

Real Estate Commission Bulletin



November 30 Is Fast Approaching!

The renewal deadline for all real estate licensees is **November 30, 2024**. All licenses, prelicense schools, prelicense instructors, continuing education providers, and continuing education courses must be renewed by the deadline to ensure you remain in compliance.

ON-LINE RENEWAL will be available beginning October 21, 2024, via your MyPVL account at www.mypvl.dcca.hawaii.gov.

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It is highly recommended that the licenses/registrations of the brokerage firm, PB, BIC(s), and RBO(s) be renewed prior to the renewal of all associated licensees to ensure sufficient time to correct any problems and to ensure successful renewal of associated licensees. All associated licensees are "dependent" on their PB, BIC(s) and brokerage renewing their licenses. The dependent licensee(s) will not be successfully renewed if the PB, and/or the brokerage firm's licenses are not successfully renewed. The license renewal applications of all associating licensees will be placed on "suspense" and renewed on an inactive status come January 1, 2025. Likewise, to re-register a branch office, a BIC's license must also be successfully renewed, in addition to the PB and brokerage firm's licenses.

The **PB is responsible for their associated licensee's current and active status**. REMEMBER, come January 1, 2025, licenses that are not renewed will be converted to a forfeited status. If this conversion takes place, licensee(s) on a forfeited status may not conduct any real estate activity. Should real estate activity continue, disciplinary action may occur for the associated licensee(s) AND the PB.

RENEWING ON AN ACTIVE STATUS: Individual licensees who wish to renew their license on active status need to complete 20 hours of approved continuing education (CE) courses. See CE Q & A article in this issue for additional information.

RENEWING ON AN INACTIVE STATUS: Individual licensees who renew their license on an inactive status do not have to complete the CE requirement but must still renew their license and pay renewal fees by November 30, 2024 TO REMAIN CURRENT. Failure to pay for the renewal fee will result in a forfeited license. An inactive licensee may not conduct any real estate activity or receive compensation until they properly reactivate their license. See Change Form – Real Estate for requirements to reactivate your license.

NEW SALESPERSON in 2024: If you were issued a new salesperson license in calendar year 2024 and renew your license by the renewal application deadline of November 30, 2024, 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 only.

NEW BROKER in 2024: If you were issued a new broker license in calendar year 2024 and wish to renew your license on an active status, you must complete 20 hours of approved CE courses and renew your license by the renewal application deadline of November 30, 2024.

If you recently upgraded your license from a salesperson to a broker, please be sure to provide your CE Provider with your updated license number to ensure your courses are credited correctly to your updated license number.

New Federal Reporting Requirement for Beneficial Ownership Information (BOI)

Effective January 1, 2024, many companies in the United States must report information about their beneficial owners—the individuals who ultimately own or control the company—to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury.

Your company may need to report information about its beneficial owners if it is:

- a corporation, a limited liability company (LLC), or was otherwise created in the United States by filing a document with a secretary of state or any similar office under the law of a state or Indian tribe; or
- a foreign company and was registered to do business in any U.S. state or Indian tribe by such a filing.

Reporting companies report beneficial ownership information (BOI) electronically through FinCEN's website: www.fincen.gov/boi. The system provides a confirmation of receipt once a completed report is filed with FinCEN.

- If your company was created or registered prior to January 1, 2024, you will have until January 1, 2025, to report BOI.
- If your company is created or registered in 2024, you must report BOI within 90 calendar days after receiving actual or public notice that your company's creation or registration is effective, whichever is earlier.
- If your company is created or registered on or after January 1, 2025, you must file BOI within 30 calendar days after receiving actual or public notice that its creation or registration is effective.
- Any updates or corrections to beneficial ownership information that you previously filed with FinCEN must be submitted within 30 days.

While filing is simple, secure, and free of charge, there are substantial penalties for late or willful failure to report. The willful failure to report complete and accurate beneficial ownership information to FinCEN, may result in civil or criminal penalties, including civil penalties of up to \$500 for each day that the violation continues, or criminal penalties including imprisonment for up to two years and/or a fine of up to \$10,000. Additionally, a person may be subject to civil and/or criminal penalties for willfully causing a company not to file a required BOI report or to report incomplete or false beneficial ownership information to FinCEN. Changes in BOI must be reported as well.

