

# School Files

Hawaii Real Estate Commission

December 2008

<http://www.hawaii.gov/hirec>

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## **ONLINE CONTINUING EDUCATION SYSTEM REMINDERS FOR 2009**



The launch of the new Online Continuing Education System in August 2008 was a long-awaited and welcome relief for many of the Commission's continuing education ("CE") providers. 2008 is a renewal year so all CE course certifications, CE provider registrations, prelicense school registrations, and prelicense instructor certifications are required to be renewed in order to be active in the 2009-2010 biennium.

Here are some reminders for the upcoming biennium:

1. The 14-day course offering deadline will be strictly enforced on the new system. The system will not accept a course offering if it is less than 14 days prior to the course offering date. Plan ahead to get your course offerings entered in a timely manner.
2. Licensees may not repeat the same course for CE credit according to Hawaii Administrative Rules section 16-99-95, which states, in part, ". . . a licensee shall not take a continuing education course that is substantially similar to a course for which the licensee has already received a certificate. A continuing education provider shall not issue to a licensee a certificate for substantially the same course completed by the licensee. 'Substantially similar' . . . means that at minimum, seventy-five percent of the course content of a course is repeated in another course offering."
3. If the CE provider has no course offerings listed in the system, the CE provider's name will not be accessible to people searching the site.
4. When you are adding a course, use the ADD function, not the EDIT function.
5. For attendees who are restoring their license, they must show the restoration application upon admittance to the course. The CE Provider is responsible to check the identity of each attendee.

6. If an attendee has a SUSPENDED license, the Online CE System will not allow the CE provider to issue a course completion certificate. The CE provider must keep the required information on this person, and when their suspended status is changed to current and active/inactive, they may receive the course completion certificate.
7. For those licensees who are completing a CE course as part of a disciplinary action against their license, the CE provider must provide a written verification that the course was completed by this licensee, as they should not receive a course completion certificate.

As the Online Continuing Education System becomes more familiar, questions regarding procedures may arise. Please email your concerns to [roster@dcca.hawaii.gov](mailto:roster@dcca.hawaii.gov) or telephone (808)586-2643.



## LICENSE RENEWAL NUMBERS

The percentage of real estate licensees renewing online this year is just under 100%! As of December 15, 2008, 5,239 of the 6,461 licensed real estate brokers renewed their license. Those who chose the online renewal route totaled 5,071, 96.79% of the total number of licensed real estate brokers. For real estate salesperson licensees, 9,412 of the 15,407 licensed renewed, and 9,181 renewed online, a 97.55 % showing.

Thus far, there appears to be a decrease in the number of both real estate brokers and real estate salespersons from the 2005 - 2006 biennium. At this time, 81% of real estate brokers have renewed their license, and 61% of salespersons have renewed their license.

In 2006, there were 20,607 licensees. As of October 16, 2008, the total number of real estate licensees was 19,244. However, based on renewal figures, the total number of real estate licensees is approximately 14,741, which is a significant drop in numbers.



## COMMISSION CORE COURSE FOR THE 2009-2010 BIENNIUM

At its September 2008 monthly meeting, the Education Review Committee ("ERC") approved the topics for the Real Estate Commission's ("Commission") 2009-2010 core course. The core course will once again be offered in two parts, Part A and Part B. The target release date for each part is mid-June 2009 for Part A, and mid-June 2010 for Part B.



The recommendations for the core course topics were presented to the ERC by the Commission's Education Evaluation Task Force ("EETF"), a group of volunteer industry members and local board representatives.

The topics approved by the ERC for Part A are a legislative update targeting Act 137, the Mortgage Rescue Fraud Prevention Act; Act 228, the act relating to Historic Preservation; and the Unauthorized Practice of Law proposed definition\*. Each of these topics directly impact real estate licensees, as each law or rule required the real estate licensee to comply with the requirements, which appear more restrictive than current practice.

Act 137 determines whether or not a real estate licensee may be considered a "Distressed Property Consultant" ("DPC"). If it is determined that a real estate licensee is acting as a DPC, this will directly impact all of the licensee's actions, as well as the compensation amount for the handling of the property.

House Bill No. 2486 ("Act 228"), "A Bill for an Act Relating to Historic Preservation" became law without the signature of Governor Lingle.

Act 228 requires owners of historic buildings to submit archival-quality photographs to the Department of Land and Natural Resources prior to the issuance of a building-related permit. The bill applies to privately-owned and public buildings that are at least fifty years old.

