

**PRESENTATION OF THE  
REAL ESTATE COMMISSION**

TO THE SENATE COMMITTEE ON WAYS AND MEANS

TWENTY-EIGHTH LEGISLATURE  
Regular Session of 2016

Thursday, February 25, 2016  
9:30 a.m.

**WRITTEN TESTIMONY ONLY**

**TESTIMONY ON SENATE BILL NO. 2865, RELATING TO THE REAL ESTATE  
EDUCATION FUND.**

TO THE HONORABLE JILL N. TOKUDA, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Nikki Senter and I am the Chairperson of the Hawaii Real Estate Commission ("Commission"). The Commission strongly supports passage of Senate Bill No. 2865, which is an Administration Bill.

The purpose of this bill is to remove the statutory limitation of the Real Estate Education Fund ("REEF"), and to provide the Commission with the flexibility and means to continue to carry out educational purposes by removing the language for a potential moratorium on the collection of real estate license renewal fees found in section 467-19, Hawaii Revised Statutes ("HRS").

Real estate licensees must renew their license at the end of every even-numbered year. The fees collected from renewals are the primary source of revenue funding the Commission's REEF budget and must sustain itself until the next renewal in two years. If a moratorium was instituted, the same renewal fees must then cover a four-year period of two bienniums. Such a moratorium would negatively affect the REEF and the programs of the Commission the REEF was created for. All of the

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programs administered by the Commission may be found in its Annual Report to the Legislature and viewed on its website here: <http://cca.hawaii.gov/reb/reports/>.

In funding its programs through REEF, the Commission was recently reported on by the Auditor, in its 2015 report to the Governor and the Legislature of the State of Hawaii, that the Commission and REEF continue "to serve the purpose for which it was created."

In addition, currently, no other operational fund within the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs exists with an operational limitation.

For these reasons, we strongly support this Administration Bill, and thank you for the opportunity to present written testimony on Senate Bill No. 2865.