

**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: Tuesday, April 9, 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  
Michael Ching, 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: Patricia Choi, Vice Chair  
Alfredo Evangelista, Member

Absent: Casey Choi, Member

Call to Order: Chair Aki called the meeting to order at 10:03 a.m., at which time quorum was established.

Chair's Report: No report presented.

Sr. Real Estate Specialist's Report: Minutes of Meetings  
Upon a motion by Commissioner Rice, seconded by Commissioner Ohama, it was voted on and unanimously carried to accept the minutes of the March 13, 2002, Education Review Committee meeting as distributed.

At this time, Commissioner Ching inquired about the status of the contract with Morgan Stanley Dean Witter. EO Taniguchi replied that the contract with Morgan Stanley Dean Witter expired in 1997, but remains on contract until each investment reached maturity, and he is currently working on a Request for Proposals.

Announcements, Introduction, Correspondence, and Additional Distribution

Upon a motion by Commissioner Ohama, seconded by Commissioner Okawa, 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) Course – “Risk Management,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Risk Management, Course Clock Hours: 3
    - 5) Course – “Property Management and Managing Risk,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Property Management, Course Clock Hours: 3
    - 6) Course – “Diversity and Doing Business,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Other (Client Relations), Course Clock Hours: 3
    - 7) Course – “Introduction to Commercial Real Estate Sales,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Commercial Real Estate, Course Clock Hours: 3
    - 8) Course – “Fair Housing,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Other (Discrimination), Course Clock Hours: 3

Continuing Education: Applications

**Course – “Fair Housing,” Author/Owner: Hawaii Real Estate Research and Education Center (updated 2002 by Lynn W. Carlson), Provider: Lynn W. Carlson, Course Category: Real Estate Law and Fair Housing, Course Clock Hours: 3**

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

At this time, Commissioner Okawa raised concerns that the instructor is not an attorney and as laws and regulations will be taught, the instructor should inform his students that he is not an attorney and students should seek legal advice.

Commissioner Ching stated that the instructor should provide a statement at the beginning of the course materials, as well as at the beginning of the class, that he is not an attorney and students should seek legal advice.

Commissioner Ching inquired if Commissioner Okawa would be more comfortable if the course was only under the course category Fair Housing and not Real Estate Law. Commissioner Okawa replied yes.

The motion was voted on and it was unanimously carried to recommend approval of "Fair Housing" as a three clock hour continuing education course under the course category Fair Housing with the following condition: Provider to add a disclaimer to the information provided to students that the instructor is not providing legal advice, but is merely presenting information on the subject matter. Legal counsel should be sought for legal interpretation of the material presented.

**Course – "Basic Real Estate Investment Analysis," Author/Owner: Hawaii Real Estate Research and Education Center (updated 2002 by Lynn W. Carlson), Provider: Lynn W. Carlson, Course Category: Investment, Course Clock Hours: 3**

Upon a motion by Commissioner Ching, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend approval of "Basic Real Estate Investment Analysis" as a three clock hour continuing education course under the course category Investment.

**Provider – Fahrni School of Real Estate, Administrator: Helen Kate Fahrni**

Senior Specialist Fujimura stated that this application is complete except for the bond. She stated that Fahrni School of Real Estate is a current prelicense school with a current bond so there should be no problem for Ms. Fahrni to obtain a bond.

Upon a motion by Commissioner Ohama, seconded by Commissioner Okawa, it was voted on and unanimously carried to recommend approval of Fahrni School of Real Estate as a continuing education provider subject to submission of continuing education bond pursuant to §16-99-99(a)(7), Hawaii Administrative Rules.

**Course – "Risk Management," Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Risk Management, Course Clock Hours: 3**

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

**Course – “Property Management and Managing Risk,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Property Management, Course Clock Hours: 3**

Commissioner Ching stated that a copy of the Landlord-Tenant Code should be distributed to students who take this course.

Upon a motion by Commissioner Rice, seconded by Commissioner Ching, it was voted on and unanimously carried to recommend approval of “Property Management and Managing Risk” as a three clock hour continuing education course under the course category Property Management with the following condition: A copy of the current Hawaii Residential Landlord-Tenant Handbook be distributed to all students as part of the course to provide Hawaii-specific information on landlord-tenant issues.

**Course – “Diversity and Doing Business,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Other (Client Relations), Course Clock Hours: 3**

Upon a motion by Commissioner Okawa, seconded by Commissioner Ching, it was voted on and unanimously carried to recommend approval of “Diversity and Doing Business” as a three clock hour continuing education course under the course category Fair Housing as this is consistent with the prior certification of the same course under the Fair Housing category.

**Course – “Introduction to Commercial Real Estate Sales,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Commercial Real Estate, Course Clock Hours: 3**

Commissioner Ohama voiced concerns that the description of the course is not appropriate.

Chair Aki stated that it is a beginners course.

Commissioner Ching suggested that maybe the course name needs to be changed.

Commissioner Ohama stated that the description of the course implies that after completing the course they will be able to complete a commercial real estate transaction. Commissioner Ching agreed and stated that it misleads the student.

Upon a motion by Commissioner Ching, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend approval of “Introduction to Commercial Real Estate Sales” as a three clock hour continuing education course under the course category Commercial Real Estate subject to the following condition: The course description be changed to reflect the course level as introductory, and the description included in the application, "This course offers a comprehensive blueprint for successful commercial real estate transaction. . .," be omitted from any course materials, advertisements, etc. so as not to mislead students.

**Course – “Fair Housing,” Author/Owner: Dearborn Real Estate Education, Provider: Fahrni School of Real Estate (pending), Course Category: Other (Discrimination), Course Clock Hours: 3**

Upon a motion by Commissioner Ching, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval of “Fair Housing” as a three clock hour continuing education course under the course category Fair Housing.

At this time, Commissioner Aki requested that, in the future, Staff check duplicate courses that were approved before so that the Committee can be consistent with their recommendations.

Prelicense Education: Administrative Issues

**Application form for Independent Study Course Instructor and Independent Study Course - Drafts**

Senior Specialist Fujimura reported that in accordance with recommendations from previous meetings and that many schools wish to provide independent study courses, she has drafted an Application for Approval of Prelicense Independent Study Course and Supplementary Approval for Prelicense Independent Study Course Instructor. She reported that the application questions are based on ARELLO distance education standards.

Senior Specialist Fujimura requested input/suggestions from the Commissioners.

SEO Kimura added that Staff is merely seeking input, not approval of the draft applications and that all applications are subject to amendments. He stated that if there is no feedback, Staff will finalize the application forms for use.

Applications

**Prelicense Independent Course – Salespersons Curriculum (Vitousek Real Estate School, Paige B. Vitousek, Administrator)**

Upon a motion by Commissioner Okawa, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend approval of the Independent Study Course for Salespersons offered through the Vitousek Real Estate School subject to the following conditions:

- 1) Students must submit an evaluation form directly to the Commission upon completion of the course, until directed to cease.
- 2) When the supplemental prelicensing instructor application form is available, the instructor must complete and submit the application form directly to the Commission.
- 3) Any reference to "salesmen"/"salesman" in course application form and materials should be changed to "salesperson."

Independent Study Course

**Evaluations (Salespersons Curriculum)**

Chair Aki acknowledged receipt of evaluations for Seiler School of Real Estate's Independent Study Course.

Specialist Arata noted that although the evaluation scores are generally high, the exception is the category "Delivery Method: Degree of problems with self paced instruction." This category received both "low" and "high" marks.

Commissioner Imanaka stated that he also made that observation, but wonders if the readers are interpreting the question differently.

SEO Kimura added that this course may also be monitored.

Chair Aki inquired if there was any interest in monitoring the exam results of students that complete the independent study course. Commissioner Ching stated that the Commission should not interfere with how individuals get educated. Chair Aki agreed.

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:

Neighbor Island Outreach

**Kauai, June 14, 2002**

The next neighbor island outreach is scheduled for Friday, June 14, 2002, on the island of Kauai. The meetings will be held in Conference Rooms A, B and C in the State Office Building, located at 3060 Eiwa Street, Second Floor, Lihue, Kauai. The meeting times are as follows:

9:00 a.m.	Condominium Review Committee
10:00 a.m.	Laws and Rules Review Committee
10:30 a.m.	Education Review Committee

Interactive Participation with Organizations

**Hawaii Association of REALTORS®, Pacific Rim Real Estate Conference, September 5 – 6 2002**

SEO Kimura reported that HAR is trying to do something different from past years by presenting this conference. He stated that some Staff members will be participating in the conference and inquired if any Commissioners were interested in participating.

Commissioner Imanaka inquired if this was the first time HAR is presenting this type of conference. SEO Kimura replied yes.

Commissioner Imanaka stated that he believes this is a great idea and he would be interested in learning more. He added that this would be a great opportunity to interface with regulators from other jurisdictions, not just the United States.

Commissioner Ohama asked to have the Committee meetings held at the same time.

Commissioner Imanaka stated that the Commission or HAR may want to consider a panel if other regulators want to participate on topics such as the internet or cross-border investment.

SEO Kimura stated that we need to plan ahead—get approvals, make travel arrangements for neighbor island Commissioners, etc.

Upon a motion by Commissioner Ohama, seconded by Commissioner Ching, it was voted on and unanimously carried to recommend approval for all Commissioners and Staff to participate in the Hawaii Association of REALTORS® Pacific Rim Real Estate Conference on September 5 – 6, 2002, subject to budget and DCCA approval.

Open Forum: No discussion presented.

Next Meeting: Wednesday, May 8, 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, Chair Aki adjourned the meeting at  
10:44 a.m.

Respectfully submitted by:

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

          May 8, 2002            
Date

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

DCF:kt  
04/10/02