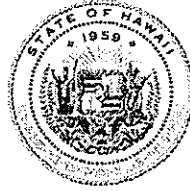


HB 2546



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**PRESENTATION OF THE
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION**

TO THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

TWENTY-FIFTH LEGISLATURE
Regular Session of 2010

Friday, March 5, 2010
9:30 a.m.

**TESTIMONY ON HOUSE BILL NO. 2546, RELATING TO RESTORATION OF
CERTAIN FORFEITED PROFESSIONAL AND VOCATIONAL LICENSES.**

TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Celia Suzuki, Acting Licensing Administrator of the Professional and Vocational Licensing Division ("PVLD") of the Department of Commerce and Consumer Affairs ("Department"). We thank you for the opportunity to testify on House Bill No. 2546. The Department strongly supports this Administration proposal relating to restoration of certain forfeited professional and vocational licenses.

This Committee held a hearing on the companion bill, Senate Bill No. 2699, on February 5, 2010. The bill passed out with nonsubstantive technical amendments for the purposes of clarity and accuracy, to which the Department does not object.

PVLD licensees are responsible for the timely renewal of their licenses and for satisfying the renewal requirements provided by law. Failure to timely renew a license would cause the license to be automatically forfeited. A set period of time is provided either by statute or rule to allow for the restoration of a forfeited license. Currently, however, the restoration periods for chiropractic examiner licenses and individual real estate broker and salesperson licenses are open ended.

The purpose of this bill is to establish time limits to restore forfeited chiropractic examiner licenses and individual real estate broker and salesperson licenses. The proposed time limit to restore chiropractic examiner licenses after the date of forfeiture is two years. The proposed time limit to restore individual real estate broker and salesperson licenses after the date of forfeiture is five years. The bill also codifies a one year restoration period for forfeited real estate brokers other than individuals, such as entities. The bill further provides that if the licensee fails to apply for the restoration of a forfeited license within the applicable proposed restoration period, the license will be automatically terminated and if the person wishes to practice in this state after the license is terminated, then the person will be required to apply for licensure as a new applicant.

The Board of Chiropractic Examiners, the Real Estate Commission, and the PVLD agree that limiting the number of years that a licensee may restore a forfeited license, rather than allowing for open ended restoration periods, is for the protection of consumers. Industries continually evolve in such a way that allowing for restoration periods past the proposed set time limits may allow for restoring less than competent

and able practitioners. If licenses are not restored within these time limits, then applying as a new applicant will ensure minimal competency based on current licensure requirements including the passage of licensure examinations in effect at the time of the new application.

The Board of Chiropractic Examiners agreed to a two year time limit to restore forfeited chiropractic examiners licenses because this is consistent with other health related licensing areas. The two year time frame also coincides with the renewal of chiropractic examiner licenses.

The Real Estate Commission agreed to a five year time limit to restore forfeited individual real estate broker and salesperson licenses because the law currently provides different pathways for restoration that allow licensees to fulfill some, but not all, of the requirements for licensure within a period of four years. The Commission set the restoration period at five years, after which to ensure minimal competency and consumer protection, licensure would require that all requirements be met.

The Department once again asks for your favorable consideration of this Administration proposal. Thank you for the opportunity to testify in strong support of House Bill No. 2546.

**PRESENTATION OF THE
REAL ESTATE COMMISSION**

**TO THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION**

**TWENTY-FIFTH LEGISLATURE
Regular Session of 2010**

**Friday, March 5, 2010
9:30 a.m.**

**TESTIMONY ON HOUSE BILL NO. 2546, RELATING TO RESTORATION OF
CERTAIN FORFEITED PROFESSIONAL AND VOCATIONAL LICENSES.**

**TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:**

My name is Trudy Nishihara, Chairperson of the Hawaii Real Estate Commission ("Commission"). I thank you for the opportunity to testify on House Bill No. 2546. The Commission supports this Administration proposal relating to restoration of certain forfeited professional and vocational licenses.

