New Law Simplifies Broker Experience Requirement

The new law now requires each broker applicant possess experience as a full-time, Hawaii-licensed, real estate salesperson associated with a Hawaii-licensed, real estate broker for the three-year period immediately prior to the licensing examination and have practical real estate salesperson experience. With this newly enacted law, the previous ten-transaction requirement no longer applies.

A Broker Experience Certificate issued by the Commission is valid for one year from the date of issuance and will be mailed to successful applicants. The certificate must be presented at the examination site at the time the applicant takes the broker’s licensure examination. Applicants will not be allowed to take the examination after the expiration of the certificate. Applicants with expired certificates must apply for a new broker experience certificate and will be subject to the same requirements as a first-time applicant.

Broker Experience for Out-of-State Licensees

For those out-of-state broker applicants, the Commission may grant equivalencies to the experience requirement for experience as a real estate licensee in another state. The Commission may approve an equivalency to part of the three-year full-time Hawaii real estate salesperson experience requirement. A maximum of 2.1/2 years equivalency may be granted for experience as a full-time licensed real estate broker. A maximum of 2 years equivalency may be granted for experience as a full-time licensed real estate salesperson in another state with similar education requirements. One month of experience as a broker is equivalent to one-month equivalency. Three months of experience as a salesperson is equivalent to one-month equivalency.

New! Application for Experience Certificate Real Estate Broker Form Available

Please utilize and distribute the new Application for Experience Certificate Real Estate Broker form labeled REC-16 599 in the lower left-hand corner. (If photocopying, ensure the pages are in correct order. If distributing, provide instructions.) The new form is also available online at http://www.state.hi.us/hirec or contact the Real Estate Branch at 686-2643 to request a copy. Applications are reviewed in the order received. Allow 30 days for the review and approval of a complete application. Add another 30 days for equivalency requests.

Preliminary Decision Available to Questionable Applicants

Individual candidates answering “yes” to section C of the Application for License-Real Estate form (regarding disciplinary actions, prior convictions, complaints, and pending law suits) or are otherwise unsure that they possess a reputation for competency, honesty, truthfulness, financial integrity, and fair dealing may request the Commission
issue a preliminary decision. The Commission will consider whether the individual candidate will be denied a real estate license prior to the candidate submitting to prelicensing education or examination requirements.

In summary, the candidate is afforded the opportunity to know of a possible denial before taking the prelicensing course or examination. The underlying benefit for the candidate may be ease of mind and the avoidance of unnecessary expenditures and time.

However, the preliminary decision provides advisory guidance only and is not binding or subject to appeal. The individual candidate seeking the decision shall not be considered an applicant for licensure. Moreover, a preliminary decision that is unfavorable to the individual shall not prevent the individual from submitting a complete license application and fees after successful completion of the prelicensing requirements.

Increasing Equivalencies for Out of State Licensees

More good news for active and current out-of-state licensees! They may now request the Commission grant an equivalency to the uniform part of the prelicensing examination based on previously passing the uniform portion of another state’s licensing examination or equivalent as determined by the Commission.

If granted, the equivalency certificate permits the applicant to take only the State portion of the Hawaii real estate licensing examination. Please remember that the certificate is required at the time of testing. (The examination fee is $89.00 regardless of whether the candidate takes one or both sections of the examination.)

Specialists’ Office for the Day

The real estate and condominium specialists look forward to discussing real estate licensing and condominium concerns with interested parties during the “Specialists’ Office for the Day” sessions. The Specialists’ Office for the Day will be held from 8:30 a.m. to 3:30 p.m. at the following locations:

Friday, October 15, 1999
Kauai Board of REALTORS®
4359 Kukui Grove, #103
Lihue, Kauai

Friday, November 5, 1999
Hawaii Island Board of REALTORS®
14 Waianuenue Avenue
Hilo, Hawaii

Friday, November 12, 1999
Maui Board of REALTORS®
33 Lono Avenue, Suite 450
Kahului, Maui

The specialists address questions by appointment only, so schedule a time today. To arrange an appointment, contact the Real Estate Branch at 586-2645 or 586-2646. For neighbor island residents, dial toll free: Hawaii 974-4000 ext. 6-2645 or 6-2646; Kauai 274-3141 ext. 6-2645 or 6-2646; and Maui 984-2400, ext. 6-2645 or 6-2646.

The Commission Adopts New Continuing Education Format

As licensees prepare to fulfill their continuing education requirement of ten clock hours by November 30, 2000, the Commission recently adopted an easier format for licensees to follow. (Previous renewal deadline was December 31, proposed renewal application deadline is November 30, 2000.)

The Commission adopted on September 24, 1999, a 4/3/3 clock hour format for continuing education courses for this licensing biennium only. The 4/3/3 clock hour format will require that a licensee complete a minimum of one four-hour mandatory core course and two three-hour elective courses in order to complete the ten-hour biennial requirement.

