School Files

Hawaii Real Estate Commission

July 2009

http://www.hawaii.gov/hirec

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PSI IS NEW TEST ADMINISTRATOR FOR REAL ESTATE COMMISSION

After more than 21 years with the same test administrator (although the name changed numerous times), the Real Estate Commission has approved a contract with PSI Services, LLC (PSI) to be its new test administrator, effective July 1, 2009. PSI is headquartered in Burbank, CA. The Commission's test administrator is responsible for administering the real estate licensing examinations for real estate salesperson and real estate broker candidates. An instructor's exam for prelicense instructors is also administered by the test administrator.

PSI will charge a \$63 examination fee, as compared to the \$68 examination fee assessed by the former test administrator, Pearson VUE. The transition is currently taking place. During the transition period, salesperson and broker candidates will be tracked and all required information transferred to PSI's database. Hawaii's test candidates are allowed to re-take the portion of the exam they did not pass as many times as necessary to pass the exam. However, they must pass both portions of the exam within two years of passing the first part of the examination.

Both the salesperson and broker license exams will be new exams. PSI conducted a test development session in June 2009, and new test questions were developed for the two exams. A new instructor's exam will also be in place under PSI.

There will be a change in the amount of time allotted to take each portion of the licensing exam. Four hours will be allotted to take **both** the State portion and the uniform portion of the exam. If taking or re-taking only one portion of the exam, whether it is the Hawaii State portion or the uniform portion, the test time allotted will 2.5 hours for the general portion, and 1.5 hours for the State portion.

Hawaii will continue to provide three equivalencies to test candidates: the Prelicense Education Equivalency, the Equivalency to the Uniform Section of the Hawaii Real Estate Licensing Exam, and the Broker Experience Certificate. All of these equivalencies are good for a two-year period. If test candidates receive a Hawaii School Completion Certificate, the certificate is also good for two years. PSI will establish new test sites on O'ahu, Maui, and the Big Island. On Kauai, the current test site will be used. Out-of-state candidates will still be able to test at PSI test centers located on the mainland, as long as the test center has the appropriate software to administer the Hawaii exam.

The Hawaii test centers are:

O'ahu – Ala Moana Pacific Center, 1585 Kapiolani Boulevard, Suite 1135, Honolulu, HI 96814 Maui – Maui Aviators, LLC, 237 Kaualani Drive, Kahului Airport, Kahului, HI 96732 Kauai – The Computer Hospital, 4516 Akoa Road, Kapaa, HI 96746 Big Island – A test center will be selected shortly

For 2008, the pass-fail rate for Hawaii first-time test takers was 30.62% pass and 69.38% fail for broker candidates, and 66.92% pass and 33.08% fail for salesperson candidates. For re-takers, brokers had a 29.50% pass and 70.50% fail rate, and salespersons had a 54.79% pass and 45.21% fail rate.



MORTGAGE RESCUE FRAUD PREVENTION ACT AFFECTS REAL ESTATE LICENSING LAW

Prelicense instructors, and CE instructors teaching courses which relate to Hawaii Revised Statutes, Chapter 467, Real Estate Brokers and Salespersons, please be aware that as a result of the creation of Act 66, SB 34, S.D.1 H.D. 1 C.D.1, State of Hawaii Twenty-Fifth Legislature, there are changes to HRS Section 467-14.



Added to Section 467-14 Revocation, suspension, and fine, the

Commission may revoke, suspend, fine, or terminate any license issued under this chapter for any cause authorized by law, including but not limited to the following: "Section 467-14(21) Acquiring an ownership interest, directly or indirectly, or by means of a subsidiary or affiliate, in any distressed property that is listed with the licensee or within three hundred sixty-five days after the licensee's listing agreement for the distressed property has expired or is terminated. As used in this section, "distressed property" has the same meaning as set forth in section 480E-2."

Section 480E-2 was amended by amending the definition of "distressed property consultant" to exclude (7) "A person currently licensed as an active real estate broker or real estate salesperson in Hawaii pursuant to chapter 467, when acting in the capacity of a real estate broker or real estate salesperson in accordance with customary industry standards."

The amended definition of "distressed property consultant" also excludes financial institutions, insurance companies, attorneys, and persons or entities acting under authority of the federal Department of Housing and Urban Development (HUD), etc.

Act 66 was approved by the Governor on May 20, 2009. To read the complete version of Act 66, 2009 SLH, go to <u>www.capitol.hawaii.gov</u>.

