

School Files

Hawaii Real Estate Commission

October 2011

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Happy Halloween



LEGISLATIVE UPDATE 2011

The following laws were enacted by the Hawaii State Legislature 2011. The new laws are summarized. For the full text of the act go to the Hawaii legislative website at <http://www.capitol.hawaii.gov/session2011/lists/RptActs.aspx> This is by no means an exhaustive list of new laws. There may be other laws that may impact the real estate industry. Principal brokers are responsible to ensure that all associated real estate licensees are educated and trained on “. . . the latest amendments to real estate licensing laws and rules as well as other related laws and rules.” (see Hawaii Revised Statutes, section 467-1.6(b)(9))

ACT 212 HB 320 HD2 SD1 – Relating to broker price opinions. Exempts a real estate licensee who provides an opinion as to the estimated price of real estate from the requirement for licensure as an appraiser subject to certain conditions. Governor signed into law on July 11, 2011.

ACT 115 HB 319 HD1 SD1 CD1 – Relating to owner-builders. Clarifies that an owner with an open permit may be exempt, upon a showing of hardship, from the prohibition on sale or lease of a property constructed or improved under an owner-builder exemption within one year of the construction or improvement. Effective July 1, 2011.

ACT 65 HB 1130 SD1 – Relating to service of process. Repeals the sunset date of Act 158, Session Laws of Hawaii 2009, which required condominium associations, planned community association, and cooperative housing corporations to establish an access policy for civil process servers. Effective May 26, 2011.

ACT 198 SB 181 SD1 HD1 CD1 – Relating to photovoltaic-ready new residential homes. Establishes a working group to study the feasibility of requiring all new single-family residential construction to incorporate design elements and minimum equipment installation at the time of construction to facilitate the future adoption of a photovoltaic system. Effective July 8, 2011.

ACT 48 SB 651 SD2 HD2 CD1 – Relating to mortgage foreclosures. Requires foreclosing mortgagees to engage in a dispute resolution process at the election of a mortgagor before carrying out a judicial or non-judicial power of sale foreclosure; authorizes the Supreme Court to adopt rules for dispute resolution; establishes a special fund for foreclosure dispute resolution to be expended by the judiciary; makes appropriation. Effective May 5, 2011.

ACT 218 SB 1213 SD1 HD1 CD1 – Relating to permitting. Establishes a temporary task force under the comptroller to review state and county administrative rules to be amended or repealed to expedite and make less burdensome the permitting and approval process. Effective July 11, 2011.

ACT 98 SB 1483 SD1 HD1 CD1 – Requires a condominium association that includes time share units to list its name and address as the representative agent for individual time share owners from the records that the association is required to maintain unless the individual time share owner requests the association to maintain the individual owner's name and address in the association's records instead. Effective June 9, 2011.

ACT 31 SB 1301 SD1 HD1 (HSCR 1417) – Relating to fair housing exemptions. Amends provisions relating to discriminatory practices. Prohibits the printing, circulating, posting, or mailing, or cause to be published a statement, advertisement, or sign, or to use a form of application for a real estate transaction, or to make a record of inquiry in connection with a prospective real estate transaction, that indicates, directly or indirectly, an intent to make a limitation, specification, or discrimination because of race, sex, including gender identity or expression, sexual orientation, color, religion, marital status, familial status, ancestry, disability, age, or human immunodeficiency (HIV/AIDS) virus infection. Effective April 29, 2011.



PSI TEST DEVELOPMENT AND INDUSTRY DAY

The annual test development and industry day for the Hawaii real estate education community will take place on October 24-25, 2011, at a place yet to be determined. The industry day will be on Tuesday, October 25th in the afternoon. More details will follow via roster email.

PSI Is Commission's Test Administrator

When PSI became the Commission's test administrator in June 2009, the task of creating a new data bank of test questions from scratch for both the salespersons and brokers licensing exams was the number one priority.

During this period of transition, July 1 – October 31, 2009, the pass-fail rates for both the salesperson and broker licensing exams fell quite dramatically. Where the salesperson average pass-fail rate remained steady throughout the years at about 60% pass and 40% fail, and the broker average pass-fail rate hovered around 40% pass and 60% fail, the average pass-fail rates under PSI fell to about 21% pass and 79% fail for salespersons, and 16% pass and 84 % fail for brokers.

The Real Estate Branch received numerous inquiries, comments, and complaints from both test candidates and prelicense school instructors regarding the quality of test questions.

