EDUCATION REVIEW COMMITTEE

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 Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: June 9, 2010

Time: Upon adjournment of the Condominium Review Committee meeting, which is

upon adjournment of the Laws and Rules Review Committee meeting, which

convened at 9:00 a.m.

Place: Queen Liliuokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor

Honolulu, Hawaii

Present: Carol Mae Ball, Chair / Broker / Maui Commissioner

Annette Aiona, Vice Chair / Broker / Hawaii Island Commissioner

Louis Abrams, Broker / Kauai Commissioner

Frances T. Gendrano, Broker / Honolulu Commissioner

Walter Harvey, Broker / Honolulu Commissioner

Michele Sunahara Loudermilk, Public / Honolulu Commissioner

Trudy Nishihara, Broker / Honolulu Commissioner Mark Suiso, Public / Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer Jon Ellis M. Pangilinan, Executive Officer

Diane Choy Fujimura, Senior Real Estate Specialist

Cynthia Yee, Senior Condominium Specialist

Amy Endo, Real Estate Specialist Shari Wong, Deputy Attorney General Karyn Takahashi, Recording Secretary

Others: Marsha Shimizu, Hawaii Association of REALTORS®

Myoung Oh, Hawaii Association of REALTORS®

Randy L. Prothero, Russ Goode Seminars / Century 21 Liberty Homes

Absent: Stanley Kuriyama, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:36 a.m., at which time quorum was

established.

Chair's Report: The Chair stated the Committee may move into Executive Session to consider

and evaluate personal information relating to individuals applying for licensure in accordance with section 92-5(a)(1), HRS, and to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities in accordance with section 92-5(a)(4), HRS. Commissioners Aiona and Nishihara were excused from the meeting. Prior

notification of their non-attendance was received.

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Real Estate Specialist's Report: Minutes of Meeting

Upon a motion by Commissioner Suiso, seconded by Commissioner Loudermilk,

it was voted on and unanimously carried to accept the minutes of the

May 5, 2010, Education Review Committee meeting.

Continuing Education: Applications

Course – "Negotiation Essentials for the Real Estate Licensee" amended to "Getting Purchase Contracts Accepted and to Closing;" Author/Owner: Randy L. Prothero; Provider: Russ Goode Seminars; Course Category: Contracts; Clock Hours: 3 (Note: Deferred from 5/5/10 ERC meeting)

Mr. Prothero was present.

Mr. Prothero stated that he changed the title of the course and updated the slides for the course as requested by the Education Review Committee.

There was a concern that the slides did not address the importance of consulting with the principal broker during the negotiation process. Mr. Prothero stated that during the presentation of the course he stresses the importance of consulting the principal broker and added that he would add a slide to that effect.

Upon a motion by Commissioner Abrams, seconded by Commissioner Aiona, it was voted on and unanimously carried to approve "Getting Purchase Contracts Accepted and to Closing" as a three credit hour continuing education elective course, under the course category Contracts, and subject to the addition of the information regarding consulting with one's principal broker during the negotiation process.

Course – "Greening the Housing Market: The LEED Certified Home;" Author/Owner: John Bendon; Provider: REALTORS® Association of Maui, Inc.; Course Categories: Property Ownership and Development and Other – Sustainability and the High Performance Home; Clock Hours: 3 (Note: Deferred from 4/7/10 ERC meeting)

The Commissioners requested clarification of the LEED certification program as far as it being a "standard"—is it a national standard? An international standard?

There was a concern that the course emphasize the informational aspect of the LEED standard and not be presented from a promotional viewpoint.

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve "Greening the Housing Market: The LEED Certified Home" as a three credit hour continuing education elective course, under the course categories Property Ownership and Development and Other – Sustainability and the High Performance Home, subject to receipt of written comments on the level of standard LEED represents.

Course – "Basic Concepts and Advanced Topics in IRC §1031 Exchanges;" Author/Owner: Marna E. Mignone, Esq., Old Republic Exchange Facilitator Company; Provider: Abe Lee Seminars; Course Category: Tax Deferred Exchanges; Clock Hours: 3

Upon a motion by Commissioner Aiona, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve "Basic Concepts and Advanced Topics in IRC §1031 Exchanges" as a three credit hour continuing

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education elective course, under the course category Tax Deferred Exchanges, subject to the inclusion of a discussion of the Hawaii Real Property Tax Act (HARPTA) when discussing FIRPTA.

Prelicense Education: Administrative Issues

New Salespersons Licensees - 2010

A report on the number of new salesperson licensees for 2010 was distributed for informational purposes. Senior Specialist Fujimura reported that, as of April 2010, there are 305 new salesperson licensees in 2010. The total number of 305 new salesperson licensees reflects the number of licensees who are deemed as having completed the 10 hour continuing education requirement, pursuant to section 16-99-89(c), Hawaii Administrative Rules.

Evaluation and Education Program

Copies of evaluations of independent study courses from the following prelicense schools were distributed to the Commissioners for their information:

- Abe Lee Seminars; Independent Study On-Line (12)
- Vitousek Real Estate School (1)

Administration of Examinations:

PSI

Licensing Examination Statistics – May 2010

Examination statistics for May 2010 were distributed to the Commissioners for their information.

School Pass/Fail Rates - May 2010

School pass/fail rate statistics for May 2010 were distributed to the Commissioners for their information.

School Summary by Test Category - May 2010

Copies of the May 2010 test category summary reports, by school, were distributed to the Commissioners for their information.

Exam Monitoring

Specialist Endo reported that the Kauai test proctor recently passed away. She reported that the proctor's wife will take over proctoring duties.

Educator's Forum: **Hawaii Association of REALTORS**® – No discussion presented.

Hawaii Association of Real Estate Schools (HARES) – No discussion presented.

Public and Private Institutions of Higher Education – No discussion presented.

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Program of Work: <u>Education Evaluation Task Force</u>

The report of the May 26, 2010, EETF meeting was distributed to the Commissioners.

Upon a motion by Commissioner Abrams, seconded by Commissioner Aiona, it was voted on and unanimously carried to accept the EETF recommendation to break down the 20 hour continuing education requirement (Act 009, effective January 1, 2011) to two, 2.5 hour core classes for a total of five hours, with 15 hours of elective hours to be completed by the licensee for license renewal.

Program of Work, FY11

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Nishihara, it was voted on and unanimously carried to approve the program of work and budget for fiscal year 2011.

Budge and Finance Report:

No report presented.

Next Meeting: Wednesday, July 14, 2010

Upon adjournment of the Condominium Review Committee Meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convenes at

9:00 a.m.

Queen Liliuokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor

Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Ball adjourned the meeting at

10:05 a.m.

Revi	ewed a	and approved by:
/s/ Diane Choy Fujimura		
Seni	or Rea	y Fujimura Il Estate Specialist
_Jun Date	<u>ie 28, 2</u>	2010
x]]	Minutes approved as is. Minutes approved with changes, see minutes of

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