

STAND. COM. REP. NO.

2118

Honolulu, Hawaii

FEB - 9 2010

RE: S.B. No. 2602

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2602 entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE LICENSEES,"

begs leave to report as follows:

The purpose of this measure is to increase professionalism in the real estate industry by requiring real estate licensees to possess a high school diploma or its equivalent and by increasing a licensee's required continuing education hours from ten to twenty per biennium.

Your Committee received testimony in support of this measure from the Real Estate Commission, Hawai'i Association of Realtors, Hawaii League of Young Real Estate Professionals, Coldwell Banker, and Cobb Realty. Testimony in opposition to this measure was received from one private citizen. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure will bring Hawaii's licensing requirements for real estate professionals into accord with the average requirements for the rest of the country. Your Committee finds that real estate professionals deal with a regulated market that changes dramatically and rapidly over short periods of time. Your Committee finds that formal continuing education requirements are an efficient means of ensuring that real estate licensees remain current in their knowledge of the legal and regulatory requirements of the industry. Your Committee further finds that continuing education requirements are an

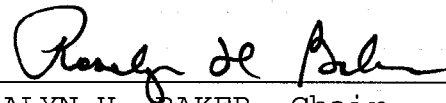


effective means of maintaining consistent standards of quality within the industry.

Your Committee finds that requiring a high school diploma or its equivalent is critical to maintaining high industry standards, especially in ensuring that licensees possess the competency to benefit from required continuing education. Your Committee is aware of the challenges faced by the Real Estate Commission in making determinations of equivalency for foreign-educated licensees. However, your Committee notes that minimum educational standards are a feature of most professional licensing regimes and that other regulatory bodies have been able to successfully overcome this challenge.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2602 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

| Bill / Resolution No.:* SB 2602 | Committee Referral: CPN | Date: 02/05/10 | | |
|---|--|---------------------------------------|----------------------------------|----------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: | | | | |
| <input checked="" type="checkbox"/> Pass, unamended 2312 | <input type="checkbox"/> Pass, with amendments 2311 | <input type="checkbox"/> Hold 2310 | | |
| <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| BAKER, Rosalyn H. (C) | ✓ | | | |
| IGE, David Y. (VC) | ✓ | | | |
| ESPERO, Will | ✓ | | | |
| GREEN, M.D., Josh | ✓ | | | |
| IHARA, Jr., Les | | | | ✓ |
| SAKAMOTO, Norman | ✓ | | | |
| HEMMINGS, Fred | ✓ | | | |
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| TOTAL | 6 | 0 | 0 | 1 |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
| <i>David Y. Ige</i> | | | | |
| Distribution: | | | | |
| Original File with Committee Report | Yellow Clerk's Office | Pink Drafting Agency | Goldenrod Committee File Copy | |

*Only one measure per Record of Votes