

**EDUCATION REVIEW COMMITTEE**  
REAL ESTATE COMMISSION  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii  
[www.hawaii.gov/hirec](http://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: Wednesday, March 10, 2004

Time: 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, 1<sup>st</sup> Floor  
Honolulu, Hawaii

Present: Vern Yamanaka, Chair  
Trudy Nishihara, Vice Chair  
Louis Abrams, Member  
Marshall Chinen, 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 K. A. Kimura, Real Estate Specialist  
Ryan Yamashiro, Real Estate Specialist  
Cynthia Yee, Senior Condominium Specialist  
Cheryl Leong, Condominium Specialist  
Gordon Arakaki, Recodification Attorney  
Shari Wong, Deputy Attorney General  
Karyn Takahashi, Recording Secretary

Others: Marsha Shimizu, Hawaii Association of REALTORS®  
Karen Iwamoto, Hawaii Association of REALTORS®  
Janice Lind, RE3, LLC, Real Estate Services  
Tom Gill, Coldwell Banker Pacific Properties, Ltd.

Excused: Kathleen Kagawa, Member

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

Chair's Report: No report.

Sr. Real Estate Specialist's Report: Announcements, Introduction, Correspondence, and Additional Distribution

The following was distributed as additional distribution:

8. Program of Work, FY04
  - c. Annual Report, Quarterly Bulletin, School Files – Real Estate Bulletin Consultant Proposal

Upon a motion by Commissioner Imanaka, seconded by Commissioner Ohama, it was voted on and unanimously carried to defer decision making on the Real Estate Bulletin Consultant Proposal to the Condominium Review Committee meeting of March 10, 2004.

#### Minutes of Meeting

Upon a motion by Commissioner Okawa, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the minutes of the February 11, 2004, Education Review Committee meeting as distributed.

Continuing Education: **Administrative Issues**

Request from Kona Board of REALTORS® to change their core course, "Ethics and Real Estate," to an elective continuing education course

Upon a motion by Commissioner Abrams, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval of changing the continuing education core course "Ethics and Real Estate," offered by the Kona Board of REALTORS®, to an continuing education elective course for three clock hours.

#### **Applications**

Course – "Land Use and Development;" Author/Owner: Hawaii Association of REALTORS®; Provider: Hawaii Association of REALTORS®; Course Category: Property Ownership and Development; Clock Hours: 3

Upon a motion by Commissioner Abrams, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval of "Land Use and Development" as a three clock hour continuing education elective course under the course category Property Ownership and Development.

Course – "Positioning Properties to Maximize Home Owner Value in the Market Place;" Author/Owner: Martha Webb, BCW Group, Provider: Coldwell Banker Pacific Properties Real Estate School; Course Category: Other; Clock Hours: 8

Mr. Tom Gill was present to address any concerns.

Chair Yamanaka stated that he had concerns about the course topic.

Commissioner Ohama inquired if this course would be open to anyone. Mr. Gill responded yes. Commissioner Ohama asked if the general public could find out about this course. Mr. Gill responded yes, through the newspaper.

Mr. Gill stated that he was informed that there were concerns about this course—that it was aimed at the upper end market and that the course was designed to enhance the agent's career rather than focusing on the consumer. He stated that agents are already practicing staging and that this course would benefit the homeowner by maximizing the value of the property.

Vice Chair Nishihara inquired if this is happening all over the United States. Mr. Gill responded that the course has been approved in West Virginia, Iowa, Texas, Florida and Michigan and is pending approval in Vermont and California. Mr. Gill added that this course does not promote hiring a staging company.

Chair Yamanaka inquired how the course meets the criteria for approval under Section 16-99-100, Hawaii Administrative Rules. Mr. Gill responded that it qualifies under Section 16-99-100(a)(1)(B) to maximize the value of the consumer's property; Section 16-99-100(a)(1)(C) by improving the licensee's competency and professionalism in a changing marketplace; Section 16-99-100(a)(2) by improving the professionalism of the agent; Section 16-99-100(a)(3) developed for knowledge and abilities level beyond "professional entry"; and Section 16-99-100(a)(4) the major course concepts are staging and pricing strategy.

