

REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
www.hawaii.gov/hirec

MINUTES OF MEETING

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

Date: Friday, May 23, 2003

Time: 9:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: John Ohama, Chair
Mitchell Imanaka, Vice Chair
Marshall Chinen, Member
Patricia Choi, Member
Kathleen Kagawa, Member
Iris Okawa, Member

Calvin Kimura, Supervising Executive Officer
Alan Taniguchi, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Lorene Arata, Real Estate Specialist
Russell Wong, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
David Grupen, Condominium Specialist
Shari Wong, Deputy Attorney General
Irene Kotaka, Secretary

Lawrence Kamakawiwo'ole, Special Deputy Attorney General
Nicki Ann Thompson, Hawaii Association of REALTORS®
Wayne Richardson III, RE3 LLC
Janice Lind, RE3 LLC
James G. Louis
Tadas Dabsys, PSI
Henry Sorenson, PSI
Aloha Fontes
Dorothy Fischer
Louis Niheu

Excused: Louis Abrams, Member
Peter Rice, Member
Vern Yamanaka, Member

Call to Order: The Chair called the meeting to order at 9:01 a.m., at which time quorum was established.

Chair's Report: No report was presented.

Executive Officer's
Report:

Additions to the Agenda:

Upon a motion by Commissioner Okawa, seconded by Commissioner Imanaka, it was voted on and unanimously carried to add the following items to the agenda:

6. Licensing – Applications
 - e. Dorothy S. Fischer
 - f. Aloha K. K. Fontes
7. Chapter 91, Hawaii Revised Statutes, Adjudicatory Matters
 - c. In the Matter of the Real Estate Broker's License of Keola Childs, REC 2000-140-L

Additional Distribution

The following item was distributed to the Commissioners prior to the start of the meeting:

4. Committee Reports
 - f. PSI Examination Services – Job Analysis Survey

Minutes of Previous Meetings

Upon a motion by Commissioner Imanaka, seconded by Commissioner Kagawa, it was voted on and unanimously carried to approve the minutes of the April 25, 2003 Real Estate Commission meeting as circulated.

Committee Reports:

PSI

Tadas Dabsys, Vice President of the Examination Services Division of PSI and Henry Sorenson were present at the meeting to discuss the examination services that PSI offers. Mr. Dabsys presented an overview of PSI and the services that it provides. He also distributed information on PSI.

Mr. Dabsys stated that PSI has been in business since 1946 and it is a family-owned business. They develop aptitude tests and are using some tests that date back to 1955. He stated that no PSI exam has been successfully challenged in court or at a hearing. Their tests can be administered over the internet. If they were selected as the testing contractor, they would set up their own test centers and the employees would be contracted by the company. Candidates may call their toll-free lines from 6 a.m. to 5 p.m. Pacific time, providing greater access for Hawaii candidates. They also have an automated phone system that is available 24 hours a day, seven days a week. Candidates need only call one day in advance to make a reservation. To cancel a reservation, the candidates must call at least three days in advance.

PSI currently has 11 clients and will begin serving Pennsylvania on September 1, 2003. They are the second-largest company offering real estate examinations. Their national exam is certified by ARELLO. They are currently conducting a job analysis survey and are requesting input from regulators, educators and licensees. They hope to conduct a job analysis survey every year.

A copy of the job analysis survey was distributed to the Commissioners. The Commissioners who are real estate licensees were asked to return the survey to PSI.

Mr. Dabsys stated that real estate is changing quickly in areas such as the internet, VOWs, mold, and home inspections. The State of Nevada had asked if there was a test on mold.

Chair Ohama asked if the test was flexible. Mr. Dabsys stated that if there was a bad item on the exam, the question could be discontinued by the next day. It is easy for them to make instantaneous updates to the exam. As soon as the questions are written and approved, they could make it available on the following day.

Mr. Dabsys was asked to explain the exam writing process. Mr. Dabsys stated that they first find out what the job is and then the content areas are defined. The questions are then written. PSI has professional item writers. The lead person has been with PSI for over 22 years.

If the program was new, PSI would write at least six times the number of required items. Their national exam has over 1000 items. There are approximately 150 to 200 questions in their test bank for the state portion of the exam. They have a team of eight to twelve item writers reviewing the items to make sure that the content is correct. They rate the items according to difficulty if they are a new program. The exam questions are targeted for candidates who are minimally competent.

