

REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

The agenda for this meeting was filed with the Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: November 25, 1987

Place: Board Room, Second Floor
Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

Present: Gloria Damron, Chairman
Joseph Blanco, Member
Yoshiko Kano, Kauai Member
Marcus Nishikawa, Member
Yukio Takeya, Hawaii Member
Douglas Sodetani, Maui Member
Constance Smales, Public Member (Late Arrival)
Peter Yanagawa, Member

Calvin Kimura, Executive Secretary
Cynthia Yee, Information Officer
Russell Wong, Assistant Information Officer
Gayle Kauihou, Secretary
Grant Tanimoto, Deputy Attorney General
Richard Marshall, Hearings Officer
Gary AuYoung, Recovery Fund Attorney

Susumu Ono, Associate Director, Real Estate
Research and Education Center
Barbara Dew, President-Elect, HAR
Scotty Bowman, HAR
Eileen Luko, Education Director, HAR
John Ramsey, Editor, Real Estate Bulletin

Excused: Michele Matsuo, Public Member

Call to Order: The meeting was called to order at 9:06 a.m. by Chairman Damron.

Approval of Minutes: Upon a motion by Commissioner Takeya, seconded by Commissioner Yanagawa, the Commission unanimously approved the minutes of the October 30, 1987 Commission meeting as circulated. The motion was voted on and unanimously carried.

Additions to
the Agenda:

Upon a motion by Commissioner Takeya, seconded by Commissioner Nishikawa, it was voted and unanimously approved to add the following to the agenda:

Licensing - Restoration
Terrence Monroe

Licensing - Questionable
Wayne Heil

Miscellaneous - Use of Commission Materials
Charles Goodin

Hearings
Officer's
Report:

The Executive Secretary introduced Richard Marshall, former RICO attorney, new Hearings Officer.

P. HARRISON THURSTON, RE-LIC-87-5

Upon a motion by Commissioner Takeya, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to accept the Hearings Officer's Recommended Order.

VERNON W. YORK, RE-85-35

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Takeya, it was voted on and unanimously carried to accept the Hearings Officer's Recommended Order.

CLUB MEX INTERNATIONAL, INC., GENE MUSKET, AND STEVEN MUSKET, RE-85-183

Upon a motion by Commissioner Sodeani, seconded by Commissioner Kano, it was voted on and unanimously carried to accept the Settlement Agreement.

MICHAEL PORJES, RE-85-151

Commissioner Smales questioned the rationale of waiting 60 days for revocation of license. Commissioner Smales requested that a letter be sent to RICO to let them know of the commissions concerns of the delayed implementations of orders.

Upon a motion by Commissioner Takeya, seconded by Commissioner Sodetani, it was voted on and unanimously carried to accept the Settlement Agreement.

SUSIE C. TAMASHIRO, DBA T & T REALTY, RE-85-187

It is noted that at 9:30 a.m. no attorney was present to represent Susie C. Tamashiro.

Upon a motion by Commissioner Takeya, seconded by Commissioner Blanco, it was voted on and unanimously carried to amend the Recommended Order to change the fine from \$1,000 to \$2,500.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Nishikawa, it was voted on and unanimously carried to require the respondent to take two real estate courses approved by the commission and suspend license for two years instead of one.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to accept the Hearings Officer's Recommended Order, as amended.

Committee
Reports:

EDUCATION COMMITTEE

a. Curriculum Review Committee

Commissioner Smales reported that the committee met to consider the recommendations for the plan. Another meeting is scheduled in the future. Commissioner Smales voiced the committee's concern over the post-licensing requirements. Committee wanted to develop a standardized curriculum where the material would be better for the schools and develop a course to be taught. The recommendation was that there would be a post-licensing requirement that would be stronger for those licensees within the first renewal period. The final of the report is scheduled for the first of the year.

b. Continuing Education Committee

Commissioner Sodetani had nothing to report to the Commission except that the Center is coming out with some requirements of

certification of instructors. Continuing Education Committee and Curriculum Review Committee both go hand in hand with each other. Commissioner Smales suggested that Commissioner Sodemani attend the next Curriculum Review Committee meeting if available.

Eileen Luko, Education Director HAR, commented that HAR has been planning to develop some ongoing courses. Several in mind are contract writing, various basic post licensing courses that go beyond a long course like GRI but between. Immediate post licensing training these would be between courses and the number of hours could be a half day or a whole day course.

Commissioner Smales reported that there was strong opinion that surfaced from the focus groups that there should be a follow up education that would not necessarily be necessary for the continuing education person whose five year down the line.

Commissioner Sodemani reported that at the last NARELLO Conference and NAR Convention, regarding the license law, that alot of states are going into requiring licensees who just received their license that within two years they have x number of hours of education hours of real estate education courses. And that certain curriculum has been developed for them. And that the education committee to start review this requirement.

c. Advisory Council

Commissioner Nishikawa requested that this reported be deferred to the next education committee meeting.

Any names Commission want to consider, please send to Commissioner Nishikawa.

Commissioner Nishikawa reported that reappointment limitation would be discussed at the December Education Committee meeting.

d. Condo-Hotel Study

Mr. Susumu Ono reported that the study draft for the December 18, 1987 meeting. The Center will prepare a draft of the legislation if necessary.

e. Bureau of Conveyance Study

Mr. Ono reported that a draft proposal has been prepared. Title companies has offered to provide manpower and talent to augment the consultant through the Bureau of Conveyances Study. No cash was found to finance the study. Mr. Ono reported that Mr. Bill Paty, Director of Land and Natural Resources, requested that if the study could be held until the middle of next year. Mr. Paty wants for the study to be in abeyance and give him a chance to address the crucial areas and if there still remains certain areas that are unsolved, or because he needs outside advice, then the commission can reactivate the study. But if his study produces good results, the study might not be necessary.

Commissioner Damron commented that if the Commission wanted the report now instead of six months, the Commission would have to fund the whole \$50,000. Chairman Damron requested of Commissioner Blanco that the education committee address the delay of doing this study and recommend to deter the allotted money.

f. Education Committee

Upon a motion by Commissioner Blanco, seconded by Commissioner Sodetani, it was vote don and unanimously carried to accept the recommendations of the November 21, 1987 Education Committee Meeting as circulated, with the Bureau of Conveyances Study added in.

1. Approve ETS's propose indemnification contract provision.

Minutes of the November 25, 1987 Meeting

2. Commission note that the various counties are unable to comply with the AICUZ Disclosure Act, and to acknowledge letters received.
3. Approve the instructor application of Marlin Goss for sales instructor.
4. Approve holding the Bureau of Conveyance Study until the next fiscal year; hold back education funding of \$50,000 from Center in education fund.

CONDOMINIUM AND COOPERATIVE REVIEW COMMITTEE

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Takeya, it was voted on and unanimously carried to approve the recommendations of the November 24, 1987 Condominium and Cooperative Review Committee Report

1. Recommend that the consultants who prepared the "Leasehold Conversion of Condominium and Cooperative Housing Projects, Phase I" study and a representative from the Housing Finance and Development Corporation be invited to attend the meeting on December 17, 1987 to discuss their report findings with the committee.
2. Recommend that Commissioner Yanagawa and Commissioner Nishikawa represent the Real Estate Commission in the Blue Ribbon Advisory Panel to Assist the Legislature organized by Senator Steven Cobb and Representative Mazie Hirono.
3. Recommend that staff respond to the inquiry from Ronald A. Kawahara regarding the interpretation of Section 514A-86 on flood insurance requirement.

LAWS AND RULES REVIEW COMMITTEE MEETING

Upon a motion by Commissioner Takeya, seconded by Commissioner , it was voted and unanimously carried to approve the recommendations of the November 24, 1987 Laws and Rules Review Committee Meeting, as circulated.

1. Accept that Commission decide on a case by case basis, all applications for educational waivers based on active real estate license in another state with similar or superior educational requirements in the situations as follows:
 - a. Whereby the other state requires that the subject license be placed on an inactive or escrowed status due to change in residency.
 - b. Whereby the applicant's subject license with the other state was on an inactive status for a period of time and prior to submission of application for educational waiver change status to active.
2. Accept the Fidelity Bond Study on Condominium Managing Agents and Self-Managed Condominium Associations by Stephen Tom, et al., subject to clarification through a meeting with concerned Commission members and drafting of proposed Legislation and Rules.
3. Accept the recommendation that the Specialty Licensing Study be moved to high priority on the Commission's program of work.
4. Accept the recommendation that staff seek further clarification from Ethics Commission on business cards issue.
5. Accept that Commissioner Takeya be commission representative to Program Committee for 1988 Western District NARELLO Conference.
6. Approve Information Officer attendance at the Real Estate Conveyancing Seminar, registration fee of \$120 to be paid by Education Fund.
7. Accept recommendation of Makiya and Sakai request for extension of time to complete audit of the Real Estate Recovery Fund and Education Fund to December 18, 1987 due to a records problem.
8. Accept recommendation that Commission's liaison to the Advisory Committee to the Real

Estate Research and Education Center report to the commission at the monthly meeting.

