

# School Files

Hawaii Real Estate Commission

January 2012

[www.hawaii.gov/hirec](http://www.hawaii.gov/hirec)

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## **MANDATORY CORE COURSE – 2011-2012**

The Commission's 2011-2012 mandatory core course will be released by late February or early March 2012. The mandatory core course is currently being developed by Pacific Real Estate Institute. The format of the mandatory core course will be in two 2.5 hour parts that may be offered by qualified continuing education providers either together in one 5-hour course, or in two 2.5 hour sections that may be presented the same day or on different days. Both sections must be completed to earn the 5 hours credit. Additionally, all licensees must complete 15 hours of elective continuing education courses, if they plan on renewing their real estate license on active status for the 2013-2014 biennium.

The mandatory core course for 2011-2012 will include the 2011 Hawaii legislative update and the topic of "property management". The 5-hour format will allow an in-depth coverage and review of the property management topic. The downturn in the national economy has affected all professions and vocations including real estate. Here, in Hawaii, the downturn has not been as steep as in other parts of the country. Currently, at least in Hawaii, it even appears that the real estate market is inching back up again. Many licensees have turned to property management in this time of decline, so the focus of the mandatory core course on property management is timely and relevant.

The property management topic for the core course will include discussion of:

- 1) Licensing required to act as a property manager
- 2) Exceptions to licensing as addressed in Hawaii Revised Statutes (HRS) section 467-2
- 3) Definitions of real estate salesperson and broker include ". . . manages or offers to manage, any real estate . . ."
- 4) Resident managers vs. property managers
- 5) Client's trust account as addressed in Hawaii Administrative Rules (HAR) section 16-99-4
- 6) Policies and Procedures Manuals for the brokerage – including addressing personal transactions

- 7) Advertising
- 8) Hawaii Residential Landlord Tenant Code – in particular HRS sections 521-43(f), 521-44(c), (d)

The 2012 Hawaii legislative update will be developed and presented in an issue of the Real Estate Commission Bulletin after the 2012 legislative session is completed. The legislative update is targeted for the end of July and will appear in the Bulletin issued after the legislative update completion.



## **20 HOURS OF CE REQUIRED**



The implementation of the increase of required continuing education (CE) for Hawaii real estate licensees was effective January 1, 2011. For the 2011-2012 licensing biennium, all real estate licensees renewing their license on active status for the 2013-2014 biennium, must complete the required 20 CE hours which include 5 hours of the Commission's mandatory core course, and 15 hours of elective CE.

For those licensees reactivating their license during the current biennium, the requirement for 2011-2012 will still be completion of the *previous* biennium's 10 hours of CE. Not until the 2013-2014 biennium will these reactivations require completion of 20 hours of CE.

CE courses may be submitted for a minimum of three hours (required by Hawaii Administrative Rules section 16-99-87, definition of "Course and course offering"), up to 15 hours of CE credit. The course application fee for elective CE courses will be \$50 for each additional clock hour of CE, so a 4-hour CE elective course application fee will be \$200.00.

The CE elective course application is form-fillable and is available on the Commission's website. The course author will certify that all course content as described in a topical outline with time frames included meets the definition of CE as stated in Hawaii Administrative Rules (HAR) section 16-99-100. A form where topics and page numbers may be identified is attached to the application form. For certain CE courses, portions of the content may not meet the requirements as spelled out in HAR section 16-99-100. For these portions of the course, the time devoted to instruction should not be included in the clock hours that are being submitted for CE approval.

Generally, a CE author will have written a CE course wherein all of the course content meets the requirement of HAR section 16-99-100.

Nationally or ARELLO-certified courses up to 6 hours will be reviewed by Real Estate Branch Staff. Any new course submitted for more than 6 hours will be reviewed by the Commission's Education Review Committee. The application fee for these courses remains at \$25 for each 3-hours of instructional time. The course application form for nationally or ARELLO-certified courses also includes the form to note which topics in the course meet the requirements of HAR section 16-99-100.

## PSI ITEM WRITING FOR INSTRUCTORS



When PSI became the Real Estate Commission's test administrator in June 2009, the most daunting task facing the Commission and PSI was the development of an item test bank from scratch. After more than 20 years with one test administrator, the existing prelicense schools and instructors appeared quite comfortable with the salesperson's and broker's license exams. Without a doubt, over the years, questions were brought back for discussion and review by test candidates to the prelicense instructors. Of course this leads to a comfort level with the existing exam. The average pass-fail rates for salespersons under the old test administrator were 60% pass and 40% fail for first-time test-takers. For broker first-time test takers, the pass-fail rate was 40% pass and 60% fail.