Every test candidate is given the opportunity to give their comments on why they selected a certain answer. PSI will look at the comments and then will rewrite the question if necessary.

Mr. Dabsys was asked to explain how long it would take them to insert a new question into the examination. Mr. Dabsys stated that there are approximately five to ten pretest questions that are intermixed within the exam. The candidate does not know which ones they are. They are not included in the score. PSI then looks at the statistics for the trial questions. If new legislation was passed, then PSI would have an item writing session. As soon as the items are approved, they can be put in the exam overnight.

If the new questions became effective on January 1, PSI would monitor the exams every day for the first two months to see if there are any discrepancies. When new material is inserted into the exam, they also go through the old material to see if any of the current questions were affected by the new material.

Mr. Dabsys stated that some states ask their candidates to fill out a contract sheet. A scenario is given and they are asked to answer questions based on the scenario. They also check for proper terminology.

Commissioner Kagawa asked Mr. Dabsys what the cost to the State would be if they were selected as the examination vendor. Mr. Dabsys stated that the costs are to be paid by the candidates. The fees charged to the candidates would also allow the Commission to update the exam due to legislative changes or changes in industry practices.

Mr. Dabsys was asked how frequently testing would be offered on the neighbor islands. Mr. Dabsys responded that they would have to take a look at it and then consult with the Commission. They would like to have at least weekly testing on the neighbor islands. The Honolulu test center would be open every day.

Laws and Rules Review Committee

Upon a motion by Commissioner Okawa, seconded by Commissioner Imanaka, it was voted on and unanimously carried to accept the report of the May 8, 2003 Laws and Rules Review Committee meeting as follows:

1. Minutes of April 7, 2003 – **Accept**
2. Program of Work, FY03
 - a. Program of Work, FY 04 – **Recommend** that the Commissioners review the current program of work and propose revisions.
 - b. Neighbor Island Outreach – The next neighbor island outreach is scheduled to be held in Kauai. REB Staff will work with the Kauai Commissioner on scheduling the meetings.
3. Special Issues
 - a. NAR Proposed Policy on VOWs – **Recommend** that the Committee wait until after the ARELLO Midyear Meetings to determine its position on VOWs.
 - b. \$150,000 from REEF to General Fund (House Bill No. 1152, H.D. 1, S.D. 1, C.D. 1 – **Recommend** the following:
 - 1) That the Commission send a letter to the Governor within a week, expressing their concerns over the taking of the moneys from the REEF trust fund, such as how it would impact on their fiduciary obligation to the funds, and noting that the funds are collected specifically from the real estate licensees and should not be deposited back into the General fund.
 - 2) That the Commission seeks the engagement of private counsel, subject to the review of the funding requirements of all three trust funds.
 - 3) That the Commission considers prospective action to be taken.
 - 4) That a letter be sent to industry members to urge them to support the Commission in its efforts.
4. Budget and Finance Report – February 28, 2003 – **Recommend acceptance** of the Real Estate Recovery Fund Report, dated February 28, 2003.
5. Next Meeting: **Tuesday**, June 10, 2003
9:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

The SEO reported that the Commission will be sending a letter to the Governor objecting to the taking of moneys from the Real Estate Education Fund, as stated in item 3.b. of the above report. He thanked

Commissioner Rice for drafting the letter. The SEO also informed the Commission that the Department's will recommend a veto.

Education Review Committee

Upon a motion by Commissioner Kagawa, seconded by Commissioner Chinen, it was voted on and unanimously carried to accept the report of the May 8, 2003 Education Review Committee meeting as follows:

1. Additions to Agenda and Additional Distribution – **Accept**
2. Minutes of April 7, 2003 – **Accept**
3. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - a. Applications
 - 1) Course – “Property Management & Landlord/Tenant,” Author/Owner: Hawaii Association of REALTORS®, Provider: Hawaii Association of REALTORS®, Course Category: Property Management, Clock Hours: 3 - **Recommend approval**
 - 2) Course – “Legal Issues,” Author/Owner: Hawaii Association of REALTORS®, Provider: Hawaii Association of REALTORS®, Course Category: Real Estate Law, Clock Hours: 6 (3 hours CE credit) – **Recommend approval**
 - 3) Core Course – “Agency, Practical Ethics, and Fair Housing,” Author/Owner: Hawaii Association of REALTORS®, Provider: Hawaii Association of REALTORS®, Course Category: Ethics, Fair Housing, Agency and Disclosure, Clock Hours: 4 – **Recommend approval**
4. Prelicensing Education Administration, Curriculum Schools, Instructors, and Equivalency
 - a. Applications
 - 1) Instructor – C. Mark Ambard, Salesperson and Broker Curriculums, Hawaii Institute of Real Estate – **Recommend approval**
 - 2) Prelicense School – Abe Lee Seminars, Principal – Abe Lee, Salesperson and Broker Curriculums – **Recommend approval**
 - 3) Prelicense School – Fahrni School of Real Estate, Principal – Helen Fahrni, Broker Curriculum – **Recommend approval**
5. Budget and Finance Report – February 28, 2003 Real Estate Education Fund Report - **Accept**
6. Next meeting: **Tuesday**, June 10, 2003
Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:00 a.m.
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Request for Proposal – Broker’s Curriculum – RE3 LLC, Real Estate Services (RE3)

Wayne Richardson III, President and Principal Broker of RE3 LLC, Real Estate Services (RE3), and Janice Lind, former principal of REEF, Inc., were present at the meeting to answer any questions the Commission may have regarding the submission of their RFP for the Broker’s Curriculum course.

Requests for proposals (RFP) were sent out to a fairly good sampling of parties interested in submitting a proposal. The deadline for submission of the RFP was May 12, 2003. RE3 LLC was the only one who submitted a RFP for the broker’s curriculum by the deadline.

Mr. Richardson teaches both the sales’ and the brokers’ curriculum.

Mr. Richardson stated that he came to address any questions that the Commission may have regarding their proposal. He stated that their team brings a unique combination of skills. They are interested in working with the Commission and the staff.

Commissioner Kagawa thanked them for their efforts and commended them for the work that they have done to submit the proposal.

The Chair stated that he did not have a problem with the proposal, however, he wished that more proposals had been submitted in order to provide the Commission with a wider selection. He stated that he would like to extend the deadline for submission to see if anyone else will be able to submit proposals. He stated that he would like the RFP to be sent to a broader range of people.

Commissioner Okawa commented that she thought the proposal that was submitted by RE3 LLC was put together well on such short notice. The time period allowed for the submission of the RFPs was very brief. She stated that she wanted to honor the deadline, but she did not want to exclude others from submitting their proposals because of the brief time period.

The first draft of the broker’s curriculum is due on July 15, 2003. The final draft is due September 15, 2003.

Commissioner Imanaka stated that the RFP was done on short notice within a limited time frame. He also stated that in order to be fair to those who had already submitted a RFP, the Commission should make a definite deadline for the extension if it desires to solicit additional proposals.

Senior Specialist Fujimura asked the Commissioners for the specific names of individuals or entities that they would like to notify of the RFP if the deadline were to be extended. Also, was it the Commission’s desire to notify those in the first mailing of the extension date?

Chair Ohama stated that he would like to see the pool expanded.

Senior Specialist Fujimura again stated that she would need the names of specific individuals and entities as soon as possible in light of the set deadline dates.

Ms. Thompson asked if the Commission had received any calls from interested parties who did not have adequate time to submit a proposal. Senior Specialist Fujimura stated that Brian Thomas had requested and received a packet. The RFP was sent out to all continuing education providers and instructors, prelicensing schools and instructors and members last biennium's Core Course Committee.

Commissioner Choi moved to:

1. Defer decision making on the RE3 LLC, Real Estate Services' proposal.
2. The Commissioners are to submit additional names to the REB staff within five days of this meeting.
3. The deadline for submission of proposals is extended to June 20, 2003.
4. A notice will be sent out to those who were previously notified that the deadline has been extended to June 20, 2003.
5. This matter will be placed on the June 27, 2003 Real Estate Commission Meeting agenda for discussion and decision making.

Commissioner Imanaka seconded the motion.

Commissioner Okawa informed Mr. Richardson and Ms. Lind that their submissions were very good and if they wished to amend their submission, they may feel free to do so.

