## **Testimony of the Real Estate Commission**

Before the
House Committee on Consumer Protection and Commerce
Tuesday, April 01, 2025
2:00 p.m.
Conference Room 329 and Videoconference

### On the following measure:

H.C.R. 102 / H.R. 98, STRONGLY URGING THE REAL ESTATE COMMISSION TO ALLOW FOR THE ADMINISTRATION OF THE REAL ESTATE SALESPERSON'S EXAMINATION IN THE JAPANESE LANGUAGE FOR PURPOSES OF ISSUING A FULL REAL ESTATE SALESPERSON'S LICENSE, LIMITED TO THE SALE OF TIMESHARE PRODUCTS IN HAWAII, TO PROMOTE THE SALE OF THESE PRODUCTS TO JAPANESE-SPEAKING VISITORS AND ENHANCE JAPAN'S INVOLVEMENT IN AND SUPPORT OF THE HAWAII TOURISM INDUSTRY.

Chair Matayoshi and Members of the Committee:

My name is Derrick Yamane, and I am the Chairperson of the Hawai'i Real Estate Commission ("Commission"). The Commission opposes this resolution.

The purpose of this resolution is to urge the Commission to allow for the administration of the real estate salesperson's examination in the Japanese language for purposes of issuing a real estate license limited only for the sale of timeshare products in Hawaii.

At its August 23, 2024 meeting, the Commission considered a similar request from Hilton Grand Vacations. After a full discussion and consideration, the Commission voted unanimously to deny the request for administering the real estate examination in Japanese.

The Commission appreciates the visitors coming to the state and the benefits they create. Still, the Commission's purpose as stated in Hawaii Revised Statutes section 467-4, is "the protection of the general public in its real estate transactions," and creating an examination in the Japanese language may cause additional concerns needing to be addressed for the public's continued protection, such as: (1) the Regulated Industries Complaints Office (RICO) does not have sufficient Japanese language resources to assist complainants; (2) concern that if a limited licensee leaves a "larger" timeshare company, does the subsequent "smaller" timeshare company will not have the resources to properly oversee the conduct of the limited licensee; (3) will a

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timeshare reseller have the resources to properly oversee the conduct of the limited licensee; (4) Will a limited licensee applicant understand and pass the mandatory prelicensing education; and (5) that the 20 hours of mandatory continuing education classes are offered only in English.

Thank you for the opportunity to testify on H.C.R. 102 / H.R. 98.

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes, GREEN, M.D.



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I SYLVIA LUKE LT. GOVERNOR

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# Statement of JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development, and Tourism before the

#### **HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE**

Tuesday, April 1, 2025 2:00 PM State Capitol, Conference Room 308

> In consideration of HCR102 / HR98

STRONGLY URGING THE REAL ESTATE COMMISSION TO ALLOW FOR THE ADMINISTRATION OF THE REAL ESTATE SALESPERSON'S EXAMINATION IN THE JAPANESE LANGUAGE FOR PURPOSES OF ISSUING A FULL REAL ESTATE SALESPERSON'S LICENSE, LIMITED TO THE SALE OF TIMESHARE PRODUCTS IN HAWAII, TO PROMOTE THE SALE OF THESE PRODUCTS TO JAPANESE-SPEAKING VISITORS AND ENHANCE JAPAN'S INVOLVEMENT IN AND SUPPORT OF THE HAWAII TOURISM INDUSTRY.

Chair Matayoshi, Vice Chair Chun, and Members of the Committee:

The Department of Business, Economic Development and Tourism ("DBEDT") is pleased to submit testimony in <u>SUPPORT</u> of both HCR 102 and HR 98, urging the Real Estate Commission to allow for the administration of the real estate salesperson's examinations in the Japanese language for purposes of issuing a full real estate salesperson's license, limited to the sale of timeshare products in Hawaii, to promote the sale of these products to Japanese-speaking visitor and enhance Japan's involvement and support in the Hawaii tourism industry.

DBEDT supports administering the real estate examination in Japanese which will increase the passage rate for Japanese-speaking applicants. Japan visitors have traditionally represented a substantial portion of travelers to the State. Currently, Hawaii's tourism industry is yet to see a return of Japanese visitor market due to the wildfires and the current weakness of the yen. This pilot program will result in increased visitor counts from Japan to Hawaii and stimulate economic activity for the State. Furthermore, the pilot program will ensure there are sufficient sales associates to meet the demand when Japanese visitors return.

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Moreover, the pilot program will have an immense impact on the timeshare industry which entitles members to all of the benefits of owning a vacation home without the responsibilities of traditional home ownership. Hawaii's timeshare industry is economically resilient as timeshare owners have made a long-term commitment to Hawaii by purchasing and owning real property. These owners are consistent and dependable visitors who bring substantial tax dollars to Hawaii and continue to come even during periods of economic downturn.

Mahalo for your consideration of this request which will directly support Hawaii's tourism industry, stimulate economic growth, and tax revenue generation.