Detailed information may be obtained at FinCEN's website at <https://www.fincen.gov/boi>

An extensive FAQ may be viewed on their website as well at <https://fincen.gov/boi-faqs>

Questions may be directed to FinCEN using ONE of the following:

- The contact form on the webpage at www.fincen.gov/contact
- Leaving a voice message on our Regulatory Helpline (1-800-767-2825 toll free or 703-905-3591).

All information provided as a courtesy to Hawaii real estate licensees and is deemed reliable but is not guaranteed and should be independently verified. Additionally, it is provided to you pursuant to §16-201-92, Hawaii Administrative Rules, and is offered solely for informational and for educational purposes only and is informal and non-binding on the Real Estate Commission and the Department of Commerce and Consumer Affairs.

Real Estate Commission Commissioner Senter Reappointed



Ms. Nikki Senter, Public Member, was confirmed for a second term by the Hawaii State Senate on April 18, 2024. Ms. Senter's term will expire June 2028.

Ms. Senter previously served as a Real Estate Commissioner from 2010 – 2018 and served as the Commission's Chair from 2011 – 2018. She has been practicing real estate law in Hawaii for 23 years in private practice, with Alexander & Baldwin, and Howard Hughes Corporation. Ms. Senter is currently the Executive Vice President, Chief Legal Officer & Corporate Secretary for the James Campbell Company. She has also served as a certified real estate licensing continuing education and core course instructor, and as a condominium consultant for the State of Hawaii.

The Chair's Message



Aloha Kakou,

There are many things in life that we cannot control. Life is a process. Life happens and changes occur. Change is inevitable. The world is constantly evolving. Discoveries are made. New technologies developed. The more we learn, the more we change. Even our business, the real estate industry, undergoes constant change. Some we are prepared for while others we are not. Regardless, as we learn about these changes, we must adapt and pivot how we do our business. Life does not discriminate and the real estate industry is not immune to change.

Our industry and your business may soon undergo a significant change. Resisting would be counterproductive so embrace the change and adapt. Take on a fresh new perspective. Get excited. Do not be the stubborn "old dog" who cannot learn "new tricks." Open your mind. Think growth. Look at how the smartphone advanced our business. How will this change improve and advance my business? Be curious. Look for viable solutions. Take the initiative. How can I make things better? Take action for inaction breeds fear and doubt. Action breeds courage and confidence.

Speaking of taking action and before I forget, 2024 is a license renewal year. All of you need to take action. Complete your 20 hours of continuing education now. Then, when renewals begin in mid-October, log into your MyPVL account and renew your license. Take action and renew your license by November 30, 2024. Renew your license as soon as possible. Do not procrastinate. As a licensed professional you must act professionally. Be fully invested in your profession. Take care of this housekeeping item early. Like the early bird who gets the worm, the early renewal makes the sale.

As you read this, I suspect many of you have heard "magic answers" from industry experts. So many are diligently trying to find a one-size-fits-all answer to satisfy all the licensees' concerns. There is no absolute answer. Because of this, the real estate landscape will get rough and bumpy. I implore you to put everything – all agreements, all discussions of compensation, all everything – in writing. PUT IT IN WRITING! Having it in writing will alleviate most misunderstandings.

You hold a license because you are a professional. Be professional and practice with high standards. Put agreements in writing. Memorialize conversations in writing. What you will do for your client and how you receive compensation should be in writing. Always put it in writing. What are the facts? If it is not in writing, it does not exist. PUT IT IN WRITING! Having it in writing will help the consumer understand and accept our new way of doing business.

With advancing technology like artificial intelligence, more changes are on its way. While changes are not easy to navigate, I believe the future will favor industries accepting of change. Hawaii's real estate industry is such – we embrace change. We are focused and engaged and our profession has a bright future. I have no doubt we will get through this proficiently.

Mahalo Nui Loa,

Derrick T. Yamane, Chair
Hawaii Real Estate Commission

Change Form Information

Have you submitted a Change Form – Real Estate (CF) and want to check on its status? The Records Section of the Professional and Vocational Licensing Division's Licensing Branch (LB) is responsible for processing of CFs, and you may contact them directly at 808-586-3000 regarding the status of your CF.