The Chair asked Mr. Richardson if it would be possible to offer online delivery of courses. Mr. Richardson stated that one of the requests in the scope of the RFP was to consider alternate methods of delivery. Mr. Richardson stated that they had looked at other means of delivery, but there were cost and security issues involved. There is a big difference in the number of candidates applying for a real estate salesperson's license versus those applying for a real estate broker's license.

Chair Ohama asked if they would be using the Hawaii Association of REALTORS' CCIM forms. Mr. Richardson stated that the forms could be incorporated into the curriculum, but it raises a question as to whether or not you are delivering knowledge to the student. If the student can put their knowledge to good use, the instructor is an effective instructor. Mr. Richardson stated that being able to teach from a contract is an interesting situation.

Chair Ohama stated that he would like to have scenario-type questions. In the past, the candidate would have to fill out forms correctly on the examination. If the forms were not filled out correctly, the candidate could not go on with the test.

Mr. Richardson stated that the critical portions of the exam could be taken out and students could answer questions based on those sections.

Chair Ohama stated that he would like to have more than a multiple choice examination.

Ms. Lind stated that having forms in the State portion of the examination will force the instructors to teach the form. Ms. Lind stated that truncated forms could be used in the testing environment.

Chair Ohama stated that he would like to incorporate management as part of the course because once a real estate licensee becomes a real estate broker, they are allowed to open their own office.

Chair Ohama stated that he was impressed by RE3 LLC's submission and thanked Mr. Richardson and Ms. Lind for coming to the meeting.

The motion was voted on and unanimously carried.

Condominium Review Committee

Upon a motion by Commissioner Imanaka, seconded by Commissioner Okawa, it was voted on and unanimously carried to accept the amended report of the May 8, 2003 Condominium Review Committee meeting as follows:

1. Minutes of April 7, 2003 Meeting – **Accept**
2. Condominium Governance and Management
AOAO Registrations – 2003-2005 Biennium Registration –
Recommend approval to ratify effective dates of July 1, 2003 for the AOAO 2003-2005 biennium registrations received through April 30, 2003.
3. CPR Registration, Developer's Public Reports
 - a) April 2003 – **Recommend approval** to ratify issuance of effective dates of the developer's public reports and extensions issued for the month of April 2003.
 - b) Project Statistics – average time for all types of public reports is 29 days, which is outstanding when compared to other agencies and other states. Staff to redirect monitoring of public reports to those public report filings over 60 days and issue a written notice of unsatisfactory contract performance, especially if the average is over 60 days without extenuating circumstances.
 - c) Letter from City and County of Honolulu dated April 1, 2003 – Condominium Maps – **Recommend approval** to request that each condominium project registration applicant distribute a copy of the condominium map of the subject project to the applicable county agency who submits a written request to REC, simultaneously with the REC filing. **Recommend further** that a written notice be issued to the county agency, 1) that they will have to share the condominium map with the other county agencies or make additional copies for the other county agencies, and 2) that the condominium map may be amended from time to time and that the official depository for such amendments and the original condominium map is the Bureau of Conveyances and not the REC. For the City and County of Honolulu, it will be the Real Property Assessment Division. Staff to inquire with the other three county governments as to which agency desires to have a copy of the condominium map subject to the aforementioned caveats.

4. Hawaii Condominium Bulletin – Pursuant to the automatic renewal for successive one year term provision of the existing contract agreement with the Commission, **recommend approval** to automatically renew the Commission's Agreement for Consultant Service with Pioneer Ventures, Inc., dba Fisher & Pioneer Printers, for July 1, 2003 through June 30, 2004 subject to the same terms and conditions of the existing Agreement, and subject to the availability of the Condominium Management Education Fund.
5. Budget and Finance Report – February 28, 2003 – **Recommend acceptance.**
6. Next meeting: **Tuesday, June 10, 2003**
Upon adjournment of the Education Review Committee meeting, which follows the Laws and Rules Review Committee meeting which is scheduled to convene at 9:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Legislative Report

Commissioner Imanaka was excused from the meeting.

The SEO reported on the status of the bills affecting the Commission. The following bills are awaiting the Governor's decision:

House Bill No. 75, H. D. 2, S. D. 1
House Bill No. 1152, H. D. 1, S. D. 1, C. D. 2
House Bill No. 373, H. D. 2, S. D. 1, C. D. 1
Senate Bill No. 394, H. D. 1
Senate Bill No. 1492, S. D. 1, H. D. 2, C. D. 1

The Deputy Attorney General was excused from the meeting.

