

EDUCATION REVIEW COMMITTEE
REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
www.state.hi.us/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: Wednesday, February 13, 2002

Time: 10:00 a.m.

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

Present: Charles Aki, Chair
Patricia Choi, Vice Chair
Alfredo Evangelista, Member
Mitchell Imanaka, Member
John Ohama, Member
Iris Okawa, Member
Peter Rice, Member

Calvin Kimura, Supervising Executive Officer
Alan Taniguchi, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Lorene Arata, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Excused: Michael Ching, Member

Absent: Casey Choi, Member

Others: Marsha Shimizu, Hawaii Association of REALTORS®
Brian Thomas, Instructor
Eddie Flores, Eddie Flores Real Estate Continuing Education

Call to Order: Vice Chair P. Choi called the meeting to order at 10:10 a.m., at which time quorum was established.

Vice Chair Report: No report presented.

Sr. Real Estate
Specialist's Report:

Announcements, Introduction, Correspondence, and Additional Distribution

Upon a motion by Commissioner Evangelista, seconded by Chair Aki, it was voted on and unanimously carried to add the following to the agenda:

4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - b. Applications
 - 4) Provider – Coldwell Banker Pacific Properties Real Estate School (Administrator: Barbara Dew)
6. Administration of Examinations
 - g. Test Site Monitoring

Minutes of Meetings

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the minutes of the January 4, 2002, Education Review Committee meeting as distributed.

Program of Work:

Instructor's Development Workshop – Eddie Flores Request

Mr. Eddie Flores was present to address questions. Mr. Flores thanked the Committee for taking his matter out of order.

Mr. Flores reported that approximately two months ago, he was approached by several individuals who were interested in teaching continuing education courses. However, these individuals are required to complete a Commission approved Instructor's Development Workshop (IDW) prior to teaching and he volunteered to create an IDW.

He stated that the IDW that he is proposing will cover the basic techniques on presentation. Also, he will expect students to make three presentations in class and they will be evaluated and critiqued. He stated that each class will be limited to 10 – 15 students and will be held at his office. Mr. Flores added that the Commissioners are welcome to attend and monitor the workshop at no cost.

Specialist Arata reported that the rules state that an instructor must complete one IDW every biennium and the last IDW was given in April 2001.

Specialist Arata stated that the last IDW guidelines were drafted in 1993. Vice Chair P. Choi inquired if those guidelines need to be revised and updated. Specialist Arata replied yes.

At this time, Commissioner Evangelista recused himself from discussion and decision making on this issue as he has represented Mr. Flores in the past.

Specialist Arata reported that the Hawaii Association of REALTORS® usually holds one IDW a year and they may be able to put one on later this year.

Commissioner Ohama stated that we need to come up with updated guidelines and suggested that a group be formed to work on the IDW guidelines. Vice Chair P. Choi stated that she and Chair Aki will work on revising the guidelines and asked if there were any other volunteers.

Commissioner Imanaka stated that he senses there is an urgency to offer an IDW as there is none planned for the near future and stated that the Committee should consider approving this IDW.

Mr. Flores stated that most continuing education classes will be taught within the next six months and there are a number of young attorneys interested in teaching.

Commissioner Imanaka stated that he recommends approving this IDW and looking into offering more IDWs throughout the year so there is more opportunity for interested individuals to take an IDW.

Commissioner Imanaka also noted that Mr. Flores' proposed IDW is more teaching style vs. substance, which is his target. Ms. Marsha Shimizu, Hawaii Association of REALTORS®, added that Mr. Flores' proposed IDW is good for new instructors to learn their fundamentals and the IDWs that HAR offers are more advanced.

Commissioner Imanaka moved to recommend approval of the proposed IDW.

Specialist Arata inquired if Mr. Flores is planning on advertising or publicizing the IDW. Mr. Flores replied he will promote the IDW through e-mail and the MLS, but will only accept a maximum of 15 students.

Commissioner Rice seconded the motion. The motion was voted on and carried to recommend approval of the proposed Instructor's Development Workshop.

Continuing Education: Applications

Course – "Advanced Property Management," Author/Owner: Duplanty School of Real Estate and Paul Dold, Esq., Provider: Duplanty School of Real Estate, Course Category: Property Management, Course Clock Hours: 3

Upon a motion by Commissioner Okawa, seconded by Chair Aki, it was voted on and unanimously carried to recommend approval of "Advanced Property Management" as a three clock hour continuing education elective course under the course category Property Management.

Course – "Residential Property Management: Laws and Rules" Author/Owner: Duplanty School of Real Estate and Gretchen Duplanty, Provider: Duplanty School of Real Estate, Course Category: Property Management and Real Estate Law, Course Clock Hours: 3

Chair Aki moved to recommend approval.

Commissioner Ohama stated that he had concerns with the course outline topic #4 relative to fair housing. He asked that the summary be revised.

Commissioner Okawa stated that she also had concerns with the course outline topic #4 as it may harbor on teaching law and would constitute the unauthorized practice of law.

Chair Aki amended his motion to recommend approval subject to revision of language and inclusion of a cautionary note. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried to recommend approval of "Residential Property Management: Laws and Rules" as a three clock hour continuing education elective course under the course category Property Management and Real Estate Law, subject to submission of clarification regarding topic #4 of the course outline, "Fair housing federal & state laws, how to select tenants and not violate federal and state law..." and inclusion of a cautionary notice to applicant that instructor should not engage in unauthorized practice of law. If legal questions arise during the course, the students should be advised to seek legal counsel.

Course – "Understanding the Hawaii Foreclosure System," Author/Owner: Richard Daggett, Provider: Richard Daggett, Course Category: Real Estate Law, Course Clock Hours: 3

Commissioner Rice moved to recommend approval. Commissioner Okawa seconded the motion.

Commissioner Imanaka inquired if Mr. Daggett was a licensed attorney. If not, there should be a cautionary note to inform students to seek legal advice. He noted that there is a law that prohibits the unauthorized practice of law.

Chair Aki inquired if Mr. Daggett can effectively teach this course. Commissioner Imanaka stated that the curriculum covers more of the practical aspects of foreclosure.

Commissioner Evangelista aired concerns about Mr. Daggett's use of the title "Commissioner" in his documents. He noted that the use of the title "Commissioner" implies that he is an expert. He added that the cautionary note should make the student aware that there is a specific Hawaii law about the unauthorized practice of law and because they will be discussing legal issues, the student should be advised that they should seek legal counsel.

Commissioner Evangelista added that Mr. Daggett should refrain from using the title "Commissioner" as the consumer may believe he is a "Real Estate Commissioner" vs. a "Foreclosure Commissioner." Also, Commissioner Rice added that the use of the title "[Foreclosure] Commissioner" only relates to Mr. Daggett for a specific pending foreclosure action—this may be a confusion for consumers.

Senior Specialist Fujimura inquired if the Committee intends to tell Mr. Daggett to not use the title "Commissioner." Commissioner Ohama stated that Mr. Daggett should refrain from using the title "Commissioner" unless he is referring to a specific case.

Commissioner Ohama added that he feels some of the questions on the course outline are very weak.

Commissioner Rice withdrew his motion. Commissioner Okawa withdrew her second to the motion.

Upon a motion by Commissioner Evangelista, seconded by Commissioner Rice, it was voted on and unanimously carried to defer decision making on this application to the next Education Review Committee meeting on March 13, 2002 and request the appearance of Mr. Daggett.

**Provider – Coldwell Banker Pacific Properties Real Estate School
(Administrator: Barbara Dew)**

Vice Chair P. Choi reported that the proposed provider will not advertise and intends to offer continuing education courses only to their agents. Specialist Arata added that outside individuals will be allowed to attend the courses.

Commissioner Okawa moved to recommend approval. Commissioner Imanaka seconded the motion.

Commissioner Ohama raised concerns that restricting attendance to their agents only by not advertising goes against the intent of providing continuing education to the public. Specialist Arata replied that the scheduled courses are provided to the public via the Real Estate Commission web site and also available on hard copy via mail or fax. She added that the schedule is also printed in the *Bulletin*.

Commissioner Rice stated that if you begin to have closed schools they may begin to teach only what they want to teach. The instructor may have the tendency to only teach what they want their agents to know.

Commissioner Aki pointed out that the courses can be monitored.

Commissioner Evangelista felt that this will set a bad precedent as it is very restrictive.

At this time the Committee voted on the motion. Chair Aki, Commissioner Imanaka and Commissioner Okawa voted aye and Commissioners Evangelista, Ohama, and Rice and Vice Chair P. Choi voted nay. No decision was made due to the lack of five votes in favor or in opposition.

Commissioner Imanaka stated that he felt the more courses offered, the better. This will give people more educational opportunity.

Senior Specialist Fujimura inquired if the Committee wanted to seek counsel from the Deputy Attorney General.

SEO Kimura stated that the rules do not state that a continuing education provider must advertise, nor do they state that a continuing education provider is not allowed to only teach in-house.

Commissioner Imanaka inquired if there was a rule whereby the Committee can deny a continuing education provider registration on the basis that they may not provide the course to the public due to the lack of advertising. Deputy Attorney General Wong replied no.

Upon a motion by Commissioner Okawa, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend approval of Coldwell Banker Pacific Properties Real Estate School as a continuing education provider.

Prelicense Education: **Independent Study Course – Evaluation (Salesperson Curriculum)**

Vice Chair P. Choi acknowledged receipt of the four course evaluations for Seiler School of Real Estate's Independent Study course.

Administration of
Examinations:

ASI

2002 ASI Holiday/Non-testing Schedule

The 2002 ASI Holiday/Non-testing schedule was distributed to the Commissioners for their information.

Sale Update

An update regarding the sale of ASI was distributed to the Commissioners for their information.

Candidate Satisfaction Update

The ASI Candidate Satisfaction Update for the period covering October 1 through December 31, 2001, was distributed to the Commissioners for their information.

Test Site Monitoring

An ASI test site monitoring report was distributed to the Commissioners for their information.

Specialist Arata reported that she and EO Taniguchi visited ASI's Honolulu test site on Tuesday, February 5, 2002. She stated that everything appeared to be going as it should and there were a total of five real estate candidates that day. She added that they were allowed to test the ExPro machine.

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

Hawaii Chapter of Real Estate Educators Association – 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: Annual Report, Quarterly Bulletin, and School Files – February 2002 School Files

A copy of the February 2002 issue of *School Files* was distributed to the Commissioners for their information.

ARELLO, REEA & Other Organizations: ARELLO Certification for Distance Education Course

Information regarding the ARELLO.NET web site was distributed to the Commissioners for their information.

Senior Specialist Fujimura reported that the web site enables regulators and course providers to view and print the official course summary certificates for all certified courses. She stated that the site works and is quite easy to use.

Open Forum: No discussion presented.

Next Meeting: Wednesday, March 13, 2002
10:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, Vice Chair Choi adjourned the meeting at 11:00 a.m.

Respectfully submitted by:

/s/ Diane Choy Fujimura
Diane Choy Fujimura
Senior Real Estate Specialist

March 13, 2002
Date

[X] Minutes approved as is.
[] Minutes approved with changes.