

Honolulu, Hawaii

APR 26 2012

RE: S.B. No. 3002  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3002, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to establish that real estate brokers and salespersons cannot be held liable:

- (1) For misrepresentations based upon a good faith reliance on certain information; and
- (2) For failure to ascertain and disclose all material facts concerning a property if there was a good faith reliance on a prepared disclosure statement.



Your Committee on Conference finds that this measure provides that real estate brokers and salespersons are not liable, in several circumstances, for misrepresentations or for failure to ascertain and disclose all material facts. However, your Committee on Conference further finds that the amendments proposed by this measure are inconsistent with the national professional standards that govern real estate brokers and salespersons, which state that realtors must avoid misrepresentation without qualification. Your Committee on Conference therefore concludes that amendments to this measure are necessary to preserve the current standard of practice for Hawaii real estate licensees and protect a consumer's ability to seek redress.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Deleting language stating that real estate brokers and salespersons shall not be held liable for misrepresentations based upon a good faith reliance on specific information;
- (2) Deleting language stating that real estate brokers and salespersons shall not be held liable for failure to ascertain and disclose all material facts concerning a property if there was a good faith reliance on a prepared disclosure statement; and
- (3) Clarifying that the Real Estate Commission shall consider whether a real estate licensee relied in good faith on information provided by other persons or third parties.

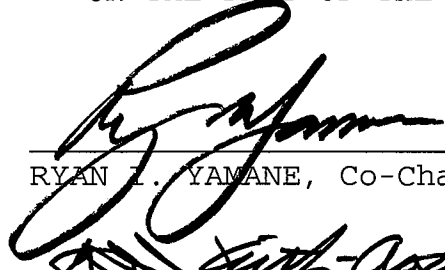
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3002, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3002, S.D. 2, H.D. 1, C.D. 1.




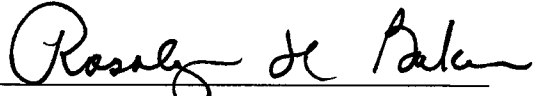
Respectfully submitted on behalf  
of the managers:

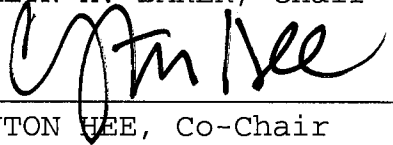
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
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RYAN I. YAMANE, Co-Chair

  
\_\_\_\_\_  
GILBERT KEITH-AGARAN, Co-Chair

  
\_\_\_\_\_  
ROSALYN H. BAKER, Chair

  
\_\_\_\_\_  
CLAYTON HEE, Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: <b>SB 3002, SD 2, HD 1</b>	Date/Time: <b>9:56A 4-25-2012</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				YAMANE, Ryan I., Co-Chr.	✓			
HEE, Clayton, Co-Chr.	✓				KEITH-AGARAN, Gilbert S.C., Co-Chr.	✓			
SLOM, Sam	✓				TSUJI, Clift	✓			
					MARUMOTO, Barbara C.	✓			
<b>TOTAL</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>TOTAL</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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**Distribution:**      **Original**      **Yellow**      **Pink**      **Goldenrod**  
 File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency