding foreclosure procedure and sections of chapter 514B, HRS, relating to association powers and procedures. The legislature wanted to preserve the pay first, dispute later provision as it applies to common expense assessments while encouraging the use of mediation for all other penalties or fines, late fees, lien filing fees, or other charges in an assessment. This Act thus amends section 514B-105(c), HRS, to prohibit associations from deducting late fees, legal fees, fines, and interest from common expense payments regardless of any board policy. This Act also amends section 514B-146 (association fiscal matters) to allow unit owners to contest a demand for payment of attorneys’ fees and costs, penalties or fines, late fees, lien filing fees, or any other charges, except for common expense assessments, through mediation prior to paying. This is a striking change from the historical “pay now, contest later” precedent which now only applies to common expense assessments. Unit owners may demand a prescribed written statement regarding disputed charges, and an association is now prohibited from attempting to collect any disputed charges until the association has participated in mediation adhering to a specific timeline. This Act is effective July 1, 2018, but sunsets on June 30, 2020.

Act 196 adds an entirely new section to chapter 514B, HRS. This new section provides for Commission subsidized (up to $6,000) voluntary binding arbitration for any party permitted to mediate condominium related disputes with the proviso that the parties are required to have first attempted evaluative mediation. Accordingly, this Act amends sections 514B-71 and 514B-72, HRS, and Act 187, Session Laws of Hawaii 2013, to allow for the subsidization. This Act also expands the scope of who can participate in mediation and what may be mediated by listing qualifying parties and issues. If one party requests evaluative mediation, the other party cannot choose facilitative mediation, and a unit owner or association may apply to the appropriate circuit court where the condominium is located for an order compelling mediation in certain circumstances. The Act also codifies a fee structure. This Act is effective January 2, 2019, but sunsets on June 30, 2023.

Finally, Act 018 stylistically amends some language in section 514B-43(a) (liens against units), HRS.

As a reminder for condominium developers, attorneys, and unit owners, Act 181 which passed last legislative session repealing chapter 514A, HRS, is effective January 1, 2019. Any project which was created prior to July 1, 2006, which seeks to utilize the safe harbor provision must have completed any reactivation and/or updating process by January 1, 2019.
License Renewal Deadline is November 30

If you request a paper RENEWAL APPLICATION for the 2019-2020 biennium, the instructions are also included. READ and follow the instructions. The online renewal system went “live” on Monday, October 22, 2018. The live renewal access will shut down at midnight, December 31, 2018.

INSTRUCTIONS – RENEWING YOUR REAL ESTATE LICENSE
Review these entire instructions before completing the application form.

ALL LICENSEES
Instructions in this section apply to all real estate licensees. If you are a principal broker, broker in charge, or sole proprietor, you have additional renewal requirements. Refer to the additional information in the sections on the reverse side of this page. Real estate licenses may be renewed on-line at: pvl.ehawaii.gov/mypvl.

1. Review the application to verify that your licensed name appears in the top section under “LICENSEE’S NAME & ADDRESS OF RECORD”. If any corrections are necessary, DO NOT report changes on the application form. Changes on the application form will not be accepted and will delay processing. Use a “Change Form” to report changes. You may retrieve the “Change Form” from the Commission’s web site: http://www.hawaii.gov/hirec.

2. Answer the questions in the “TO BE COMPLETED BY LICENSEE” section. Explain any “YES” responses on a separate sheet, submit pertinent documents and attach them to the application. Application with “YES” responses may require additional processing time.

3. Sign and date the application.

4. Attach a check payable to COMMERCE & CONSUMER AFFAIRS in the amount identified in the “FEES” section. Write the license number of the accompanying renewal application on the check. Submit one check for each renewal application. Do not mail cash.

NOTE: One of the numerous legal requirements that you must meet in order to renew your license is the payment of fees as set forth on the renewal application. You may be sent a license certificate before the check you sent us for your required fees clears your financial institution. If your check is returned to us unpaid, you will have failed to pay the required licensing fee and your license will not be valid. You MAY NOT do business under that license. A $25.00 service fee will be charged for checks which are returned by the financial institution.

If your check is returned unpaid, you may not be notified until eight (8) weeks after the check was returned. Your license will be forfeited (unlicensed) effective January 1, 2019. See enclosed “RE-ACTIVATING OR RESTORING A FORFEITED LICENSE”.

5. MANDATORY CONTINUING EDUCATION

RENEWING ON ACTIVE STATUS: The law requires ALL individuals who want to renew their license on ACTIVE status to complete 20 hours of approved continuing education courses. Licensees are required to take at least the mandatory core courses Part A and Part B. DO NOT SUBMIT CONTINUING EDUCATION CERTIFICATES WITH YOUR APPLICATION. Continuing education providers submit completion information to the Real Estate Commission. Retain certificates for your records.

