

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: May 10, 2006

Time: Upon adjournment of the Laws and Rules Review Committee meeting, which convened at 9:30 a.m.

Place: University of Hawaii at Hilo
Campus Center Conference Rooms 306/307
200 West Kawili Street
Hilo, Hawaii

Present: Vern Yamanaka, Chair/ Broker / Hawaii Commissioner
Carol Mae Ball, Vice Chair/ Broker / Maui Commissioner
Louis Abrams, Broker / Kauai Commissioner
Michele Sunahara Loudermilk, Public / Honolulu Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner

Calvin Kimura, Supervising Executive Officer
Diane Choy Fujimura, Senior 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: Dayle Reed, Realty Executives
Mike Schrieber
Kevin Miyashiro, Broker
Harrison Klein, Re/Max Properties
Annette Aiona
Michele Robles
Scott Sherley

Absent: Kathleen Kagawa, Broker / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Iris Okawa, Public / Honolulu Commissioner

Call to Order: Chair Yamanaka called the meeting to order at 10:15 a.m., at which time quorum was established.

Chair's Report: No report presented.

Sr. Real Estate Specialist's Report: Minutes
Upon a motion by Commissioner Ball, seconded by Commissioner Nishihara, it was voted on and unanimously carried to accept the minutes of the April 12, 2006, Education Review Committee meeting as distributed.

Continuing Education: Administrative Issues

New Salesperson Licensees

A report on the number of new salesperson licensees for March 2006 was distributed to the Commissioners for their information. The total number of 191 new salesperson licensees reflects 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.

Applications

2005-2006 Continuing Education Providers and Courses Ratification List

Upon a motion by Commissioner Abrams, seconded by Commissioner Ball, it was voted on and unanimously carried to approve the ratification of the following:

<u>Registration/Certification</u> Course	<u>Effective Date</u>
"Creating Value for Your Clients" (ARELLO Certified Course/Council of Residential Specialists)	04/21/06

Course – "Commercial Real Estate – Listing Properties;" Author/Owner: Dearborn Real Estate Education; Provider: Kauai Board of REALTORS®; Course Categories: Investment, Property Ownership and Development; Clock Hours: 3

Upon a motion by Commissioner Abrams, seconded by Commissioner Ball, it was voted on and unanimously carried to recommend approval of "Commercial Real Estate – Listing Properties" as a three clock hour continuing education elective course under the course categories Investment and Property Ownership and Development.

Course – "Commercial Real Estate – Understanding Investments;" Author/Owner: Dearborn Real Estate Education; Provider: Kauai Board of REALTORS®; Course Category: Investment; Clock Hours: 3

Upon a motion by Commissioner Abrams, seconded by Commissioner Ball, it was voted on and unanimously carried to recommend approval of "Commercial Real Estate – Understanding Investments" as a three clock hour continuing education elective course under the course category Investment.

Course – "Introduction to Commercial Real Estate Sales;" Author/Owner: Dearborn Real Estate Education; Provider: Kauai Board of REALTORS®; Course Categories: Investment, 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 "Introduction to Commercial Real Estate Sales" as a three clock hour continuing education elective course under the course category Investment.

Course – “The Truth About Mold;” Author/Owner: Dearborn Real Estate Education; Provider: Kauai Board of REALTORS®; Course Category: Risk Management; Clock Hours: 3

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to recommend approval of “The Truth About Mold” as a three clock hour continuing education elective course under the course category Risk Management.

Course – “Understanding 1031 – Tax-Free Exchanges” Author/Owner: Dearborn Real Estate Education; Provider: Kauai Board of REALTORS®; Course Category: Investment, Risk Management; Clock Hours: 3

Upon a motion by Commissioner Abrams, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval of “Understanding 1031 – Tax-Free Exchanges” as a three clock hour continuing education elective course under the course categories Investment and Risk Management.

Prelicensure Education: Applications

Course – Prelicensure Independent Study Course – Salesperson – Vitousek Real Estate School, Paige Vitousek, Principal, On-line Salesperson Course owned by ProSchools, Inc.

Upon a motion by Commissioner Abrams, seconded by Commissioner Ball, it was voted on and unanimously carried to recommend approval of the salesperson prelicensure independent study course owned by ProSchools, Inc., to be offered by Vitousek Real Estate School—Paige Vitousek, Principal.

Evaluation and Education Program

**Abe Lee Seminars; Salesperson Independent Study On-Line (7)
Seiler School of Real Estate; Salesperson Independent Study On-Line (5)
ProSchools, Inc.; Salesperson Independent Study On-Line (2)**

Copies of evaluations of independent study courses from the following prelicensure schools were distributed to the Commissioners for their information:

1. Abe Lee Seminars
2. Seiler School of Real Estate
3. ProSchools, Inc.

At this time, Senior Specialist Fujimura reported that she has contacted Mr. Abe Lee and discussed the comments from students regarding the inaccuracies in Mr. Lee’s manual. She stated that Mr. Lee is utilizing the latest edition of the Vitousek/Reilly manual. Senior Specialist Fujimura reported that she then contacted Ms. Vitousek and Ms. Vitousek has had the manual amended.