Program of Work and Budget FY04

Commissioner Imanaka returned to the meeting.

The SEO reported that Commissioner Yamanaka had submitted his comments on the proposed draft of the Program of Work for FY04. Commissioner Yamanaka would like to see more neighbor island outreach conducted. He was impressed by the comments and attendance at the Kona meetings. The SEO stated that the Commission is the only board or commission that is mandated by law to conduct meetings on the neighbor islands. It is the Commission's goal to conduct a neighbor island outreach in each of the counties during the fiscal year.

The Deputy Attorney General returned to the meeting.

The SEO also reported that Senior Specialist Yee had submitted her comments on the proposed program of work to him. REB staff will work on the budget and will present the final draft of the Program of Work and Budget for FY04 to the Commission for approval at the next Committee meeting. Once accepted by the Commission, the program of work and budget will be

submitted to the Director for approval. The Commission would like to have the program of work and budget approved prior to July 1, 2003.

Chair Ohama stated that Commissioner Yamanaka had mentioned that the Commission was well received in Kona because the Kona Board of REALTORS had spoken with their members. The SEO reported that REB staff sends letters to the executive officer of the local board, the board president, and other interested parties to inform them of the meetings. It has been noted that meetings that are held at the local board offices have been well attended.

Licensing and
Registration -
Ratification:

Upon a motion by Commissioner Imanaka, seconded by Commissioner Choi, it was voted on and unanimously carried to ratify the attached list.

Executive Officer's
Report:

Announcements, Introductions, Correspondence and Additional Distributions

Ms. Thompson thanked the Commission and its staff for getting the RFPs out so promptly.

Ms. Thompson informed the Commissioners that the Hawaii Association of REALTORS has formed a partnership with the National Association of REALTORS to offer an international course, which will be part of a CIPS designation.

Ms. Thompson asked how much moneys were in the Real Estate Education Fund. She was informed that the current balance is approximately one million dollars. She was also informed that the fund has historically had a balance over one million dollars. The fund reacts to dramatic changes in the industry. The Commission anticipates expending money on the brokers' curriculum and on continuing education if the number of hours required is increased. The Condominium Management Education Fund may be used to provide more educational programs.

Ms. Thompson stated that the Hawaii Association of REALTORS will provide support to the Commission in informing them of the neighbor island outreach when it is scheduled. She requested that they be notified in advance. Ms. Thompson also apologized for not being able to attend the meeting in Kona.

Ms. Thompson was asked to pass on the information of the extended deadlines for the broker's curriculum RFP to Ms. Shimizu.

Licensing – Applications:

Louis W. A. C. Niheu

Louis Niheu was present to answer any questions the Commission may have regarding his application for a real estate salesperson's license. Mr. Niheu was asked if he wished to have his application considered in executive session. He declined the offer.

The Chair was excused from the meeting. Vice Chair Imanaka presided over the meeting.

Commissioner Okawa thanked Mr. Niheu for providing extensive documentation. She informed Mr. Niheu that she appreciated receiving copies of the cancelled checks.

Mr. Niheu distributed copies of a letter, dated May 22, 2003, from Lawrence A. Sousie, Deputy Attorney General, regarding his payments to the Child Support Enforcement Agency.

Mr. Niheu was asked to explain his duties and responsibilities at Embassy Vacation Resorts. Mr. Niheu stated that he marketed vacation ownership for Poipu Point and Kaanapali Beach. Mr. Niheu informed the Commissioners that he sets up presentations at the resorts. Interested parties would go to the resort and would sit through a 90-minute presentation. If they wanted to take advantage of the time share opportunity, they could. Mr. Niheu stated that he sold family vacation resorts packages over the phone.

Upon a motion by Commissioner Okawa, seconded by Commissioner Choi, it was voted on and unanimously carried to take this matter under advisement.

James G. Louis

James G. Louis was present to answer any questions the Commission may have regarding his application for a real estate salesperson's license. Mr. Louis was asked if he wished to have his application considered in executive session. He declined the offer.

Mr. Louis stated that since he did not know what to expect, he did not prepare anything.

Mr. Louis stated that after his divorce, he was in a bad place. He left a high-paying job and gave his condo and car to his ex-wife. Mr. Louis said that he had gone up to his condo to get some family heirlooms and he got into an argument with his ex-wife. He started to walk away but he decided to talk about it a little bit more. Mr. Louis stated that he had never been in a situation like that before. He was telling his ex-wife that he had \$20,000 when he got out of the military that he had saved and had used it to pay for her degree. He was upset and did not realize that he had gotten a hold of her. When he realized what he was doing, he left. He was in the military for ten years. He has undergone counseling. He was taken off probation one year early because he had completed all of the requirements. The prosecuting attorney had told the judge that this is the timeliest compliance she had ever seen and recommended termination of his probation to the judge. Mr. Louis said that he did not think that this would happen again. He is really excited about getting his real estate license. His parents have a real estate company and he is volunteering at open houses and taking classes.

Commissioner Choi asked Mr. Louis if he sat at the open house by himself. Mr. Louis answered that there was someone else present. He is strictly there trying to learn so that when he does get licensed, he will have fewer things to learn. He is hoping that if he uses his days off to learn what he can, he will need less training when he does get licensed.

Upon a motion by Commissioner Choi, seconded by Commissioner Kagawa, it was voted on and unanimously carried to take this matter under advisement.

Dorothy S. Fischer

Dorothy Fischer had requested that her application for a real estate salesperson's license be considered in executive session.

Executive Session:

Upon a motion by Commissioner Choi, seconded by Commissioner Kagawa, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both."

Upon a motion by Commissioner Choi, seconded by Commissioner Kagawa, it was voted on and unanimously carried to move out of executive session.

Licensing – Applications:

Dorothy S. Fischer

Upon a motion by Commissioner Choi, seconded by Commissioner Kagawa, it was voted on and unanimously carried to take this matter under advisement.

Chair Ohama returned to the meeting and resumed presiding over the meeting.

Aloha K. K. Fontes

Aloha K. K. Fontes was present to answer any questions the Commission may have regarding her application for a real estate broker's license. Ms. Fontes was asked if she wished to have her application considered in executive session. She declined the offer.

Commissioner Okawa recused herself from the meeting.

Ms. Fontes informed the Commissioners that she was divorced. She had been an independent contractor with Bill Ramsey since 1994. She paid the mortgage and bills but did not pay her tax obligations. When she filed her taxes in 1996, she found out how much she owed. She is currently working with the IRS. She has never let her personal finances interfere with the collection of rent moneys or with her client's moneys.

Commissioner Choi asked Ms. Fontes if she had submitted a letter from her principal broker. Ms. Fontes stated that she was not aware that she needed to do so.

Ms. Fontes informed the Commissioners that she began to make monthly payments to the IRS. She decided to become an employee so that the taxes would be taken out by her employer. When she was interviewed by Bill Ramsey, she told him why she wanted to become an employee instead of an independent contractor.

Ms. Fontes stated that she does have federal and state tax obligations. Both are considered to be in uncollectible status. The IRS was paid a large sum and taxes are taken out at the end of the year. She pays \$20/month and is

involved in the State's tax intercept program, where her tax refund is intercepted and credited to her tax obligations.

Upon a motion by Commissioner Choi, seconded by Commissioner Kagawa, it was voted on and unanimously carried to take this matter under advisement.

Commissioner Okawa returned to the meeting.

Executive Session:

Upon a motion by Commissioner Choi, seconded by Commissioner Okawa, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both."

Upon a motion by Commissioner Okawa, seconded by Commissioner Choi, it was voted on and unanimously carried to move out of executive session.

Chapter 91, HRS
Adjudicatory
Matters:

The Chair called for a recess from the meeting at 10:27 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

**In the Matter of the Real Estate Broker's License of Keola Childs;
REC 2000-140-L**

Commissioner Imanaka moved to accept the Settlement Agreement Prior to Filing of Petition for Disciplinary Action, Exhibit "1", and Commission's Final Order. Commissioner Chinen seconded the motion.

Commissioner Imanaka withdrew his motion. Commissioner Chinen withdrew his second.