RENEWING ON INACTIVE STATUS: If you renew your license without satisfying the 20 hour continuing education requirement, your license will be automatically renewed on INACTIVE status, WITHOUT FURTHER NOTICE. When you do change to active status, you will be required to submit your ORIGINAL continuing education certificates with a completed “Change Form” and pay a $25.00 fee. The certificates will not be returned to you.

NEW SALESPERSON IN 2018: If you were issued a new salesperson license in calendar year 2018 and renew your license by the renewal application deadline of November 30, 2018, you will be deemed to have completed equivalent to the continuing education requirement and will not have to complete the continuing education requirement for this license renewal.

6. Mail the complete application, together with any attachments, and the proper fees to:

LICENSE RENEWAL (12/18) OR Deliver to:
DCCA, PVL Licensing Branch
P. O. Box 3469
Honolulu, HI 96801

PRINCIPAL BROKER (PB) AND BROKER IN CHARGE (BIC)

Instructions in this section apply to principal brokers (PB) and brokers in charge (BIC).

1. In addition to the instructions above for “ALL LICENSEES”, be aware that other licensees depend on your license AND the brokerage firm’s (corporation, partnership, LLC, or LLP) license being renewed early, prior to associating licensees. To avoid problems with fee payments, it is highly recommended that you pay your renewal fee and that of the brokerage firm by cashier’s check, certified check, or money order.

2. You are responsible for two (2) renewal applications, your own individual license and the brokerage firm’s license. Be sure to renew BOTH licenses simultaneously. Attach one (1) check to each application. DO NOT SUBMIT ONE (1) CHECK TO PAY FOR MORE THAN ONE (1) RENEWAL APPLICATION. Doing so will delay processing for all applications.

3. To re-register a branch office, a broker in charge’s license must also be successfully renewed in addition to the principal broker’s license and the brokerage firm’s license.

4. If you are submitting renewal applications for associating licensees, attach one (1) check to each application. DO NOT SUBMIT ONE (1) CHECK TO PAY FOR MORE THAN ONE (1) RENEWAL APPLICATION. Doing so will delay processing for all applications.

(cont. page 10)
SOLE PROPRIETORS

Instructions in this section apply to Sole Proprietors.

1. You will receive only one (1) renewal application. Your name will appear under both “LICENSEE’S NAME & ADDRESS OF RECORD” and “PRINCIPAL”.

2. Refer to the other relevant instructions above under the headings “ALL LICENSEES” and “PRINCIPAL BROKER AND BROKER IN CHARGE”.

COMPLETE APPLICATION - DEFINED

A complete application includes:

1. Answering all the questions on the application. Submitting a separate sheet explaining “YES” responses and pertinent documents.

2. Signing and dating the application.

3. Paying the correct fees. Submitting one (1) check for each application. DO NOT SUBMIT ONE CHECK TO RENEW MORE THAN ONE LICENSE.

INCOMPLETE applications delay processing for all applicants. Notice may be given only after all complete applications are processed.

This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at 586-3000 to submit your request.

Rev 4/2018

RE-ACTIVATING OR RESTORING A FORFEITED LICENSE

If your license is renewed on INACTIVE status, and you wish to change to active status, or if for any reason your license is forfeited on January 1, 2019 (whether you voluntarily did not renew on time, you forgot to renew, your check was returned by the financial institution, etc.) and you wish to restore your license, the table below lists documents and fees which must be submitted to the Licensing Branch. If your license was forfeited before or on January 1, 2019, or if you apply for restoration after December 31, 2019, you must submit a Restoration Application (call 586-3000 to obtain application) and follow the instructions that accompany that application.

<table>
<thead>
<tr>
<th>RE-ACTIVATING</th>
<th>RESTORING BETWEEN JANUARY 1 AND DECEMBER 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Brokers, Salespersons</td>
<td>Principal Brokers, Brokers in Charge</td>
</tr>
<tr>
<td>• Change Form (signed by Principal Broker or Broker in Charge)</td>
<td>• Change Form</td>
</tr>
<tr>
<td>• $25 fee</td>
<td>• $25 fee</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Change Form and Application for License: Real Estate Sole Proprietor may be retrieved from the Commission’s web site: http://www.hawaii.gov/hirec. This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at 586-3000 to submit your request.
Prelicense Schools