As of this publication, original CFs with wet signatures must be submitted; LB does not currently accept CFs via email or with electronic signatures.

It is highly recommended you take a copy of any CFs submitted to LB for your records.

CORE B, 2023-2024 Is Now Available

“Regulation, RICO, and Your License”

Core B 2023-2024 “Regulation, RICO, and Your License,” is now being offered by CE Providers. Visit <https://myce.dcca.hawaii.gov/cs-ce/>. Once there, click on the “Download All Future Courses” icon on the upper right-hand corner of the screen to view all providers who are currently offering Core B.

Both Part A, “3D Rules: Disclose, Disclose, Disclose!” and Part B, “Regulation, RICO, and Your License” must be completed to receive mandatory core course credits.

Both Parts A and B will be available through May 31, 2025, in both live and online formats.

Administrative Actions

May 2024

MICHAEL N MENEGAS
RB-23482

Case No. REC 2023-0016-L

Dated: 5/31/2024

(Commission approved
settlement agreement)

Uncontested Facts:

At all times herein, Respondent was licensed by the Real Estate Commission (“Commission”) as a real estate broker. The license was issued on or about July 9, 2021. The license will expire on or about December 31, 2024.

RICO Allegations:

1. On or about January 26, 2009, a civil Judgment was entered against Respondent in the District Court of the Second Judicial District of the State of Idaho, in and for the County of Nez Perce. The Judgment was renewed on December 27, 2013, and November 19, 2018.
2. On or about March 26, 2009, a civil Judgment was entered against Respondent in the District Court of the Second Judicial District of the State of Idaho, in and for the County of Nez Perce.
3. On or about April 3, 2012, Respondent was convicted of a misdemeanor in the Second Judicial District, State of Idaho, County of Nez Perce County. Respondent was sentenced to thirty (30) days in jail, community service, probation, and a fine. There is no record indication the conviction was annulled or expunged.
4. On or about June 5, 2012, a civil Judgment was entered against Respondent in the District Court of the Second Judicial District of the State of Idaho, in and for the County of Nez Perce. The Judgment was renewed on May 23, 2017, and May 2, 2022.
5. On or about April 26, 2016, the IRS filed a Notice of Federal Tax Lien Instrument (“IRS Lien”) against Respondent. The lien was released on or about July 6, 2021.
6. On or about August 9, 2016, the Idaho Department of Health and Welfare filed Lien document against Respondent. The Idaho

DHW Lien was terminated on or about May 18, 2022. A State Lien Amendment (“DHW Lien Amendment”) terminating the Idaho DWH Lien was filed on or about May 18, 2022.

7. On or about April 26, 2019, the Idaho State Tax Commission filed Lien Document against Respondent. A State Lien Amendment (“Idaho Tax Lien1 Amendment”) terminating Idaho Tax Lien 1 was filed on or about November 12, 2021.
8. On or about November 16, 2020, the Idaho State Tax Commission, filed Lien Document (“Idaho Tax Lien 2”) against Respondent. A State Lien Amendment (“Idaho Tax Lien 2 Amendment”) terminating Idaho Tax Lien 2 was filed on or about January 3, 2022.
9. On or about June 3, 2021, the Department of Commerce and Consumer Affairs Professional and Vocational Licensing (“PVL”) received an Application for License – Real Estate, submitted and signed by Respondent on or about May 31, 2021.
10. Respondent indicated “NO” to Question No. 2, which stated, “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?”
11. Respondent indicated “NO” to Question No. 3, which stated, “Are there any pending lawsuits, unpaid judgments, outstanding tax obligations, or any other type of involuntary liens against you?”

Violations:

HRS § 436B-19(5); HRS § 467-14(13); HRS § 467-14(20); HRS § 467-20

Sanctions:

Voluntary Surrender of License

Statutory/Rule Violations

Settlement Agreement (Allegations/Sanction): A Settlement Agreement may or may not include an admission that the Respondent violated licensing laws and/or rules on a case-by-case basis.

Disciplinary Action (Factual Findings/Order): The respondent is found to have violated the specific laws and rules cited, and the Commission approves the recommended order of the Hearings Officer.

HRS §436B-19(5)	Procuring a license through fraud, misrepresentation, or deceit.
HRS §467-14(13)	Violating this chapter, chapters 484, 514B, 514E, or 515, or section 516-71, or the rules adopted pursuant thereto.
HRS §467-14(20)	Failure to maintain a reputation for or record of competency, honesty, truthfulness, financial integrity, and fair dealing.
HRS §467-20	False statement.

Continuing Education Q & A

One of the most common inquiries received by the Real Estate Branch in the months leading up to the November 30th renewal deadline is regarding continuing education (CE).

Here are some commonly asked questions and answers:

Q: Can you tell me how many CE credits I currently have?

A: Licensees may check their CE credits by logging into their MyPVL account by visiting <https://mypvl.dcca.hawaii.gov>. Once there, click on the "RECE" (Real Estate Continuing Education) tab, then click on "View CE History." There you will see all courses that have been completed and reported to the Commission.

Q: When should I start taking CEs?

A: Now! All CE courses should be completed prior to submitting your renewal application. Any individual licensee who has renewed but failed to complete the CE requirement will be renewed on an inactive status without further notice.

Q: Where can I find a list of CE courses and providers?

A: Commission-approved courses and providers may be found on the DCCA Education System website at <https://myce.dcca.hawaii.gov/cs-ce/>. For a full list of all current offerings, click on the "Download All Future Courses" icon.

Q: I took a CE course yesterday; why don't I see the course credit in my MyPVL account CE History?

A: CE providers have 10 days to report your completed course to the education system. If it has been more than 10 days since the course has been completed, **please contact the CE provider to rectify this.**

Q: Can I take the same course that I have taken in the past? Will I receive credit for it?

A: You will not receive credit for a course you have taken during the last renewal period. If the course is a duplicate course, it will NOT be posted to your MyPVL account.

Q: I have taken more than the required 20 CE hours. Can excess credit hours be applied to the next renewal period?

A: No. CE course credits do not "rollover."

Q: Will my ethics course count toward my 20 CE hours?

A: Check with the provider and trade organization offering the course if it is a Hawaii Real Estate Commission approved course.

Q: I recently received my new real estate license. Can I use the prelicense course I took toward my CE requirements?

A: No. Prelicensing courses and CE courses are not interchangeable.

CONDO HAWAII

Hawai'i Revised Statutes Chapter 508D & Mandatory Seller Disclosures in Condominium Sales



The Hawai'i Real Estate Commission ("Commission") has received several inquiries from residential condominium owners alleging they were not provided copies of the condominium map, recorded declaration, recorded bylaws, or house rules when they purchased their units. Unit owners are now contacting the Commission to obtain these documents.

The Commission would like to remind licensees in light of the subject matter of this biennium's Core A, that providing these documents to prospective purchasers of condominium units is mandatory under HRS §508D-3.5, titled "Disclosure of documents; required documentation." A seller or the seller's agent must prepare the disclosure statement in good faith and include all material facts. Failure to provide such documents during the selling process is a serious violation and may result in potential license disciplinary action. Agents for developers should also be cognizant that without delivery of such documents, no sales contract for the purchase of a condominium unit from a developer will be binding, pursuant to HRS §514B-86.

Licensees are reminded that their role is to assist and support their clients while ensuring all disclosure laws are followed properly.

Is Your Trade Name Current?

A trade name is an assumed name used to identify the business or activities of a sole proprietor or an entity such as a corporation, partnership or limited liability company. A trade name is often referred to as a "doing business as", "DBA", or "assumed" name.

Trade names must be registered with the Department of Commerce and Consumer Affairs, Business Registration Division (BREG). Trade name certificates of issuance are valid for five (5) years from the date of issuance.

Once registered with BREG, the trade name must then be registered with the Real Estate Commission by submitting a completed Change Form along with a file-stamped copy of the BREG registration and \$10 fee. Trade names must comply with Hawaii Revised Statutes ("HRS") §467-9, among other things.

Since this is a license renewal year, the Commission would like to remind principal brokers and sole proprietors to check the registration status of their trade names. HRS §467-11.5 (c) states, in part:

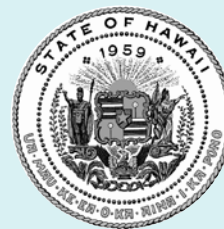
"No license shall be renewed if the license trade name, partnership, or corporation is not currently registered with the department of commerce and consumer affairs."