Commissioner Imanaka moved to accept the Settlement Agreement Prior to Filing of Petition for Disciplinary Action, Exhibit "1", and Commission's Final Order. Commissioner Chinen seconded the motion. Commissioners Okawa, Kagawa and Chinen voted in favor of the motion. Commissioners Imanaka, Choi and Ohama voted against the motion. No decision was made due to the lack of five votes in favor or in opposition.

**In the Matter of the Real Estate Broker's License of Karen Jeffrey dba
Pacific Island Investments, REC 2001-75-L**

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, it was voted on and unanimously carried to approve the Commission's Final Order.

Following the Commission's review, deliberation and decisions in these matters, pursuant to Chapter 91, HRS, the Chair announced that the Commission was reconvening its scheduled Commission meeting at 10:47 a.m.

Executive Session:

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, It was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "To consider

and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both.”

Upon a motion by Commissioner Imanaka, seconded by Commissioner Choi, it was voted on and unanimously carried to move out of executive session.

Licensing –
Applications:

William Cittadino

After a review of the information submitted by the applicant, Commissioner Choi moved to approve the real estate salesperson’s license of William Cittadino. Commissioner Kagawa seconded the motion. The motion was voted on and unanimously carried.

John P. Connors

After a review of the information submitted by the applicant, Commissioner Choi moved to approve the real estate salesperson’s license of John P. Connors. Commissioner Imanaka seconded the motion. The motion was voted on and unanimously carried.

Louis W. A. C. Niheu

After a review of the information presented by the applicant, Commissioner Okawa moved to approve the real estate salesperson’s license application of Louis W. A. C. Niheu. Commissioner Imanaka seconded the motion. Commissioners Imanaka, Okawa, Choi, Kagawa and Chinen voted in favor of the motion. Commissioner Ohama voted against the motion. The motion was carried.

James G. Louis

After a review of the information presented by the applicant, Commissioner Kagawa moved to approve the real estate salesperson’s license application of James G. Louis. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

Dorothy S. Fischer

After a review of the information presented by the applicant, Commissioner Imanaka moved to deny the real estate salesperson’s license application of Dorothy S. Fischer, pursuant to HRS §§467-8(3), 436B-19(1),(8) and(12). Commissioner Choi seconded the motion. The motion was voted on and unanimously carried.

Aloha K. K. Fontes

Commissioner Okawa recused herself from the meeting.

After a review of the information presented by the applicant, Commissioner Imanaka moved to deny the real estate salesperson’s license application of Aloha K. K. Fontes unless the applicant submits, within 60 calendar days, written proof of payment, an approved written payment plan, or written proof of discharge from the Internal Revenue Service and the

State of Hawaii, Department of Taxation for all outstanding tax obligations.
Commissioner Choi seconded the motion. The motion was voted on and carried.

Commissioner Okawa returned to the meeting.

Next Meeting: Friday, June 27, 2003
9:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 10:57 a.m.

Reviewed and approved by:

/s/ Alan Taniguchi
Alan Taniguchi
Executive Officer

June 27, 2003
Date

[X] Approved as circulated.

[] Approved with corrections; see minutes of _____ meeting.

APPROVED APPLICATIONS FOR REAL ESTATE
REAL ESTATE COMMISSION MEETING ON MAY 23, 2003

<u>Brokers – Corporations and Partnerships</u>	<u>Effective Date</u>
Makena Wailea Real Estate Inc. Kanaki Tamaki, PB	04/07/03
West Pacific Properties Inc. Christina E. Butler, PB	04/23/03
Staples Realty, Inc. Paul A. Staples, PB	04/22/03
Island Heritage Realty Inc. Daniel J. Pacheco, Jr., PB	05/08/03
A Real Estate Concern of Hawaii Inc. Arnold Rabin, PB	04/30/03
DTF, Inc., Century 21 Liberty Homes Douglas T. Fortner, PB	04/29/03
<u>Brokers – Limited Liability Companies and Partnerships</u>	<u>Effective Date</u>
Pier Management – Hawaii, LLC Riley K. Hakoda, PB	04/07/03
Ridge Realty Rentals, LLC Jack H. Nowell, PB	05/01/03
<u>Brokers – Sole Proprietor</u>	<u>Effective Date</u>
Mark S. Glen	03/27/03
Beatrice Bowman	04/01/03
Roland W. Eaker	04/03/03
Sandra T. Bell	04/08/03
Cliff A. McCluney, IV	04/17/03
Gary Sylvern	04/21/03
Ghislaine O. Beaudoin	04/22/03
Jack S. Fisher, IsleOfMaui.Com Realty	04/17/03
<u>Trade Name</u>	<u>Effective Date</u>
Richard Kealii Derrickson, Lanai Realty	04/25/03
Lily Yankovski, Sister Lily Realty	04/28/03
Wesley S. Bentley, Bentley & Associates	04/30/03
Edwina A. C. Wong, Pacific Real Estate Investment	05/08/03
Morgen M. E. Bahurinsky, Morgen Realty of Hilo	05/08/03
<u>Branch Office</u>	<u>Effective Date</u>
Heyer & Associates LLC Hisako Frohlich, PB	04/07/03
CBI Inc., Grubb & Ellis/CBI Jackson Nakasone, PB	04/10/03