In mid-December 2009, PSI held a second item writing session. A significant number of new questions were added to both exams. Problematic questions with statistical results indicating that there were concerns with these questions were pulled from the question bank rotation. Once this was accomplished, the pass-fail results for both salespersons and brokers improved. The salesperson pass-fail rate for November 1, 2009 – December 10, 2009 was 45% pass and 55% fail. The broker pass-fail rate was 53% pass and 47% fail.

For 2010, the salesperson pass-fail rate for the year was 42.83% pass and 57.17% fail. The broker pass-fail rate was 40% pass and 60% fail.

The numbers so far for 2011 show the salesperson pass-fail rate is 48.96% pass and 51.04% fail. The broker pass-fail rate is 29.01% pass and 70.99% fail.

Instructors Offered Chance To Write Test Items

In response to the hue and cry from concerned instructors, the Commission created an opportunity for participation by prelicense instructors to create items for the test bank, for both salespersons and brokers. A PSI prelicense instructor item writing webinar was held May 24-25, 2011. The webinar provided guidance to the participating prelicense instructors to ensure that all items are written in accordance with item-writing principles that are standard practice in the testing industry. Participants were given the opportunity to select areas of the content outline they felt they could contribute or had a specialized interest/expertise in and draft 5-10 test questions, which will be reviewed at the upcoming test development session in October.

Only eight (8) prelicense instructors participated in the webinar. Out of the eight who attended the webinar, only four (4) instructors submitted test items, resulting in 20 new items which will be reviewed.

All prelicense instructors who participated in the item writing webinar expressed appreciation that they were able to take part. For some, it was instructive as to how a good test item is constructed. Not only does the “stem” or the exam question have to be simply and clearly written and appropriate, the three “detractors” and the correct answer also have to be well-constructed and relevant to the stem. There’s more to developing a defensible test than meets the eye.



IDW ALTERNATIVES

If you were not able to attend Darryl Sink’s “Course Developer Workshop”, the IDW for 2011-2012 co-sponsored by the Hawaii Real Estate Commission (“Commission”) and the Hawaii Association of REALTORS® (HAR) on September 14, 2011, you have several alternative IDWs that are available. All certified pre-license instructors must attend an IDW prior to certification and/or recertification, and all CE instructors must attend a Commission-approved IDW within the biennium.

On November 1 and 2, 2011, the “T3 – Training Trainers to Train” IDW that was offered last biennium, and co-sponsored by the Commission and HAR, will again be offered for those instructors needing an IDW. This IDW received excellent reviews from attendees. It will be held in the King Kalakaua Building, Queen Liliuokalani Conference Room, and includes

homework and a presentation by each participant. Please email Marsha Shimizu (mshimizu@hawaiiirealtors.com), HAR, if you are interested in attending, or telephone 808-733-7060, ext. 106, or from the Neighbor Islands at 1-888-737-9070.

At its Wednesday, September 7, 2011 monthly meeting, the Commission's Education Review Committee (ERC) approved the following alternative IDWs for the current biennium:

1. Training 101 or Training 201
Carmel Streater, carmels@cox.net
Take either ONE of these offerings
2. The Course Developer Workshop, Darryl Sink and Associates, Inc.
<http://dsink.com/workshops/course-developer-workshop-online>
This course is similar to the live IDW offered on 9/14/11. The cost is high, \$699, however, a possible discount may be available.
3. Certified Distance Education Instructor (CDEI)
International Distance Education Certification Center
This is a 16-hour program presented in two parts – “How and Why Adults Learn” and “Principles of Good Practice in Teaching Online.”
Go to www.idecc.org.



CE PROVIDERS – POLICIES AND PROCEDURES

Are you plagued by “disruptive” licensees in your CE classes? Are they totally ignoring what’s going on in class and instead focusing very intently on their laptops, their iPads, smart phones, and whatever latest technology is out there? Are they not LISTENING to you?

According to Hawaii Administrative Rules (HAR) section 16-99-99(a)(5) and (6), the CE provider is responsible for the administration of the course offering and when the CE provider applies for registration he or she must submit, among other documents, “(5) A statement certifying that the provider has a student attendance policy and procedures for monitoring attendance and record keeping for a minimum of four years; (6) A statement certifying that the provider has a policy for a refund, issuance of a certificate of completion of course, and the means by which the statement of policies shall be provided to a student prior to registering for the course;”

CE providers as well as CE instructors and students do not have to tolerate disruptive behavior of any kind in the classroom. The CE provider should create a written policy regarding disruptive behavior in class and when a student registers for any course offered by the provider, they will sign the policies and procedures statement created by the provider. This statement may include attendance requirements, signing in and out when leaving the class for whatever reason, the course completion certificates, etc.