The topic for Part B of the 2009-2010 core course is a focus on personal transactions and private sales. Sub-topics that may be addressed in Part B include:

- Property management
- Sales to family members
- Principal broker responsibilities
- Hold-harmless agreements
- Advertising
- Policies and Procedures Manual
- Commissions
- Real estate license hat cannot be removed
- Principal broker claiming ignorance to transactions

The ERC approved the EETF's recommendation that Part A of the core course be taken in the odd-numbered year of the biennium. Effective January 1, 2010, Part A of the 2009-2010 core course will ONLY be available online. Both Part A and Part B will be offered through May of the odd-numbered year of the 2011-2012 biennium.

The ERC also approved the EETF's recommendation that any county-specific updates and information be the responsibility of each local board to present to their members. Because county issues may be more time-sensitive, it is difficult to include material on each county in the core course legislative update.

*\* It was recently announced that the new Unauthorized Practice of Law Rule will exempt real estate licensees. The adoption of the new rule definition is expected by January 1, 2009. This may impact the content of Part A of the 2009-2010 core course.*

# QUALITY PROFESSIONAL DEVELOPMENT IN CONTINUING EDUCATION

By Carol Ball, Broker, Maui Commissioner  
Chair, Education Review Committee



Have you ever wondered how courses are approved for continuing education?

According to Hawaii Revised Statutes ("HRS") section 467-4.5(d) – “Continuing education courses shall be designed to improve a licensee’s competency, or professional standards and practice.” It shall also be designed to allow students to “(2) . . . exceed minimal entry level competency in the subject matter of the course including consumer protection in real estate transactions.” HRS section 467-4.5(b)(2) and (3) also mandates that the Real Estate Commission (“Commission”) ensures that the instructors are “. . . competent in the subject matter of the course and are current in their knowledge of the subject matter;” and ensures that the “. . . course is based on current information, laws, and rules.”

Every course must be approved by the Commission and offered by a provider approved by the Commission. Courses approved may include national courses delivered by an instructor certified by the National Association of REALTORS® or its affiliates, national courses delivered by an instructor certified by the Building Owners and Managers Association, the Community Associations Institute, the Association of Real Estate License Law Officials or any other national organization approved by the Commission.

Courses are reviewed by the Commission’s Education Review Committee (“ERC”). Courses are reviewed, pursuant to Hawaii Administrative Rules (“HAR”) section 16-99-100. The course must satisfy all of the following:

- (1) Is for a core or elective course designed for any one of the following purposes: (A) protecting the public in its real estate transactions; or (B) enabling the licensee to serve the objectives of the consumer in a real estate transaction; or (C) enabling the licensee to develop and improve a licensee’s competency and professionalism in a changing marketplace.
- (2) Qualifies as either a consumer protection or professional standards and practice course as defined in this subchapter;
- (3) Is developed for a knowledge and abilities level beyond “professional entry”;
- (4) Includes in the course major course concepts;
- (5) Specifies course objectives in terms of student performance. . . ;
- (6) Consists of at least three clock hours;
- (7) Issues upon the completion of the course offering a course certificate of completion;
- (8) Requires the completion of the course within the license biennium;
- (9) Is offered by a registered continuing education provider
- (10) Is delivered live, by means of interactive television, or by other means of interactive communication as approved by the commission;
- (11) Has a course outline detailing the sequence of topics, amount of time allotted to each topic, and reading assignments; and
- (12) Meets such other conditions as requested by the commission.

The Commission is prohibited from certifying courses not acceptable for continuing education course certification as found in HAR section 16-99-101 and defined as follows:

- “(1) Does not directly relate to real estate law or real estate practice;  
(2) Is related to passing a prelicense real estate salesperson or broker exam;  
(3) Teaches office and business skills, such as typing, speed reading, memory improvement, report writing, personal motivation, salesmanship, sales psychology, and time management;  
(4) Includes sales promotions or other meetings held in conjunction with general real estate brokerage activity;  
(5) Is devoted to meals or refreshments;  
(6) Is less than three clock hours in duration; and  
(7) Does not meet the definition of continuing education as determined by the commission.”

When a course is submitted for approval to the ERC, the ERC reviews the course to assure its compliance with the statute and rules. At the monthly meetings, the course is discussed, and the applicant is invited to answer pertinent questions about the course. Using the previously cited statute and rules, the course is either approved or denied, or, deferred and suggestions may be made by the ERC to provide clarity or enhancement to the course material.