Educational Equivalency Certificate

	<u>Expiration Date</u>
Charles Brian Panzer	04/21/05
Janice M. Siciliano	04/29/05
Cara Corinne Chilson	04/29/05
Scott W. Anderson	04/29/05
Amber Lee Tucker	04/29/05
Nancy Jayne McCready-Lins	04/29/05
Jeff David Nelson	04/29/05
Michael Sisco	04/29/05
Paula Irene Wilson	04/29/05
Jennifer Jeri Groh	04/29/05
Alan Fredrick Dahl	04/29/05
Jamie M. Inayoshi	04/29/05
Lance Peto	04/29/05
George L. Glenn	04/30/05
Teresa M. Lavagnino	04/30/05
Susan Stone	04/30/05
Kenneth Mohundro	04/30/05
David R. Wecker	05/05/05
Theodore Deuel	05/05/05
Curtis R. Hall	05/09/05
Marlene Paula Calvello	05/09/05
Coleen Marie Murphy	05/12/05
Jenifer Bradley	05/12/05

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Candice J. Morgan	04/15/05
Vincent Lao	04/15/05
Dean R. Gilpin	04/15/05
Malia L. Jackson	04/16/05
Benjamin J. Dunn	04/17/05
Clorinda K. S. M. Conching	04/17/05
Kelly Ann Wakayama	04/17/05
Helen U. Simutis	04/17/05
Nancy Osako	04/17/05
Karen E. Grempp	04/23/05
J. L. Grempp	04/23/05

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Janice M. Siciliano	04/29/05
Steven D. Marcotte	04/29/05
James B. (Jim) Aiton	04/29/05
Barbara T. Erskine	04/29/05
Michael Sisco	04/29/05
Lance Peto	04/29/05
George L. Glenn	04/30/05

Real Estate Broker Experience Certificate

	<u>Expiration Date</u>
Teresa M. Lavagnino	04/30/05
Linda a. Lawhead-Stirn	04/30/05
June T. Virdone	04/30/05
Renee K. M. Hill	04/30/05
Kim N. Lineham	05/02/05
David R. Wecker	05/05/05
Theodore Deuel	05/05/05
Lawrence P. Wachler	05/06/05
John Griffey	05/06/05
Melissa N. Kalauli	05/07/05
Francine Villarmia-Kahawai	05/08/05

Real Estate Broker (upgrade)

	<u>Effective Date</u>
Roland W. Eaker	04/03/03
Kanako Tamaki	04/07/03
Arlene Kris Kim	04/11/03
Carlton P. Yim	04/10/03
Laura E. Monahan	04/10/03
Dennie M. Richards	04/08/03
Julie R. Archambeau	04/07/03
James L. Gilbertson	04/16/03
Bryan M. Oshio	04/22/03
Cliff A. McCluney	04/17/03
Gary Sylvern	04/21/03
Ghislaine O. Beaudoin	04/22/03
Faye R. Kurk	04/28/03
Carolyn N. Lyum	04/28/03
Veronica Anaya	04/24/03
Christina E. Butler	04/23/03
Michael J. Peters	05/05/03

Restoration – Real Estate Salesperson

	<u>Effective Date</u>
Teresita Marinas	04/07/03

Condominium Hotel Operator w/ Real Estate Broker Exemption

	<u>Effective Date</u>
Jeanie Blum, Waikiki Beach Condominiums	05/02/03