

Testimony for SB3002 on 3/12/2012 2:10:00 PM

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Sent: Monday, March 12, 2012 11:03 AM

To: CPCtestimony

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LATE TESTIMONY

Testimony for CPC/JUD 3/12/2012 2:10:00 PM SB3002

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Stephanie Doughty
Organization: Individual
E-mail: stephdoughty@gmail.com
Submitted on: 3/12/2012

Comments:

To the Committee:

I would like to testify in support of SB3002.

I know of no other profession that holds one party to a transaction to be responsible for ALL information that is provided or shared during the course of that transaction.

Thirty-eight years ago, as a brand new real estate licensee, I was taught by my Broker to tell my clients the following: "I am not an attorney" and "I am not a CPA" and "I am not a contractor" and "I am not an engineer" and "I am not a surveyor". I was told to urge my clients to consult these professionals - and any others they might require - if they felt the need for that specific advice and counsel. It is amazing to me that I can be held responsible the data, opinions and conclusions of those professionals.

Thank you for the opportunity to express my strong support for SB3002.

Aloha,

Stephanie Doughty
REALTOR/Broker
HomeQuest, Realtors LLOC

LATE TESTIMONY

TESTIMONY ON SB3002

March 12, 2012

Good afternoon.

My name is John Connelley. I have been a licensed real estate broker in Hawaii for over 20 years. I spend much of my time teaching real estate to current licensees as well as to those people preparing for their state real estate license. One of my most popular courses and one that I have a real passion for is Ethics in Today's Real Estate World. I have served in numerous volunteer leadership positions which include being on the board of directors for the National Association of REALTORS and the Professional Standards Committee for the National Association of REALTORS.

Our Hawaii Real Estate Licensing law HRS 467 was created to set a standard for all real estate licensees in the state of Hawaii. A portion of that law, HRS 467-14, addresses those situations when a real estate licensee may cause their licensee to be revoked or terminated. The purpose and intent of this section of the law was well intended but the language is very broad and subject to interpretation. There is no question that a real estate licensee that acts outside of the law and not in the best interest of the public should be sanctioned. I believe, however, that the real estate licensee's behavior must be viewed within the scope of their license and their training. As written now, HRS467-14 can be interpreted to mean that the real estate licensee is personally responsible for all aspects of the real estate transaction to include those areas wherein the licensee and the consumer rely on the expertise of a third party. This could be as simple as my seller hiring a pest control company to inspect a home for termites. I, as a real estate licensee, I could loose my license, and my livelihood for a mistake made by the pest control company even though my expertise does not lie in termite inspections.

SB3002 seeks to modify HRS 467-14 and apply a reasonable standard of care. This modification of the law still provides a means of sanction for the licensee that is found to have been reckless, negligent or guilty of wrongdoing under the law. We, as licensees, will be the first ones to support the sanctioning of these people but are asking that the law and the interpretation of the law be reasonable.

Thank you for your time and your anticipated support.

Respectfully,

John R. Connelley (R)
Hawaii Institute of Real Estate