Executive Session:

Upon a motion by Commissioner Takeya, seconded by Commissioner Blanco, it was voted and unanimously carried to enter into Executive Session pursuant to Section 92-5(a)(1) "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in Section 26-9 or both;" at 11:05 a.m.

Upon a motion by Commissioner Takeya, seconded by Commissioner Sodeani, it was voted on and unanimously carried to move out of Executive Session at 12:00 Noon.

Recovery Fund Reports:

CHING VS. WONG, CIVIL NO. 86-2747, HAWAII SUPREME COURT

Gary AuYoung reported to the Commission on the status for this Supreme Court decision. The decision will be made on Tuesday, December 1, 1987.

Licensing:

Restorations

Michael Calhoun Broker

After a review of the information submitted by the applicants, Commissioner Yanagawa moved that restoration be approved. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Marcel R. Lussier Broker

After a review of the information submitted by the applicants, Commissioner Yanagawa moved that restoration be approved. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Roger A. DuBelle Salesman

After a review of the information submitted by the applicants, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination.

Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Patrick A. Ribellia Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon further submission of documentation from applicant meeting Executive Secretary's approval. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Riley Smith Salesman

After a review of the information submitted by the applicants, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Terrence Monroe Salesman

After a review of the information submitted by the applicants, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Questionable Applications

Takagi Real Estate, Development and Management Co., Inc.

After a review of the information submitted, Commissioner Blanco moved to deny the application for corporation. Commissioner Sodetani seconded the motion. The motion was voted on and carried.

Ross M. Segawa

After a review of the information submitted, Commissioner Takeya moved to approve Mr. Segawa's application for salesman's license. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Robert M. Davies

This matter has been deferred to the January 29, 1988 Real Estate Commission meeting.

Wayne Heil

After a review of the information submitted, Commissioner Blanco moved to approve Mr. Heil's application for educational waiver. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Miscellaneous: Charles Goodin

Executive Secretary reported that Charles Goodin, who is a realtor and a real estate attorney, is preparing a book with Joy Jeffus entitled the Hawaii DROA reference manual. They wish to utilize some of the Commission's public published material, which includes three brochures on agency.

Commission's policy states that people using the material are not to modify it, and to give credit to the Commission. And also for a courtesy copy to be provided to the Commission.

Chairman Damron introduced Mrs. Ellen Brian Moore who served as the land registrar in Louisiana for 25 or 30 years. She was here at to attend the NAR Convention.

Executive Secretary reported that Mary Shern will be leaving the state and moving to Atlanta, Georgia.

Upon a motion by Commissioner Blanco, seconded by Commissioner Kano, it was voted on and unanimously carried to give Mary Shern a Certificate of Appreciation at the Education Committee Meeting.

The next Education Committee Meeting will be held on December 9, 1987 at 8:30 a.m., in the Board Room, Second Floor, Kamamalu Building.

The next Condominium and Cooperative Standing Committee Meeting, December 17, 1987, 8:30 a.m.

The next Laws and Rules Review Committee Meeting, immediately following the Condominium and Cooperative Standing Committee Meeting, approximately 10:00 a.m.

Commissioner Smales requested that Christmas Party for 1988 be put on the agenda for January, so the Commission can decide on a site.

The 1987 Christmas Party is tentatively scheduled for December 18, 1987 at the Oahu Country Club at 12:30 p.m.

Commissioner Smales reported that there are concerns regarding the continuing education implementation and requested that it be moved up to priority status on the agenda. There should be a timeline table for continuing education.

Commissioner Blanco reported that the sunset review period is coming up soon.

Commissioner Smales asked the Executive Secretary if the Commission should notify PVL that the Commission needs a tracking system. The Executive Secretary reported that PVL said they would not be able to handle that function.

Executive Secretary reported that after talking with Marion Oshiro, Supervisor of Licensing, that they may have to reduce some services, due to an overload of work.

Next Meeting: December 18, 1987, 9:00 a.m.
Board Room, Second Floor
Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

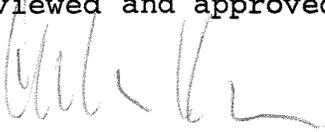
Adjournment: There being no further business to discuss, the meeting was adjourned at 12:35 p.m.

Taken and recorded by:



Gayle T.K. Kaihou, Secretary

Reviewed and approved by:



Calvin Kimura
Executive Secretary

12/02/87
