

SUMMARY OF PROCEEDINGS
FIRST SPECIAL MEETING OF 1961
REAL ESTATE LICENSE COMMISSION
DEPT. OF TREASURY AND REGULATION
STATE OF HAWAII
205 Empire Building, Honolulu, Hawaii

March 14, 1961

Chairman Aaron M. Chaney called this Special Meeting to order at 11:00 a.m. Tuesday, March 14, 1961, in the Department of Treasury and Regulation Conference Room, Iolani Barracks, Honolulu, Hawaii. This Special Meeting was called on short notice at the direction of the Chairman. Four Oahu representatives were notified and appeared. A digest of the business conducted was to be assembled and routed at once to neighboring island members.

Present were: Aaron M. Chaney, Chairman
James C. Ching, Member
Yukio Kashiwa, Member
Hirotoshi Yamamoto, Member
Dr. Charles H. Silva, Department Head
Roderic Gudgel, Boards and Commissions Administrator
Robt E. Bekeart, Executive Secretary
Andrew Ono, Special Investigator
Hannah Furuta, Recording Secretary

ORDER OF BUSINESS

OFFICIAL NALLO VISITOR

Commissioner Alton W. Van Horn, New Jersey Real Estate Commission, in this jurisdiction on official business, present by invitation of the chair. Commissioner Van Horn, conducting a field inspection of the HAWAII OCEAN VIEW ESTATES subdivision was extended all the courtesies due a NALLO associate operating in this state.

LEGISLATIVE PROGRAM

The Chairman initially briefed those present on the purpose of the meeting as being one where it was felt there was a need to review progress on the subdivision and co-operative regulatory measure introduced to the upper and lower houses of the Legislature. He discussed with Dr. Silva and his staff member the status of S.B. 14 and the companion bills H.B. 28 and H.B. 513.

The Executive Secretary opined that there could possibly be a communications breakdown and the resultant effect was that this important legislative proposal was possibly stalemated in the respective Judiciary Committees pending receipt of additional and clarifying material from this agency. He observed that more pressing legislative proposals may be requiring the attention and deliberation of the Judiciary Committee and their staffs.

Discussion continued on the subject of how continued study and research on the proposal should be submitted to the Judiciary Committee of both houses. It was noted that the Special Investigator had completed a redraft of the basic proposal in the form of DRAFT III and this product is now being studied by members of RELCO as a possible substitute for earlier proposals--possibly necessary after conferences with representatives of the Planning Department, City and County of Honolulu.

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Mr. Yamamoto spoke to the point that the Commission should exercise a maximum effort in all areas to see the successful passage of our legislative proposal. Members echoed their endorsement of his position that we should push our legislation and take vigorous action to enact it into law. He stated that we should give the necessary committees all of our research findings, reports and help if necessary in the preparing of Judiciary Committee reports.

The discussion closed with the understanding that the Executive Secretary would try to establish a meeting to which the chairman of each Judiciary Committee would be invited. The purpose of the meeting would be to explore possible areas of stalemate and solicit the thinking and comments of the legislators as guidelines for improvements and changes to the present or earlier proposals. The introduction of new material before a conference with legislators was considered premature.

Executive Secretary, with blackboard graphic presentation correlated to red-binder material, illustrated the status of the 1961 LEGISLATIVE PROGRAM at this time:

Tab 1 (Red) Investigatory and competency proposal is in the shop with supporting MEMORANDUM - ready to be distributed. Chairman suggested that this be held up pending Commission review and possible splitting up of proposal. To be discussed at THIRD MEETING.

Tab 2 (Trans) Principal vocation, referencing S.B. 225, has possible complications. March 1, 1961 MEMORANDUM discusses and members present reluctant to move into an area of constitutionality problems.

Tab 3 (Orange) Employment Security Law exclusion of "brokers" on Senate Labor Committee agenda to be heard shortly.

Tab 4 (Blue) Subdivision and co-operative proposal to be discussed at "summit meeting" scheduled for 9:00 Thursday, March 16.

Tab 5 (Yellow) Commission's ADVANCE FEE proposal delivered to Dr. Silva, Friday, March 10th with Chairman's request that it be introduced.

Tab 6 (Orange) H.B. 588, commencing on Page 17, puts licensing, qualifying and control of Cemetery Salesmen under Real Estate License Commission.

Tab 7 (Trans) Escrow agent steering committee under Louis Connelora drafting possible registration and certification control proposal.

Tab 8 (Green) H.B. 895, authorizing Real Estate License Commission to participate in conduct of real estate clinics, meetings, courses and incur necessary expenses introduced by William M. Furtado on March 8, 1961.

SPECIAL FUNDS

It was generally accepted that the abolishing of special funds will pass into law. Dr. Silva gave those present his understanding that some provision will be made in the legislation proposed to hold surplus funds from Special Funds for the Department for the use by the respective Commissions for any unforeseen expenses not covered in budget.

RELCO FACILITIES

Chairman explained to Dr. Silva the present status of our rental agreement at 205 Empire Building. He stressed the fact that he has remained neutral in discussions because of his position as agent of landlord. Earlier members supported his position that every possible and adequate rental space had been surveyed and the present location was found to be most desirable. It was stated that a rental increase was effecting tenants of the building commencing earlier this year and that a two year lease was offered the Commission at a slight increase in monthly rent, and action is now pending.

Dr. Silva suggesting that Commission write him a letter requesting the necessary office space and acceptance of the lease would rest on the result of his efforts to locate suitable space. He stated in aside that he could not house us presently but that he should clear the matter with Comptroller.

EXTENSION OF ANDREW ONO EMPLOYMENT

Dr. Silva was informed of events leading up to hire of Special Investigator and subsequent extension of his contract. The Chairman stated the Commission's position as being one where Mr. Ono's continued employment was extremely important with legislative program in its present position. The members were informed of the one-year maximum contract employment proviso in Hawaii's laws and a suggestion was offered by Mr. Gudgel that in preliminary discussion with Assistant Attorney General Betts the possibility of hiring Mr. Ono as a Special Deputy Attorney General or law clerk had been explored. Mr. Betts expressed reluctance, according to departmental authorities here, to take a position on this until the Attorney General returned on March 15.

In summary, it was agreed that Dr. Silva would try to effect a continuation of Mr. Ono's employment and that he might be assigned to the Department of Treasury and Regulation to work on their legislative materials in addition to continuing his demonstrated good work for RELCO. Mr. Chaney strongly stated that as long as Mr. Ono was being paid from license fees in custody of the Commission we would by necessity have to have immediate and personal supervision over the employee.

BROKER SUBMITTING AFFIDAVITS

The members reviewed applications of:

Leo J. Bush
Hugh A. Menefee
Thomas T. Nakahara
Gerald A. Torrence

and in testing the information submitted against the Commission policy of June 15, 1960 found the above four applicants qualified to write the March 18 examination. Mr. Kashiwa moved the approval of the applications, Mr. Yamamoto seconded. Carried unanimously.

Meeting adjourned at 12:00 noon.

APPROVED:

Respectfully submitted,

Executive Secretary

AARON M. CHANEY, Chairman