When the test administrator changed and the new Hawaii-specific licensing exams were offered, the Real Estate Branch was besieged by complaints from prelicense instructors. The pass-fail rates for both the salesperson and broker licensing exams fell to 21% pass and 79% fail for salespersons, and 16% pass and 84% fail for brokers. Comments received were negative as to types of questions included in the exam, and wording, grammar, and answer choices came under fire.

Over the ensuing months, with the pass-fail rates slightly improving, PSI conducted two more item writing sessions, and then, offered prelicense instructors the opportunity in May, 2011, to produce test items for the exams.

All prelicense instructors were invited to participate in the item writing. Of the eight who participated by sitting in on a webinar training session on how to construct defensible test items, only four instructors actually created questions. A total of 20 of these questions were submitted. Of these 20, eight (8) questions were general real estate questions and thus, not useable in the Hawaii-specific exams. Another five (5) questions were eliminated because of a breach of the security agreement that all item writers must sign. That left a mere seven (7) questions created by the prelicense instructor group. Three of these questions are currently being pre-tested on the exams. The remaining four (4) questions are in a pending mode as there are other items that are needed to improve the depth of the item bank.

To all concerned prelicense instructors – the golden opportunity for you to have direct input into creating a defensible exam is now history. If you have any future comments based on feedback from test candidates, please be aware that you and the student may be compromising the exam and may jeopardize the test candidate's license application as well as the prelicense school registration and instructor certification.

And what are the current pass-fail rates? The pass-fail rate for brokers for 2011 is 31.41% pass and 68.51% fail. The pass-fail rate for salespersons for 2011 is 49.09% pass and 50.01% fail.





## INSTRUCTOR'S EXAM

Hawaii Administrative Rules (HAR) section 16-99-58(g) states that "Every instructor, every three years, as a condition of recertification for each course the instructor chooses to teach, shall take and pass an instructor's exam, . . ." As the rule-making process is far from complete to delete this requirement from the rules, all instructors must continue to take the Instructor's Exam every three years. If you are not sure if you must take the Instructor's Exam prior to the November 30, 2012 deadline to recertify as a prelicense instructor, please contact the Real Estate Branch.



## HELLO

REB welcomed new Executive Officer, Miles Ino, effective November 1, 2011. Miles served as an investigator for the Compliance and Enforcement Branch of the Insurance Division, Department of Commerce and Consumer Affairs, and previously sold insurance and headed his own insurance company.



# WELCOME!



# CE PROVIDERS – REMINDERS

## Continuing Education Certificate Changes/Additions

All CE Providers should be familiar with this form and have it readily available for use. What's it for?

- 1) Adding an attendee to a course that has already been submitted/closed.
- 2) Deleting an attendee to a course that has already been submitted/closed.
- 3) Marking the course as a Make-Up for licensees who are reactivating or restoring their license.
- 4) Un-marking the course as a Make-Up.

Email to Roster

CONTINUING EDUCATION CERTIFICATE CHANGES/ADDITIONS

Provider Name: \_\_\_\_\_

Provider ID# \_\_\_\_\_

License Number	Name	Course ID #	Course Date	Course Name	Add Attendee	Delete Attendee	Mark Make-Up	Un-Mark Make-Up
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAMPLE

I certify the information contained in this CE Certificate Changes/Additions request is true and correct.

Administrator
  Date



## 2012 REAL ESTATE COMMISSION MEETING SCHEDULE

<b>Laws &amp; Rules Review Committee – 9:00 a.m.</b> <b>Condominium Review Committee – Upon adjournment of the Laws &amp; Rules Review Committee Meeting</b> <b>Education Review Committee – Upon adjournment of the Condominium Review Committee Meeting</b>	<b>Real Estate Commission</b> <b>9:00 a.m.</b>
Wednesday, January 11, 2012*	Friday, January 27, 2012
Wednesday, February 8, 2012	Friday, February 24, 2012
Wednesday, March 7, 2012	Friday, March 23, 2012
Wednesday, April 11, 2012	Friday, April 27, 2012
Wednesday, May 9, 2012	Friday, May 25, 2012
Wednesday, June 13, 2012	Friday, June 29, 2012
Wednesday, July 11, 2012	Friday, July 27, 2012
Wednesday, August 8, 2012	Friday, August 24, 2012
Wednesday, September 12, 2012	Friday, September 28, 2012
Wednesday, October 10, 2012	Friday, October 26, 2012
Wednesday, November 7, 2012	Wednesday, November 21, 2012
Wednesday, December 12, 2012	Friday, December 21, 2012

\*The January 11, 2012 meeting will be held at 9:30 a.m. at the REALTORS® Association of Maui offices located at 441 Ala Makani Place, Kahului, Maui.