CERTIFICATION OF CE INSTRUCTORS

CE providers have the responsibility of ensuring each CE instructor they use for their course offerings meets the requirements for CE instructors as stated in Hawaii Administrative

Rules section 16-99-104. The CE instructor must have “a command knowledge of the subject matter of the course . . .” (section 16-99-104(c)) CE courses are getting more complicated and technical as laws are amended and new laws are enacted. The author/owner and the instructor for a CE course should both possess experience directly related to the topic of the course being offered and taught. It is not enough to cut and paste information found on the internet and present the accumulated information and articles as a course. This applies to the use of PowerPoint slides. A PowerPoint slide should be a summary of important points of discussion and learning. The slide should not be packed with words that are direct quotes from laws, rules, or other documentation.

Included in the list of requirements is section 16-99-104(e), which addresses the IDW requirement for CE instructors. Each CE instructor must take “within the biennium” an instructor’s workshop. CE providers must make sure that all of the instructors they use for their courses meet the IDW requirement for 2011-2012.

CONTINUING EDUCATION PROVIDERS

360Training.com
Abe Lee Seminars
Akahi Real Estate Network LLC
All Islands Real Estate School
Career Webschool Cengage Learning, Inc.
Carol Ball School of Real Estate
Continuing Ed Express LLC
Dearborn Financial Publishing, Inc.
Distressed Properties
Dower School of Real Estate
Eddie Flores Real Estate Continuing Education
ERA School of Real Estate a Division of SRH Inc.
Hawaii Association of Realtors
Hawaii CCIM Chapter
Hawaii Institute of Real Estate (HIRE)
Hawaii Island Board of Realtors
Hogan School of Real Estate
Honolulu Board of Realtors
Kauai Board of Realtors
Levin & Hu, LLP
Lorman Education Services
Lynn W. Carlson
McKissock, LP
Pacific Real Estate Institute
ProSchools, Inc.
Ralph Foulger’s School of Real Estate
Realtors Association of Maui Inc.
REMI School of Real Estate
Richard Daggett School of Real Estate
Russ Goode Seminars
Seiler School of Real Estate
Servpro Industries
Shari S. Motooka-Higa
The CE Shop, Inc.
The Seminar Group
University of Hawaii at Manoa Outreach College
University of Hawaii Maui College - OCET
Vitousek Real Estate Schools, Inc.
West Hawaii Association of Realtors

PRELICENSCE SCHOOLS

Abe Lee Seminars
Akahi Real Estate Network LLC
All Islands Real Estate School
Carol Ball School of Real Estate
Dower School of Real Estate
Fahrni School of Real Estate
Hawaii Institute of Real Estate (HIRE)
Hudson 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 at Manoa Outreach College
University of Hawaii Maui College - OCET
Vitousek Real Estate Schools, Inc.





COMINGS AND GOINGS



Karyn Takahashi, who was with the Real Estate Branch for 17 years, has taken a new position with the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs. Her last day with REB was September 30, 2011.

Louise Tadaki, a REB employee for 6 years, has also taken a new position with the Division of Consumer Advocacy. Louise's last day with REB is October 14, 2011.

Both Karyn and Louise will be sorely missed. We wish them luck and success in their new careers!



Commissioners:

Carol Mae A. Ball, Chair
Real Estate Commission

Stanley M. Kuriyama, Vice Chair
Real Estate Commission

Rowena B. Cobb, Vice Chair
Education Review Committee

Frances T. Gendrano, Chair
Laws and Rules Review Committee

Walter Harvey, Vice Chair
Laws and Rules Review Committee

Michele Sunahara Loudermilk, Chair
Condominium Review Committee

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Education Review Committee

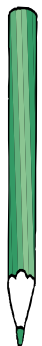
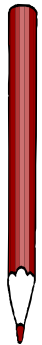
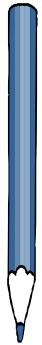
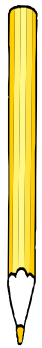
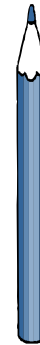
Aileen Y. Wada, Member

Nikki T. Senter, Vice Chair
Condominium Review Committee

SCHOOL FILES

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