The purposes of this bill, among other things, are to establish a five-year time limit to restore forfeited individual real estate broker and salesperson licenses; a one year restoration period for forfeited real estate brokers other than individuals, such as entities; and an automatic termination of a forfeited license if the licensee fails to restore within the applicable proposed restoration period.

Hawaii real estate licensees are responsible for the timely renewal of their licenses and for satisfying the renewal requirements provided by law. Currently, however, the restoration period for individual real estate licensees is open ended. Because the real estate industry continually evolves, numerous changes to the practice of real estate occur of which the licensee must be aware and knowledgeable. However,

the current open ended restoration period does not ensure current minimal competency, which the Commission believes should be verified at a particular point in time. As proposed in this measure, if an individual real estate license is not restored within five years, the forfeited licensee must apply as a new applicant. The Commission believes that setting five years as the limit for individual licensee restoration, rather than allowing for an open ended restoration period, ensures the licensee has knowledge of current industry practices and the laws that affect the practice and ensures the consumer is protected through the proven competency of the licensee.

Thank you for the opportunity to testify in support of House Bill No. 2546.

**PRESENTATION OF THE
BOARD OF CHIROPRACTIC EXAMINERS**

**TO THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION**

**TWENTY-FIFTH LEGISLATURE
Regular Session of 2010**

**Friday, March 5, 2010
9:30 a.m.**

**TESTIMONY ON HOUSE BILL NO. 2546, RELATING TO RESTORATION OF
CERTAIN FORFEITED PROFESSIONAL AND VOCATIONAL LICENSES.**

**TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:**

My name is Lynn Bhanot and I am the Executive Officer for the Board of Chiropractic Examiners ("Board"). The Board is in strong support of Administration bill House Bill No. 2546, Relating to Restoration of Certain Forfeited Professional and Vocational Licenses.

The Board agrees that a restoration time limit of two (2) years is for the protection of consumers. If licenses are not restored within these time limits, then applying as a new applicant will ensure minimal competency based on current licensure requirements including the passage of licensure examinations in effect at the time of the new application.

The Board further supports House Bill No. 2546, as it is consistent with other health related licensing areas and it also coincides with the renewal of chiropractic examiner licenses. In addition, there will be a cost savings to chiropractic examiners who apply anew under this proposal. A chiropractic examiner pays \$360 to restore a

license within the forfeiture period. However, under this proposal a chiropractic examiner would pay \$310 when applying for a new license.

The Board respectfully requests your Committee's approval and passage of this measure. Thank you for this opportunity to testify in support of House Bill No. 2546.

March 4, 2010

The Honorable Rosalyn H. Baker, Chair
Senate Committee on Commerce and Consumer Protection
State Capitol, Room 229
Honolulu, Hawaii 96813

RE: H.B. 2546 Relating to Restoration of Certain Forfeited Professional and Vocational Licenses

HEARING: Friday, March 5, 2010 at 9:30 a.m.

Aloha Chair Baker, Vice Chair Ige and Members of the Committee:

I am Myoung Oh, Government Affairs Director of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, here to testify on behalf of its 8,800 members in Hawai'i. HAR **supports** H.B. 2546, which establishes a five-year period to restore forfeited licenses for individual real estate broker and salesperson licenses, and a one year period to restore forfeited licenses for non-individual real estate brokers.

Real estate licensees are required to engage in continuing education as a condition of maintaining their license. With the constant changes that occur in the real estate industry, it is extremely important that all licensees become up-to-date on laws and standards of practice for the protection of consumers.

HAR believes that this measure is helpful because it establishes a time limit for a forfeited licensee to return to the practice of real estate. The five-year limit to restore individual licensees, rather than an open-ended restoration period, will ensure that licensees have knowledge of current laws and industry practices.

HAR looks forward to working with our state lawmakers in building better communities by supporting quality growth, seeking sustainable economies and housing opportunities, embracing the cultural and environmental qualities we cherish, and protecting the rights of property owners.

Mahalo for the opportunity to testify.