Commissioner Imanaka moved to approve "Positioning Properties to Maximize Home Owner Value in the Market Place" as an eight clock hour continuing education elective course under the course category Other. Commissioner Ohama seconded the motion.

At this time, Senior Specialist Fujimura requested that this course be approved for six clock hours for administrative purposes and to lessen the confusion for licensees. She added that she consulted a continuing education review panel member regarding this course and the member agreed that it should be six clock hours and also stated that it is hard to draw the line between salesmanship and being a good agent.

Concerns were raised that the course should include issues of agency and disclosure.

Commissioner Imanaka amended his motion to recommend approval of "Positioning Properties to Maximize Home Owner Value in the Market Place" as a six clock hour continuing education elective course under the course category Other, subject to the course content being adjusted to integrate issues of agency, disclosure and professionalism between an agent and client. Commissioner Ohama seconded the motion.

Mr. Gill inquired if the Committee wants the course expanded and broadened to include agency and disclosure issues. Commissioner Okawa responded that the course should key in on certain relevant criteria, not broadened. Commissioner

Imanaka responded that the topics should be integrated in the existing course curriculum and the course does not need to be expanded.

The motion was voted on and unanimously carried.

### **Continuing Education Core Course**

#### Update – Final – ProSchools, Inc. and Train the Trainer/IDW sessions on March 15-16, 2004, Maui and Oahu

Senior Specialist Fujimura reported that the Train the Trainer/IDW sessions for the Commission's 2003-2004 core course are scheduled for March 15 on Maui and March 16 on Oahu. She reported that approximately 10 individuals have signed up for the Maui session and 20 individuals for the Oahu session. She added once an instructor has completed this workshop they may teach the course through a certified provider.

#### Education Evaluation Task Force – next meeting is scheduled for Monday, April 5, 2004

It was reported that the next Education Evaluation Task Force meeting is scheduled for Monday, April 5, 2004.

### Prelicense Education: **Broker Curriculum and Resources**

#### Update – Final – RE3, LLC, Real Estate Services

Ms. Janice Lind was present to provide a report.

Ms. Lind reported that the broker curriculum update is behind schedule; however, it is pretty much finished and requires only last minute changes. She reported that the white paper is done and the suggestions for alternate forms of delivery is complete.

Ms. Lind stated that they have four handouts—Glossary of Hawaiian Real Estate Terms; Advertising Update; Web Resources; and Policies and Procedures Manual; however, as the contract stated up to six handouts they are seeking suggestions for two more handouts, as the EETF withdrew a couple of the handouts—Anatomy of a Closing Statement and Agency.

Upon a motion by Commissioner Ohama, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval to include “anatomy of a closing statement” and “agency” as the two remaining handout topics, along with the already decided handouts on policies and procedures manuals, Hawaiian glossary of real estate terms, websites and other resources, and advertising.

At this time, Commissioner Ohama inquired why the rules need to be changed to implement the new broker curriculum. Deputy Attorney General Wong responded that Section 16-99-36, Hawaii Administrative Rules, states a minimum

of 46 hours; however, Section 16-99-52.1, Hawaii Administrative Rules, independent study, does not state a minimum of 46 hours.

SEO Kimura added that there many other factors that need to be addressed before the curriculum can be put into effect—alternate forms of delivery, test development, RFP for the instructor workshop, and rulemaking.

Deputy Attorney General Wong stated that this is an on-going process and work does not stop while rules are being amended.

Administration of  
Examinations:

**Promissor**

It was reported that Promissor is in the initial phase of a National Job Task Analysis for the real estate industry.

Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend approval to appoint Commissioners Ohama and Yamanaka to participate in the National Job Task Analysis for the real estate industry.

At this time, Commissioner Ohama inquired about test development. Specialist Kimura stated that the earliest that the test development can take place is possibly August and Promissor's goal is to hold it in conjunction with Insurance test development.