The Education Review Committee also voted to approve the Commission’s “Law Update and Ethics 1999-2000” and Hawaii Association of REALTORS® “Legislative Update & Current Issues” as four-hour core courses.

However, if a licensee takes more than one core course, only the first core course counts as four-clock hours and any subsequent core courses taken will count as an elective or three-credit hours each. Providers must provide full disclosure to their students of this new 4/3/3 clock hour format and the
procedures followed if they take more than one core course.

Furthermore, instructors are to issue only hot pink certificates for this biennium’s approved core courses (presently, both “Law Update and Ethics 1999-2000” and “Legislative Update & Current Issues” have been approved as core courses). Hot pink certificates are issued regardless of whether the licensee takes the course to satisfy the mandatory core course requirement or takes the course as an elective. Therefore, the licensee could either earn one pink and two gray certificates or two pink and one gray certificates to meet the required ten clock hour continuing education requirement for 1999-2000. And earning three pink certificates could meet the requirement, if a licensee were to complete three different approved core courses.

Lastly, as an important note to all continuing education instructors and providers, if the Commission previously approved a course for three and one-third-clock hours you must continue to teach it as a three and one-third-clock hour course. This new 4/3/3 format does not retroactively change the clock hours of previously approved elective courses.

Colors of CE Certificates

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<tr>
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<th>For 1999-2000</th>
<th>For Restoration/Reactivation*</th>
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<tr>
<td>Mandatory Core Courses</td>
<td>Hot Pink</td>
<td>Lime</td>
</tr>
<tr>
<td>Elective Courses</td>
<td>Gray</td>
<td>Goldenrod</td>
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*If licensee is substituting one elective course for the (unavailable) mandatory course, then a lime certificate may be issued for the elective course. (For Restoration/Reactivation only.)

Demonstration of “Law Update and Ethics 1999-2000” by John Reilly

Available on Video for Instructors

The long awaited “Law Update and Ethics 1999-2000” core course text is finalized and available. Instructor John Reilly demonstrated the course for instructors on September 30, 1999.

Mr. Reilly offered the course demonstration in lieu of the instructors’ briefing of past years, required before allowing any instructor to teach the course. Luckily, for those of you instructors who missed it we have it captured on video. If you wish to view it, please contact the Real Estate Branch at 586-2645. Mr. Reilly is also providing attendance free of charge to anyone taking the course as a “briefing only” at any of his future offerings of the core course. However, if you are interested in earning continuing education credit for your attendance there is a fee. Please contact Alleen of John Reilly Real Estate Continuing Education Company at 523-5030 for the next scheduled offering and more information.

Check Out Our Cool Web Site

Lots of good stuff on our web page. Make sure you bookmark our NEW website address as http://www.state.hi.us/hirec (formerly http://www.hawaii.gov/hirec). Accessibility to our web page by entering the old address is only temporary, and this forwarding service will end.

Some of the forms you can download:

1. Change form
2. Office Location form
3. License application (Corporation, Partnership, LLC, LLP)
4. Broker Experience Certificate application
5. Application forms for Schools, Providers and Instructors (click on Real Estate Education)

Maui Board of REALTORS® New Address

Do you need to contact the Maui Board of REALTORS®? As of October, they have a new address, phone and fax number: 33 Lono Avenue #450, Kahului, HI 96732; 808-873-8585 (phone); 808-871-8911 (fax).
The Updated Unofficial Version of the Statutes and Rules is Available

- Chapter 467, HRS, and Chapter 99, HAR, Real Estate Brokers and Salespersons. $2.50
- Chapter 514A, HRS, and Chapter 107, HAR, Condominium Property Regime, $2.75
- Chapter 514E, HRS, and Chapter 106, HAR, Time Sharing Plans, $2.25
- Chapter 484, HRS, and Chapter 104, HAR, Uniform Land Sales Practice Act, $1.50
- Chapter 436B, HRS, Professional and Vocational Licensing Law, $.50

Please enclose a check payable to Commerce and Consumer Affairs and send request to: CASHIER, Department of Commerce and Consumer Affairs, P.O. Box 541, Honolulu, HI 96809. All fees subject to change without notice.

Approved Education Applications

Continuing Education Provider:
Richard Daggett

Continuing Education Courses:
“Legal Hotline Issues” (Author/Owner John Reilly)

“Law Update and Ethics 1999-2000”
(HRREC)

“§1031 Exchanges- an Investors Dream”
(Provider Abe Lee Seminars)

“Listing and Selling Business Opportunities”
(Provider Richard Daggett)

“Contracts/Business Opportunities” (Provider Richard Daggett)

Nationally Certified Continuing Education Courses/Instructors:
“RS 206 Using Today’s Technology to Capture Your Market” (Provider Hawaii Association of REALTORS®)

“CI 103 Lease Analysis for Commercial Investment Real Estate” (Provider Hawaii Association of REALTORS®)