

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: August 11, 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: Trudy Nishihara, Chair Pro Tem / Broker / Honolulu Commissioner
Scott A. Sherley, Vice Chair / Broker / Hawaii Island Commissioner
Frances T. Gendrano, Broker / Honolulu Commissioner
Walter Harvey, Broker / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Michele Sunahara Loudermilk, 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
David J. Grupen, Real Estate Specialist
Cheryl Leong, Condominium Specialist
Benedyne Stone, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Others: Myoung Oh, Hawaii Association of REALTORS®
Rowena B. Cobb, Hawaii Association of REALTORS®
Marsha Shimizu, Hawaii Association of REALTORS®
Beth Holiday, Hawaii Association of REALTORS®

Absent: Carol Mae Ball, Chair / Broker / Maui Commissioner
Mark Suiso, Public / Honolulu Commissioner

Call to Order: The Chair Pro Tem called the meeting to order at 9:58 a.m., at which time quorum was established.

Chair's Report: The Chair Pro Tem 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 Ball, Apisa and Suiso were excused from the meeting. Prior notification of their non-attendance was received.

Real Estate
Specialist's Report:

Additional Distribution

The following was distributed as additional distribution:

4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - a. Administrative Issues
5. Prelicensing Education Administration, Curriculum, Schools, Instructors, and Equivalency
 - a. Administrative Issues – New Salesperson Licensees – 2010

Minutes of Meeting

Upon a motion by Commissioner Gendrano, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to accept the minutes of the July 14, 2010, Education Review Committee meeting.

Continuing Education: Administrative Issues

Continuing education statistics for fiscal year 2010 was distributed to the Commissioners for their information.

Applications

2009-2010 Continuing Education Providers and Courses Ratification List

Upon a motion by Commissioner Gendrano, seconded by Commissioner Sherley, it was voted on and unanimously carried to ratify the following registrations/certifications:

<u>Registration/Certification</u>	<u>Effective Date</u>
Course(s)	
"Buyer Representation in Real Estate" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Environmental Issues in Your Real Estate Practice" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Ethics in Today's Real Estate World" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Foreclosures, Short Sales, REOs and Auctions" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Homes for All: Serving People with Disabilities" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Introduction to Commercial Real Estate Sales" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Investment Property Practice & Management" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10

"Mortgage Fraud and Predatory Lending: What Every Agent Should Know" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Real Estate Agent/Mortgage Professional" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Real Estate and Taxes: What Every Agent Should Know" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Real Estate Finance & Tax Issues" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Red Flags: Property Inspection Guide" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Reverse Mortgages for Senior Homeowners" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Risk Management" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Understanding 1031 Tax-Free Exchanges" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"Understanding Credit and Improving Credit Scores: What You Need to Know" (Dearborn Real Estate Education/Realtors Association of Maui, Inc.)	07/22/10
"The New Negotiating Edge" (Council of Residential Specialists/Hawaii Institute of Real Estate)	07/28/10

Provider – Levin & Hu, LLP, Administrator – Tom Marino

Upon a motion by Commissioner Harvey, seconded by Commissioner Gendrano, it was voted on and unanimously carried to defer decision making on this application to the next monthly Education Review Committee meeting on September 8, 2010.

Course – "Tax Ramifications of Real Estate Ownership;" Provider: Levin & Hu, LLP (pending approval); Author/Owner: Robert D. Bahun; Course Categories: Property Ownership and Development, Other – Taxation; Clock Hours: 3

The Commissioners expressed concern that the course may mislead real estate licensees in thinking they will be able to "advise" their clients regarding tax matters, when they should be recommending to their clients that they seek the expert advice of tax professionals.

The Commissioners discussed the importance of understanding the tax-related matters addressed in the course; however, they were concerned that real estate licensees are not tax experts and must not render any advice to clients outside their real estate expertise.

Commissioner Harvey moved to deny the elective course certification of "Tax Ramifications of Real Estate Ownership" based on section 16-99-101(7), Hawaii Administrative Rules. Commissioner Sherley seconded the motion. The motion was voted on and unanimously carried.

Prelicense Education: Administrative Issues

The prelicense education and equivalency statistics for fiscal year 2010 were distributed to the Commissioners for their information.

Senior Specialist Fujimura reported that there were 67 new salesperson licensees in July 2010. To date, there are 544 new salesperson licensees in 2010. The total number of 544 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 the independent study course from the following prelicense school were distributed to the Commissioners for their information:

- Abe Lee Seminars; Independent Study On-Line (12)

Administration of Examinations:

PSI

Licensing Examination Statistics – July 2010

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

School Pass/Fail Rates – July 2010

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

School Summary by Test Category – July 2010

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

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.

Program of Work:

Instructor's Development Workshop

Request from McKissock, LP (a Hawaii CE Provider)

Senior Specialist Fujimura reported that McKissock LP is requesting IDW equivalency/approval for six of their distance education instructors who completed the International Distance Education Instructor (IDEC) course. She stated that the IDEC consists of two 8-hour classes.

Chair Pro Tem Nishihara noted that the IDEC completed by the requesting instructors was strictly geared to distance/on-line courses/teaching. She also noted the course content is very thorough and covers topics relevant to both live and online instructors.

Upon a motion by Commissioner Gendrano, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve the International Distance Education Certification Instructors Development Workshop as fulfilling Hawaii's requirement for continuing education instructors to complete an IDW within the current biennium (section 16-99-104(e), HAR) for the following instructors:

- Alan Simmons
- David Thomas
- Gerry Hudson
- John Ritchie
- Lynnell Thomas
- Richard McKissock

Budget and
Finance Report:

No report.

Next Meeting:

Wednesday, September 8, 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 10:30 a.m.

Reviewed and approved by:

/s/ Diane Choy Fujimura

Diane Choy Fujimura
Senior Real Estate Specialist

August 25, 2010

Date

[X] Minutes approved as is.
[] Minutes approved with changes, see minutes of _____