

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: Tuesday, May 11, 2004

Time: Upon adjournment of the Laws and Rules Review Committee meeting, which convened at 9:00 a.m.

Place: Conference Rooms A, B and C
Main State Building
75 Aupuni Street
Hilo, Hawaii

Present: Vern Yamanaka, Chair
Louis Abrams, Member
Marshall Chinen, Member
Mitchell Imanaka, Member
Kathleen Kagawa, Member
John Ohama, Member
Iris Okawa, Member
Peter Rice, Member

Calvin Kimura, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Shari Wong, Deputy Attorney General
Irene Kotaka, Recording Secretary

Others: Wayne Richardson III, RE3, LLC, Real Estate Services
Yukio Takeya
Marsha Shimizu, Hawaii Association of REALTORS
Ketura De Mattos

Excused: Trudy Nishihara, Vice Chair

Call to Order: Chair Yamanaka called the meeting to order at 9:13 a.m., at which time quorum was established.

Chair's Report: No report.

Sr. Real Estate Specialist's Report: Minutes of Meeting

Upon a motion by Commissioner Abrams, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the minutes of the April 14, 2004, Education Review Committee meeting as distributed.

Continuing Education: **Administrative Issues**

Request to change course title "Comprehensive 1031 Exchange" to "How Realtors Can Participate in 1031 Exchange Without Liability," Eddie Flores Real Estate School

Upon a motion by Commissioner Abrams, seconded by Commissioner Rice, it was voted on and unanimously to recommend approval to change the course title "Comprehensive 1031 Exchange" to "How Realtors Can Participate in 1031 Exchange Without Liability."

Continuing Education Core Course

Evaluation Forms

Copies of the course evaluation forms for the CE Core Course class that was taught by Kenneth Chong were distributed to the Commissioners for their review. Some felt that there was too much material to cover within the time allotted.

Commissioner Ohama noted that some attendees had recommended that the materials be adapted more to Hawaii and one of the attendees had stated that the material was redundant since it contained material that was covered in the National Association of REALTORS' Ethics course.

Ms. Shimizu reported that the Hawaii Association of REALTORS was requesting that the Commission consider reinstating the test at the end of the course as means of monitoring the courses.

Education Evaluation Task Force

Next Meeting on Monday, May 17, 2004

Senior Specialist Fujimura reported that the next EETF meeting will be held on Monday, May 17, 2004 9:00 a.m. to 3:00 p.m., at the Honolulu Board of REALTORS' office. They will be discussing test development.

Promissor will be coming to Hawaii in August and will be developing the test questions at that time also.

Prelicense Education: **Applications**

Prelicense Substitute Instructor – Ron Fleet, Hawaii Institute of Real Estate; John Stapleton, Principal

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval of Ron Fleet as prelicense substitute instructor for the broker and salesperson curriculums.

Broker Curriculum and Resources

Update – RE3, LLC, Real Estate Services

Mr. Richardson distributed the following information:

1. White paper on alternate delivery methods, remote learning systems, and alternative methods of delivery;

2. Directory of Real Estate Resources; and
3. Land in Hawaii

Mr. Richardson informed the Commissioners that he developed a handout in narrative format as a brief history of the transition from a feudal system to an allodial system and included Hawaiian words which are used in the real estate industry today, instead of simply compiling a list of definitions for the Hawaiian words in a glossary format.

He also stated that he was happy to be able to provide future updates for the "Directory of Real Estate Resources" handout.

Mr. Richardson also stated that since he had not received any comments on the first handout on policies and procedures manuals, he would be wrapping up the project shortly.

Mr. Richardson stated that the measurement of how well a person has been trained should be based on their ability to retain and apply the information that they were taught.

Mr. Richardson suggested that the Commission consider allowing students to take the course online using password controls. He also suggested that the Commission might consider bringing in someone to help the schools increase their technological capabilities.

Upon a motion by Commissioner Okawa, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend creating a Request for Proposal for updating and revising the current salesperson's curriculum to reflect continuity with the updated and revised broker's curriculum.

Chair's Report: Chair Yamanaka recognized former Commissioner Yukio Takeya.

Educator's Forum: **Hawaii Association of REALTORS®** – A copy of the Landlord Training Program: Keeping Illegal Activity Out of Rental Property flyer was distributed to the Commissioners for their information.

Ms. Shimizu reported that the Attorney General's Office will be participating in this program and will be paying for the speaker's expenses. The Attorney General will be sending a letter to the condominium associations to inform them of the seminar. The seminar will also be held on the neighbor islands and the neighbor island Commissioners were invited to attend.

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

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

Program of Work: **Interactive Participation with Organizations**

A copy of the revised schedule for Journal articles was distributed to the Commissioners for their information.

Senior Specialist Fujimura reported that a Request for Proposal had been sent to the local boards to solicit proposals to develop and produce real estate seminars,

workshops, programs and events. The Commission did not receive any proposals.

Real Estate Specialists' Office for the Day

A Specialists' Office for the Day was held on May 7, 2004, at the REALTORS' Association of Maui.

The next Specialists' Office for the Day will be held on Friday, May 21, 2004, from 10:00 a.m. to 1:00 p.m., at the Kauai Board of REALTORS®, located at 4359 Kukui Grove, #103, Lihue, Kauai.

Evaluation and Education System for CE and Prelicensing Instructors

Senior Specialist Fujimura reported that staff has monitored five courses. Staff started monitoring the core courses developed by different providers, including one core course offered by the Honolulu Board of REALTORS, and has also monitored one of the providers who presented the Commission's core course. The Commissioners were also asked to notify staff when they attend continuing education courses so they may monitor the course and instructor.

Program of Work, FY05

Upon a motion by Commissioner Ohama, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend acceptance of the draft Program of Work for Fiscal Year 2005, with the inclusion of the updating of the real estate salesperson's curriculum.

Open Forum:

Ms. Shimizu informed the Commissioners that HAR is planning to conduct an instructor's forum in late summer and an Instructor's Development Workshop ("IDW"). The Commission is co-sponsoring the IDW.

Mr. Takeya asked what the Real Estate Education Fund balance was. He was informed that the anticipated balance at the end of FY2004 was \$698,000.

Mr. Takeya noted that attendance at classes offered by the local boards is low if the licensees do not receive credit for their attendance. He also informed the Commissioners that the Hawaii Island Board of REALTORS' Government Affairs Council considered appropriating some time during the core course to discuss local issues.

Chair Yamanaka stated that the industry puts out an annual legislative update that addresses statutory changes. If the local boards would like to have their courses considered for continuing education credit, they need to submit their application to the Commission.

It was suggested that the boards could include this in their general membership meetings.

Ms. Shimizu reported that the Hawaii Association of REALTORS' incoming president has expressed his desire to begin offering the outreach program again. She stated that the HAR could work with the local boards to make sure that the pertinent topics are covered.

It was noted that other jurisdictions provide grants to the providers so that moneys could be used to benefit the education of licensees.

Mr. Takeya suggested a grant to update the county handbook.

Budget and Finance Report: A copy of the financial overview of the Real Estate Education Fund for fiscal years 2004 through 2008 was distributed to the Commissioners for their information.

Commissioner Rice questioned the increase in the operating costs for FY2005. He was informed that the increase reflected the addition of the supplemental budget request that was approved.

Next Meeting: Wednesday, June 7, 2004
Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:00 a.m.
King Kalakaua Building
Queen Liliuokalani Room
335 Merchant Street, First Floor
Honolulu, HI 96813

Adjournment: With no further business to discuss, Chair Yamanaka adjourned the meeting at 9:58 a.m.

Reviewed by:

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

July 14, 2004
Date

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