SEO Kimura stated that Promissor will be put on notice that a new broker curriculum will be approved and that we are requesting a test development session.

Commissioner Ohama inquired on how soon Promissor could implement the new exam questions. Initially, SEO Kimura stated that the existing test curriculum must be compared to the new broker curriculum. From that comparison, new areas can be determined and areas can be eliminated.

Commissioner Ohama inquired if the questions could be written beforehand to expedite the test development process rather than coming up with questions at the item writing session, as it is too time consuming. Specialist Kimura responded that it is good to have Promissor personnel present for guidance on what makes a good questions, etc.

SEO Kimura stated that we could begin by getting a core group of people on board.

Commissioner Okawa inquired if Promissor could provide an analysis report. Commissioner Ohama added that we recommend that Promissor provide a report on where questions are needed, and have the EETF members write questions and forward them to Promissor.

Specialist Kimura stated that not all EETF members may be allowed to participate, for example instructors would not be allowed because of possible conflict of interest, etc.

SEO Kimura stated that it would be good to appoint a contact person on this project.

Upon a motion by Commissioner Nishihara, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend approval of Commissioner Ohama as the lead commissioner for test development issues and the participation of appropriate EETF members in item writing.

### **Test Development and Scenario Exam Items**

SEO Kimura reported that PSI is working on a new job analysis and wants to get as many states to participate. He stated that he and Commissioner Ohama have been invited to participate. All expenses will be covered by PSI.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval for Commissioner Ohama and SEO Kimura to participate in meetings with PSI regarding test development.

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: **Annual Report, Quarterly Bulletin, and School Files**

#### March 2004 Bulletin

The March 2004 issue of the real estate *Bulletin* has been completed and distributed. A copy can also be found of the Commission's web site—[www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

#### **Neighbor Island Outreach**

##### Big Island, May 11, 2004

The next neighbor island outreach has been scheduled for the Big Island on May 11, 2004.

#### **Interactive Participation with Organizations**

##### Report on CRB Broker's Forum, February 13, 2004

Evaluations of Hawaii CRB Chapter's Broker's Forum was distributed to the Commissioners for their information.

Hawaii Realtor Journal – Schedule of deadlines for Commissioner’s articles

The schedule of Hawaii Realtor Journal article deadlines was distributed to the Commissioners.

**Real Estate Seminars**

RFP to all Boards of REALTORS

Upon a motion by Commissioner Abrams, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval to send Request for Proposals for development and presentation of real estate seminars, workshops, programs, and events to the state’s boards of REALTORS.

**Instructor’s Development Workshop**

Train the Trainer by ProSchools, Inc. will also be an IDW

It was reported that the upcoming “train the trainer” sessions for the Commission’s 2003-2004 core course are also Instructor’s Development Workshops.

ARELLO, REEA and  
Other Organizations:

**ARELLO, REEA and Other Organizations**

A copy of a REEALine discussion e-mail was distributed to the Commissioners for their information.

Open Forum:

Ms. Marsha Shimizu reported that the HAR has received the landlord tenant seminar contract and it will be signed within the month. They are currently in the process of finding a location and hope to have locations secured by the end of the month. They plan to have materials ready in April and full promotion of the program in May/June.

Ms. Shimizu also reported that Craig Cheatham will be participating in HAR’s convention planned for September 16-17, 2004. She inquired if the Commission would be interested in participating in the convention and if they wanted a room.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend participation by the Commissioners in the upcoming Hawaii Association of REALTORS® convention, September 16-17, 2004, Sheraton Waikiki Hotel. A specific time and room will be reserved for this purpose.

Next Meeting:

Wednesday, April 14, 2004  
Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:00 a.m.  
Queen Lili`uokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, Hawaii

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Adjournment:               With no further business to discuss, Chair Yamanaka adjourned the meeting at  
10:25 a.m.

Reviewed by:

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

April 14, 2004  
Date

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

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