

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: Wednesday, August 11, 2004

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

Place: King Kalakaua Building
Queen Liliuokalani Room
335 Merchant Street, First Floor
Honolulu, Hawaii

Present: Trudy Nishihara, Vice Chair
Louis Abrams, Member
Carol Ball, Member
Mitchell Imanaka, Member
Kathleen Kagawa, Member
Michele Sunahara Loudermilk, Member
John Ohama, Member
Iris Okawa, Member

Calvin Kimura, Supervising Executive Officer
Neil Fujitani, 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
David Grupen, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Others: Janice Lind, RE3, LLC, Real Estate Services
Marsha Shimizu, Hawaii Association of REALTORS
George Y. Chatani

Absent: Vern Yamanaka, Chair

Call to Order: Vice Chair Nishihara called the meeting to order at 10:00 a.m., at which time quorum was established.

Chair's Report: No report presented.

Sr. Real Estate
Specialist's Report:

Announcements, Introduction, Correspondence and Additional Distribution

The following were distributed at additional distribution:

4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - b. Applications
 - 1) Course – “Property Tax in Hawaii;”
Author/Owner/Provider: Lorman Business Center, Inc.;
Course Category: Other (Property Tax); Clock Hours: 3
 - 4) National Course – “Effective Real Estate Negotiations:
Creating Maximum Advantage;” Author/Owner: Thomas
Gille, BOMA; Provider: BOMA – Hawaii (upon
approval); Course Category: Other; Clock Hours: 3
 - h. Education Evaluation Task Force – Agenda for next meeting on
Monday, August 16, 2004
5. Prelicensing Education Administration, Curriculum, Schools, Instructors, and Equivalency

Minutes

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

Continuing Education: **Administrative Issues**

Senior Specialist Fujimura reported that as of Monday, August 9, 2004, 2,622 licensees completed their 10 hour continuing education requirement.

Applications

Course – “Property Tax in Hawaii;” Author/Owner/Provider: Lorman Business Center, Inc.; Course Category: Other (Property Tax); Clock Hours: 3

Upon a motion by Commissioner Abrams, seconded by Commissioner Imanaka, it was voted on and unanimously carried to recommend approval of “Property Tax in Hawaii” as a three clock hour continuing education elective course, under the course category Other (Property Tax).

Course – “Advanced Topics in Hawaii Real Estate Law;” Author/Owner/Provider: Lorman Business Center, Inc.; Course Category: Real Estate Law; Clock Hours: 3

Senior Specialist reported that this is a six clock hour course.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend approval of “Advanced Topics in Hawaii Real Estate Law” as a six clock hour continuing education elective course, under the course category Real Estate Law.

Provider – BOMA – Hawaii; Administrator: Gaylene Nako, BOMA Association Executive

Upon a motion by Commissioner Kagawa, seconded by Commissioner Okawa, it was voted on and unanimously carried to recommend approval of BOMA – Hawaii as a continuing education provider.

National Course – “Effective Real Estate Negotiations: Creating Maximum Advantage;” Author/Owner: Thomas Gille, BOMA; Provider: BOMA – Hawaii (upon approval); Course Category: Other; Clock Hours: 3

Senior Specialist Fujimura reported that the correct name of the course is “Effective Negotiations: Creating Maximum Advantage.”

Upon a motion by Commissioner Abrams, seconded by Commissioner Okawa, it was voted on and unanimously carried to recommend approval of “Effective Negotiations: Creating Maximum Advantage” as a three clock hour continuing education elective course.

Continuing Education Core Course

Evaluations on file

Senior Specialist Fujimura reported that written evaluations of the Commissions’ continuing education core course, on-line and live delivery, continue to stream in and are available for the Commissioners’ review. She reported that the majority of reviews are positive.

Beth Holiday

A copy of an email received from Beth Holiday, Continuing Education Instructor, outlining her concerns regarding the Commission’s core course was distributed to the Commissioners for their information.

Vice Chair Nishihara stated that Ms. Holiday was one of the original members invited to participate at the Education Evaluation Task Force (EETF) meetings. Unfortunately, due to schedule conflicts, she was not able to attend any of the EETF meetings to date. Vice Chair Nishihara commented that she wished Ms. Holiday could have participated during the core course development process and voiced her concerns at that time.

Commissioner Abrams stated that many of her concerns may be better addressed by the Hawaii Association of REALTORS® and requested that her email be forwarded to them.

Commissioner Ball stated that she was surprised by the type of concerns Ms. Holiday had regarding the core course, as some of her concerns were addressed at the Instructor’s Development Workshop given by ProSchools.

Vice Chair Nishihara added that the instructors teaching the course may not be familiar with specific subject areas. In the future, they should be knowledgeable on all core course subject areas so as to avoid just facilitating the course rather than teaching it. Commissioner Ball added that instructors should be told to follow the curriculum. By trying to enhance the core course materials with independent research, the instructor may be creating more questions than necessary on the part of the students.

Education Evaluation Task Force

The agenda for the upcoming August 16, 2004, EETF meeting was distributed to the Commissioners for their information.

Prelicense Education: **Administrative Issues**

Evaluation forms (13) – Seiler School of Real Estate

Copies of evaluations of Seiler School of Real Estate's independent study course were distributed to the Commissioners for their information.

Broker Curriculum and Resources

On-line Broker Curriculum RFP

A copy of the proposed RFP to offer the broker curriculum on-line was distributed to the Commissioners.