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](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.*



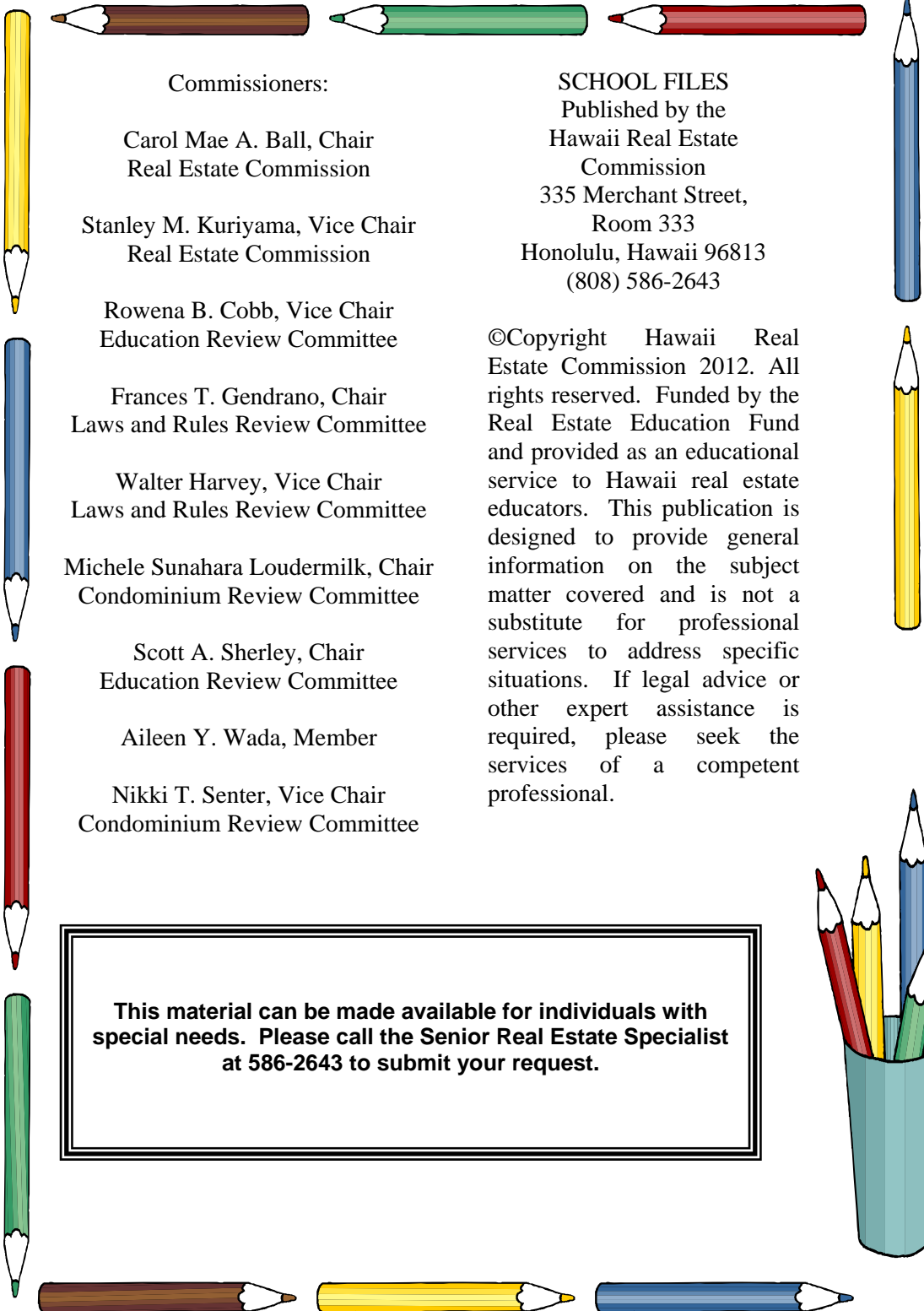
## CONTINUING EDUCATION PROVIDERS

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 Institute LLC  
Dower School of Real Estate  
Eddie Flores Real Estate Continuing Education  
ERA School of Real Estate a Division of SRH Inc.  
Great Lakes Institute of Real Estate  
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, Inc.  
Shari S. Motooka-Higa  
The CE Shop, Inc.  
The Seminar Group  
University of Hawaii at Manoa Outreach College  
University of Hawaii Maui College - OCET

## PRELICENSE 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.





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

Scott A. Sherley, Chair  
Education Review Committee

Aileen Y. Wada, Member

Nikki T. Senter, Vice Chair  
Condominium Review Committee

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