CORE COURSE AVAILABLE NOW!



PART A, 2009-2010 CORE COURSE, "Real Estate Law Update and Personal Transactions" is available for offering. Each Board of Realtors[®] has received a DVD of the "Train the Trainer" session. CE instructors interested in teaching the core course, may view the DVD in a proctored environment.

After viewing the "Train the Trainer" DVD, please send a memo to the Real Estate Branch, 335 Merchant Street, Room 333, Honolulu, HI 96813, stating:

"I,	, viewed	the Train the Trainer DVD on $_$	9
(na	me of instructor)		(date)
at		•	
	(location)		
Signed		_	
C	(name of instructor)		
and		"	
	(name of proctor)		

Part A will NOT be available in a *live classroom* format in 2010. Part A will only be available in an *online* format from January 1, 2010.

Continuing Education Providers: Please keep this in mind when scheduling your live classroom offerings in 2009.

Help get the word out to all real estate licensees so they may schedule their continuing education courses appropriately. Remember that about two-thirds of licensees opt to take the core course in a live classroom format in the five months prior to the license renewal deadline. There's a lot of re-training ahead for all concerned!



WHAT'S NEW AT THE REAL ESTATE BRANCH

Jon Pangilinan is the newest member of the Real Estate Branch. He is the new Executive Officer, filling the vacancy created when Neil Fujitani became the Supervising Executive Officer in 2008.

Jon is a graduate of the University of Hawaii at Manoa, and majored in Economics, with a minor in Filipino. He has experience working with the State of Hawaii Legislature, Senate Ways and Means Committee, in 2005 and 2008. Jon also worked with the State of Hawaii Ombudsman's Office from 2005-2007.

Part of Jon's responsibilities will include rule making, overseeing legislation that impacts real estate licensing and education and condominium property regimes, supervising Real Estate Branch activities, and becoming knowledgeable of both the real estate licensing laws and rules and the condominium laws (Chapters 514A and Chapter 514B).

2009 REAL ESTATE COMMISSION MEETING SCHEDULE

Laws & Rules Review Committee – 9:00 a.m. Education Review Committee – Upon adjournment of the Laws & Rules Review Committee Meeting Condominium Review Committee – Upon adjournment of the Education Review Committee Meeting, which is upon the adjournment of the Laws & Rules Review Committee Meeting, which convenes at 9:00 a.m.	Real Estate Commission 9:00 a.m.
Wednesday, July 8, 2009 (Kauai)	Friday, July 31, 2009
Wednesday, August 12, 2009	Friday, August 28, 2009
Wednesday, September 9, 2009	Friday, September 25, 2009
Wednesday, October 14, 2009	Friday, October 30, 2009
Wednesday, November 4, 2009	Friday, November 20, 2009

All meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor *except the July 8, 2009 Committee meetings, which will be held at Conference Rooms A, B, and C of the State Office Building, located at 3060 Eiwa Street, Lihue, Kauai.*

Meeting dates, locations and times are subject to change without notice. Please visit the Commission's website at <u>www.hawaii.gov/hirec</u> 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.

(SPECIAL NOTE: The Real Estate Commission meeting dates are subject to change pending a decision on proposed furloughs for State employees. Updated information will be available on the Commission's website, <u>www.hawaii.gov/hirec</u>.)

Commissioners: Trudy I. Nishihara, Chair Real Estate Commission

Stanley M. Kuriyama, Vice Chair Real Estate Commission

Louis E. Abrams, Chair Laws and Rules Review Committee

Annette Aiona, Vice Chair Education Review Committee

Carol Mae A. Ball, Chair Education Review Committee

Frances T. Gendrano, Vice Chair Laws and Rules Review Committee

Walter Harvey, Member

Michele Sunahara Loudermilk, Chair Laws and Rules Review Committee

Mark Suiso, Vice Chair Condominium Review Committee SCHOOL FILES Published by the Hawaii Real Estate Commission 335 Merchant Street, Room 333 Honolulu, Hawaii 96813 (808) 586-2643

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PSI HOLIDAY SCHEDULE

PSI Testing Sites will be closed on the following dates:

Independence Day	Closed July 3-5, 2009
Labor Day	Closed September 5-7, 2009
Thanksgiving	Closed November 26-29, 2009
Christmas	Closed December 25-27, 2009
New Years	Closed January 1-3, 2010
Memorial Day	Closed May 29-31, 2010