The ERC discourages production of courses that merely reproduce laws or ordinances for student information, as this information is readily available as public information. Rather, the author of the course is encouraged to utilize the information as background material and provide creative ways, such as scenarios or interactive activities, to impart the application of the information to the licensees’ practice. The utilization of teaching techniques, such as visual aids and group activities, is also encouraged. In all cases, there is scrutiny of the information for accuracy and verifiability.

There is a need to increase the number of quality continuing education courses available to licensees. The new online continuing education system will prevent licensees from receiving credit for “duplicate continuing education hours,” as stated in HAR section 16-99-95, “. . . a licensee shall not take a continuing education course that is substantially similar to a course for which the licensee has already received a certificate. A continuing education provider shall not issue to a licensee a certificate for substantially the same course completed by the licensee. “Substantially similar” as used in this section means that at minimum, seventy-five per cent of the course content of a course is repeated in another course offering.”

The Commission strives to provide quality courses to licensees and invites suggestions of courses that will enhance professional development. Please email [roster@dcca.hawaii.gov](mailto:roster@dcca.hawaii.gov), or telephone (808)586-2643, if you have any questions or suggestions or would like to create a course for Commission approval. Continuing education elective course applications are available at [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec), click on “Forms” in the right-hand column.



## PEARSON VUE UPDATES ON SALESPERSON AND BROKER EXAMINATIONS

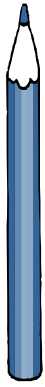
As a result of the national real estate job analysis and the subsequent review of the examination content outline, Pearson VUE will deploy the updated national real estate examinations for salespersons and brokers January 1, 2009.

A national real estate committee of participants from all 50 U.S. jurisdictions participated in focus groups in 2007, supplemented by one-on-one interviews with industry leaders and professionals. Weightings that were applied to the major domains of the content outline were adjusted based on the information gathered. A thorough review of the suggested changes was carried out to ensure the currency and validity of every item in the national examination item banks.

The new real estate examination remains at 80% scored items, with approximately 10% of the questions requiring mathematical calculations. The passing standard remains the same.

The General Exam Content Outline for Salespersons and Brokers, effective January 1, 2009 and the Hawaii Real Estate Examination Content Outline, Updated September 2008 is available on the Pearson VUE web page, [www.pearsonvue.com](http://www.pearsonvue.com). All of the above information and supporting documents will be mailed to the schools that are on file with Pearson VUE.





**SCHOOL FILES**  
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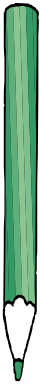
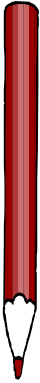
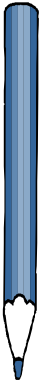
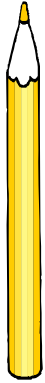
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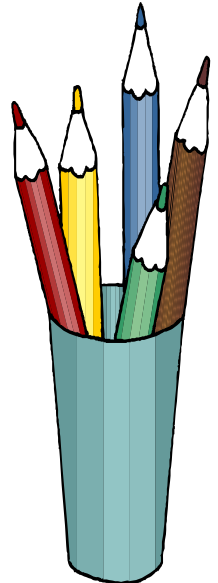
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**This material can be made available for individuals with special needs. Please call the Senior Real Estate Specialist at 586-2643 to submit your request.**



**2009  
REAL ESTATE COMMISSION  
MEETING SCHEDULE**

<b>Laws &amp; Rules Review Committee – 9:00 a.m. Education Review Committee – Upon adjournment of the Laws &amp; Rules Review Committee Meeting Condominium Review Committee – Upon adjournment of the Education Review Committee Meeting, which is upon the adjournment of the Laws &amp; Rules Review Committee Meeting, which convenes at 9:00 a.m.</b>	<b>Real Estate Commission 9:00 a.m.</b>
Wednesday, January 7, 2009	Friday, January 30, 2009
Wednesday, February 11, 2009	Friday, February 27, 2009
Wednesday, March 11, 2009	Friday, March 27, 2009
Wednesday, April 8, 2009	Friday, April 24, 2009
Wednesday, May 6, 2009	Friday, May 29, 2009
Wednesday, June 10, 2009	Friday, June 26, 2009
Wednesday, July 8, 2009	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
Wednesday, December 9, 2009	Friday, December 18, 2009

All meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor, except for the January 7, 2009, committee meetings which will be held at the REALTORS® Association of Maui, Inc., 441 Ala Makani Place, Kahului, Hawaii.

*Meeting dates, locations and times are subject to change without notice. Please visit the Commission's website at [www.hawaii.gov/hirec](http://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.*