Administration of
Examinations:

Promissor

Licensing Examination Statistics

Examination statistics for March 2006 were distributed to the Commissioners for their information. Senior Specialist Fujimura reported that we are now up to a 42% passage rate for broker candidates. SEO Kimura added that historically, passage rates have been low for broker candidates.

Broker Exam Statistics

Information on the broker passing statistics from Promissor for the real estate broker candidates testing between January 1, 2006 and March 31, 2006, comparing those who have taken the 46 hour broker curriculum and the 80 hour curriculum were distributed to the Commissioners for their information.

Before 12/31/06 – Pass 21.9% Fail 78.1%
After 12/31/06 – Pass 35% Fail 65%

The “Before 12/31/06” and “After 12/31/06” represents the expiration date on the candidate’s School Completion Certificate.

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.

Hawaii Island Board of REALTORS® - No discussion presented.

University of Hawaii – Hilo – No discussion presented.

Program of Work:

Annual Report, Quarterly Bulletin, and School Files – *School Files*, May 2006

Senior Specialist Fujimura reported that the May 2006 issue of *School Files* will be distributed by the end of this week. *School Files* can also be viewed on our web site: www.hawaii.gov/hirec.

Instructor Development Workshop – 6/10/06, REEA 2006 Annual Conference

Senior Specialist Fujimura reported that instructors are required to complete an Instructor Development Workshop (IDW) every biennium and there will be an IDW offered at the upcoming REEA 2006 Annual Conference in June. The IDW will be instructed by Roger Turcotte, DREI, Roger Turcotte & Co. LLC, Contoocook, NH.

Upon a motion by Commissioner Abrams, seconded by Commissioner Ball, it was voted on and unanimously carried to recommend approval of the REEA Instructor Development Workshop being offered on June 10, 2006, at the REEA 2006 Annual Conference as a Commission approved IDW.

Program of Work and Budget, FY07

A draft of the Education Review Committee Program of Work and Budget for FY07 was distributed to the Commissioners. SEO Kimura reported on key issues and goals for the upcoming fiscal year and requested recommendations as soon as possible. The goal is to finalize the FY07 program of work and budget by the May 26, 2006 REC meeting or June 14, 2006 Committee meetings.

ARELLO, REEA, and
Other Organizations:

CLEAR 2006 Annual Conference, September 14-16, 2006, Alexandria , VA

SEO Kimura reported that The Council on Licensure, Enforcement and Regulation (CLEAR) will be holding their annual conference on September 14-16, 2006, at Alexandria, VA. He stated that although we rarely participated in the past, he would like EO Fujitani to attend the conference and also attend the pre-conference seminar on Executive Leadership Program for Regulators—from an administrator's standpoint it is a good program that will give the EO insight on how EOs from other states operate, administrative law and procedures, leadership, etc.

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to recommend approval to send one staff member to attend the CLEAR 2006 Annual Conference, as well as the pre-conference workshop, subject to REEF budget and DCCA approval.

Open Forum:

At this time, Mr. Harrison Klein, salesperson with Re/Max Properties, stated that he is currently studying to take the broker exam. He stated that in anticipation of taking the exam, he tried making an exam reservation, but has found it impossible to deal with Promissor in getting an exam reservation. He stated that he has tried the online reservation system and randomly selected test dates, but would always get a no test available response. Mr. Klein stated that he also tried using the phone reservation system and was put on hold for such a long time that he hung up. He also tried leaving a message via the Promissor web site and received no response.

Commissioner Ball stated that she instructs the prelicense course on Maui and found that her students also have difficulty getting an exam date. She stated that she personally called Promissor and spoke to their representative about the lack of exam dates and Promissor subsequently augmented their schedule on Maui.

Mr. Klein stated that the exam seems fine and the exam procedure seems efficient, it is just difficult to obtain an exam date. He added that the online procedure is like an airline reservation system where you select a date and see if there is availability. Commissioner Abrams commented that people would rather look at a calendar.

SEO Kimura asked Mr. Klein to contact Senior Specialist Fujimura tomorrow and discuss the specifics with her so that Staff can communicate his concerns with Promissor.

Budget and Finance
Report:

Real Estate Education Fund, March 31, 2006

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Ball, it was voted on and unanimously carried to accept the Real Estate Education Fund report for period ending March 31, 2006.

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Next Meeting: Wednesday, June 14, 2006
 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, Hawaii

Adjournment: With no further business to discuss, Chair Yamanaka adjourned the meeting at
 10:50 a.m.

Reviewed and approved by:

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

 June 14, 2006
Date

[X] Minutes approved as is.
[] Minutes approved with changes, see minutes of _____.