Abe Lee Seminars       808-942-4472
Akahi Real Estate Network, LLC  808-331-2008
All Islands Real Estate School    808-564-5170
American Dream Real Estate School, LLC  720-322-5470
Scott Alan Bly School of Real Estate, LLC  808-738-8818
   dba Bly School of Real Estate
Carol Ball School of Real Estate    808-871-8807
CE Shop, Inc.                   888-827-0777
Coldwell Banker Pacific Properties
   Real Estate School
Continuing Ed Express, LLC   866-415-8521
Digital Learning Centers, LLC  808-230-8200
   dba REMI School of Real Estate
Inet Realty                   808-955-7653
Maui Real Estate Academy, LLC  808-431-1218
   dba Hawaii Real Estate Academy
OnCourse Learning Corporation  800-532-7649
   dba OnCourse Learning Real Estate
Ralph Foulger’s School of Real Estate  808-239-8881
Savio Realty, Ltd.            808-943-7300
   dba Savio Real Estate Academy
Seiler School of Real Estate   808-874-3100
Vitousek Real Estate Schools, Inc.  808-946-0505

Continuing Education Providers

Abe Lee Seminars       808-942-4472
All Islands Real Estate School    808-564-5170
American Dream Real Estate School, LLC  720-322-5470
Asentiv Hawaii         808-960-9630
At Your Pace Online, LLC  877-724-6150
The Berman Education Company, LLC  808-572-0853
Scott Alan Bly School of Real Estate, LLC  808-738-8818
   dba Bly School of Real Estate
Building Industry Association of Hawaii  808-629-7505
Carol Ball School of Real Estate    808-871-8807
The CE Shop, Inc.                  888-827-0777
CMPS Institute, LLC               888-608-9800
Coldwell Banker Pacific Properties
   Real Estate School
Continuing Ed Express, LLC   866-415-8521
Council of Residential Specialist, The
   Dexterity CE, LLC
   The Council of Residential Specialists
   Eddie Flores Real Estate
   Continuing Education
Hawaii Association of Realtors  808-733-7060
Hawaii Business Training    808-282-8051
Hawaii First Realty, LLC   808-874-3100
Hawaii Island Realtors      808-935-0827
Ho’akea LLC dba Ku’iwalu    808-539-3580
Honolulu Board of Realtors  808-732-3000
Institute of Real Estate Management Hawaii  808-384-2801
   Chapter #34 (IREM)
International Association of Certified Home Inspectors (InterNACHI)
International Council of Shopping Centers, Inc.646-728-3800
Investment Property Exchange Services Inc.  808-387-4140
Kauai Board of Realtors    808-245-4049
McKissock, LLC            808-328-2008
Shari S. Motoooka-Higa    808-492-7820
OnCourse Learning Corporation  800-532-7649
   dba OnCourse Learning Real Estate
Preferred Systems, Inc.    888-455-7437
Ralph Foulger’s School of Real Estate  808-239-8881
The Real Estate Café       808-728-0223
Realtors’ Association of Maui, Inc.  808-873-8885
REMI School of Real Estate  808-230-8200
Russ Goode Seminars        808-597-1111
Servpro Industries Inc.*   615-451-0200
   dba Veterans Association of Real Estate Professionals (VAREP)
Vitousek Real Estate Schools, Inc.  808-946-0505
West Hawaii Association of Realtors  808-329-4874

State of Hawaii Real Estate Commission

© HAWAII REAL ESTATE COMMISSION BULLETIN, November 2018
copyright Hawaii Real Estate Commission. All rights reserved. This Bulletin, or any part thereof, may not be reproduced without the written permission of the Hawaii Real Estate Commission, except permission is granted to licensed Hawaii real estate brokerages to reproduce and distribute copies of this publication, in its entirety, but not for profit, as an education service. Furthermore, if any portion of this publication is emphasized or highlighted, then the disclosure “Emphasis added” shall be annotated to the reproduction. This publication is intended to provide general information and is not a substitute for obtaining legal advice or other professional assistance to address specific circumstances. The information contained in the Bulletin is made pursuant to Hawaii Administrative Rules section 16-201-92 and is not an official or binding interpretation, opinion or decision of the Hawaii Real Estate Commission or the Department of Commerce and Consumer Affairs. The Hawaii Real Estate Commission Bulletin is funded by the Real Estate Education Fund, Real Estate Commission, Professional and Vocational Licensing Division, Department of Commerce and Consumer Affairs.

This material may be made available to individuals with special needs. Please call the Senior Real Estate Specialist at 808-586-2643 to submit your request.
2018 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, November 14, 2018
Wednesday, December 12, 2018

Friday, November 21, 2018
Friday, December 21, 2018

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 (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.