***A salesperson licensee shall not use a registered trade name for any real estate activity as defined under Hawaii Revised Statutes Chapter 467 and Hawaii Administrative Rules Chapter 99.**



Prelicense Schools

Abe Lee Seminars	808-942-4472
American Dream Real Estate School, LLC	844-223-7326
Carol Ball School of Real Estate	808-280-0470
The CE Shop, LLC	888-827-0777
Coldwell Banker Pacific Properties Real Estate School	808-748-3410
Colibri Real Estate, LLC	866-739-7277
Continuing Ed Express, LLC	866-415-8521
Diamond Real Estate School	808-866-5828
Excellence in Education dba Maui Real Estate School	808-212-4861
Grand Vacations Real Estate School	808-927-9190
Hawaii Institute of Real Estate	808-342-4061
Hawaii Real Estate Licensing School LLC	808-594-3511
Inet Realty	808-955-7653
Mayfield Real Estate, Inc., dba Global Real Estate School	800-581-6014
Pacific Real Estate Academy	808-230-1234
Premier Real Estate LLC, dba Premier Real Estate Academy	808-556-3135
Real Estate School Hawaii	808-551-6961
REMI School of Real Estate	808-230-8200
Scott Alan Bly School of Real Estate, LLC dba Bly School of Real Estate	808-738-8818
Seiler School of Real Estate	808-874-3100
Vitousek Real Estate School, Inc.	808-946-0505
Wong Way Real Estate Academy	808-218-9224



State of Hawaii Real Estate Commission

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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.

Continuing Education Providers

Abe Lee Seminars	808-942-4472	Honolulu Board of Realtors	808-732-3000
American Dream Real Estate School, LLC	844-223-7326	International Association of Certified Home Inspectors (InterNACHI)	720-735-7125
Building Industry Association of Hawaii	808-629-7505	Kauai Board of Realtors	808-245-4049
Carol Ball School of Real Estate	808-280-0470	McKissock, LLC	800-328-2008
The CE Shop, LLC.	888-827-0777	Poha School of Real Estate LLC	808-292-1002
CMPS Institute, LLC	888-608-9800	Preferred Systems, Inc.	888-455-7437
Coldwell Banker Pacific Properties Real Estate School	808-748-3410	Real Estate School Hawaii	808-551-6961
Colibri Real Estate, LLC	866-739-7277	Real Estate Success Series LLC	310-259-5776
Continuing Ed Express, LLC	866-415-8521	Realtors' Association of Maui, Inc.	808-873-8585
Eddie Flores Real Estate Continuing Education	808-223-6301	REMI School of Real Estate	808-230-8200
ExceedCE, LLC	415-885-0307	Residential Real Estate Council	800-462-5541
Finance of America Reverse, LLC	330-807-8948	Scott Alan Bly School of Real Estate, LLC dba Bly School of Real Estate	808-738-8818
Franklin Energy Services, LLC	866-735-1432	Servpro Industries, LLC	615-451-0200
Hawaii Association of Realtors	808-733-7060	Shari Motooka-Higa	808-492-7820
Hawaii Business Training	808-250-2384	Sirmon Training and Consulting Group LLC	704-458-9743
Hawaii CCIM Chapter	808-528-2246	Systems Effect LLC, dba Training Cove	480-517-1000
Hawaii First Realty LLC	808-282-8051	WebCE Inc.	877-488-9308
Hawaii Island Realtors	808-935-0827	West Hawaii Association of Realtors	808-329-4874

State of Hawaii
Real Estate Commission
King Kalakaua Building
335 Merchant Street, Room 333
Honolulu, HI 96813

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2024 Real Estate Commission Meeting Schedule

Real Estate Commission – 9:00 a.m.

Friday, August 23, 2024

Friday, September 27, 2024

Friday, October 25, 2024

Friday, November 22, 2024

Friday, December 20, 2024

Until further notice, Laws & Rules Review Committee, Condominium Review Committee, and Education Review Committee meeting items will be discussed at Real Estate Commission meetings.

Real Estate Commission Meetings will be held in the Queen Liliuokalani Conference Room, 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.