Ms. Janice Lind, RE3, LLC, Real Estate Services, stated that they are attempting to create an on-line version of the broker curriculum, but noted that there are many things that they need to consider. For example, how will they figure out the log in time, who will host the site (if they manage their own site, changes can be easily made), site security, what modules are better provided on-line, what modules are better provided in the classroom environment, etc.

SEO Kimura inquired if they are seriously looking into offering the broker curriculum on-line. Ms. Lind replied yes. SEO Kimura inquired if they could economically meet their goals? Ms. Lind responded that Mr. Richardson will be risking his profits.

10:23 a.m. Commissioner Ohama excused.

SEO Kimura suggested that the RFP should request proposals on a cost per module basis.

Upon a motion by Commissioner Okawa, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to recommend approval of the Request for Proposals as amended and to also include the following specific items:

- 1) Provider may propose specific modules in the broker curriculum to develop in an on-line format, not necessarily including all modules in the curriculum;
- 2) Provider will detail a cost breakdown for each module. Commission will review the cost breakdown for each module and determine which specific modules will be developed in the on-line format;
- 3) Provider will include estimated start-up and development costs, if any, for the on-line broker curriculum as a separate item from the cost of each module;
- 4) The Request for Proposals will include the State of Hawaii general conditions for small purchase contracts for non-professional services as attachment 3; and

- 5) Item 3, under Terms and Conditions, delete, “. . .and shall be less than \$25,000.00. Item 3 will read, “PROVIDER understands that this solicitation is under the Small Purchase Contract guidelines of the State of Hawaii.”

Administration of
Examinations:

Promissor

Licensing Examination Statistics

Examination statistics for fiscal year 2004 was distributed to the Commissioners for their information.

June 2004 School Summary Reports

A copy of the performance summary report, by school, was distributed to the Commissioners for their information. The report is derived from statistics for first time test takers

National Job Task Analysis

Specialist Kimura reported that Promissor’s National Job Task Analysis is on-going until the end of August.

Real Estate Educators/School Meeting Day – Friday, August 27, 2004, Ala Moana Hotel

Specialist Kimura reported that Promissor will be holding an informational meeting for real estate schools and educators on Friday, August 27, 2004. Mr. Richardson and Ms. Lind of RE3, LLC, Real Estate Services, will also be there to provide a briefing on the updated broker curriculum. Specialist Kimura reported that as of Friday, August 6, 2004, representatives from five schools have stated they will attend. All Commissioners are also welcome to attend.

Test Development and Scenario Exam Items

August 25-27, 2004 test development meetings

Test development sessions have been confirmed for Wednesday, August 25 to Friday, August 27, 2004.

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

Senior Specialist Fujimura reported that the August 2004 issue of *School Files* will be distributed this month.

Neighbor Island Outreach/Specialists' Office for the Day

The next neighbor island outreach is scheduled for the island of Kauai. The Committee meetings will be held on Wednesday, September 8, 2004, in Conference Rooms A, B and C of the State Office Building, located at 3060 Eiwa Street, Lihue, Kauai. Concurrently, Real Estate and Condominium Specialists' Office for the Day will be held.

Interactive Participation with Organizations

Pacific Rim Real Estate Conference, September 16-17, 2004

The Hawaii Association of REALTORS' will be holding their Pacific Rim Real Estate Conference on September 16 – 17, 2004 at the Sheraton Waikiki Hotel. The Commissioners questions and answer session has been moved to the afternoon of Thursday, September 16, 2004.

Real Estate Seminars

"Landlord Training Program: Keeping Illegal Activity out of Rental Property" - Evaluations

Copies of evaluations of the "Landlord Training Program: Keeping Illegal Activity out of Rental Property" was distributed to the Commissioners for their information. This seminar was in partnership with the Attorney General's Office, Hawaii Association of REALTORS®, and the Commission.

Evaluation and Education System for CE and Prelicensing Instructors

Senior Specialist Fujimura reported that EO Fujitani and Specialist Yamashiro will monitor two prelicense courses beginning September 2004.

Instructor's Development Workshop

Senior Specialist Fujimura inquired if HAR would be willing to incorporate a "train the trainer" on the broker curriculum at their next scheduled IDW. Ms. Marsha Shimizu stated that they did have their own agenda; however, would be willing to look at the cross mix of instructors and consider including a broker curriculum "train the trainer" segment. It was concluded that this topic will be discussed at the upcoming EETF meeting on August 16.

New Technology Program and REC Web Site – Web site statistics

Web site statistics for fiscal year 2004 was distributed to the Commissioners for their information.

Specialist Grupen reported that staff recently met with HIC, the vendor for the State web site, and discussed the Commission's technology program and its visions. Some items of discussion were electronic filing of continuing education, accepting license applications on-line, chat, condominium projects, etc. SEO Kimura added that the goal is to get as much information and education out to the public as possible electronically.

Division and Department Programs – New salesperson licensees 2004

A report on the number of new salesperson licensees for January – July 2004 was distributed to the Commissioners for their information. The total number of 1,265 new salesperson licensees reflect 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.

Budget and Finance Report: Upon a motion by Commissioner Kagawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to accept the Real Estate Education Fund report for year ending June 30, 2004.

A copy of the fiscal year 2005 expenditure plan was distributed to the Commissioners for their information.

Next Meeting: Wednesday, September 8, 2004
Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:30 a.m.
State Office Building, Conference Rooms A, B & C
3060 Eiwa Street
Lihue, Kauai

Adjournment: With no further business to discuss, Vice Chair Nishihara adjourned the meeting at 10:40 a.m.

Reviewed by:

/s/ Diane Choy Fujimura

Diane Choy Fujimura
Senior Real Estate Specialist

September 8, 2004

Date

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