

**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: September 10, 2007

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

Place: Naupaka III Ballroom  
Waikoloa Beach Marriott Resort  
69-275 Waikoloa Beach Drive  
Waikoloa, Hawaii

Present: Carol Mae Ball, Chair / Broker / Maui Commissioner  
Annette Aiona, Vice Chair / Broker / Hawaii Island Commissioner  
Louis Abrams, Broker / Kauai Commissioner  
Frances T. Gendrano, Broker / Honolulu Commissioner  
Mark Suiso, Public / Honolulu Commissioner  
Michele Sunahara Loudermilk, Public / 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: Kunzang Yuthok  
Susan Gand  
R.T. Doc Halliday  
Kass Neal  
Nancy Barleben  
Jeudi Johnson, Kona Board of REALTORS®  
David Catanzaro, REMI School of Real Estate  
Richard Denison

Absent: William S. Chee, Broker / Honolulu Commissioner  
Stanley Kuriyama, Broker / Honolulu Commissioner  
Trudy Nishihara, Broker / Honolulu Commissioner

Call to Order: Chair Ball called the meeting to order at 9:51 a.m., at which time quorum was established.

Chair's Report: Chair Ball stated the Commission may move into Executive Session to consider and evaluate personal information relating to individuals applying for licensure in accordance with Section 92-5(a)(1), HRS, and/or to consult with the Commission's attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities in accordance with Section 92-5(a)(4), HRS.

Commissioners Chee, Kuriyama and Nishihara were excused from the meeting. Prior notification of their non-attendance was received.

Real Estate Specialist's Report: Minutes of August 8, 2007 Meeting

Upon a motion by Commissioner Aiona, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the August 8, 2007, Education Review Committee meeting as distributed.

Continuing Education: Applications

**Course – “What Real Estate Agents Should Know: Loan Fraud and Fiduciary Responsibility;” Author/Owner: Mary Frances Coleman, J.D.; Provider: Kingman Winslow School of Real Estate; Course Category: Risk Management; Clock Hours: 3**

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve “What Real Estate Agents should Know: Loan Fraud and Fiduciary Responsibility” as a three clock hour continuing education elective course under the course category Risk Management.

**Course – “Representing Real Estate Dealers and Ownership of Real Estate by an IRA or 401(k) Plan;” Author/Owner: Marianne Kingman; Provider: Kingman Winslow School of Real Estate; Course Categories: Investment, Property Management, Property Ownership and Development, and Risk Management; Clock Hours: 3**

Chair Ball stated that the course looks good and interesting; however, she has concerns about the course summary/goals as it seems to be encouraging licensees to provide guidance beyond the licensees' expertise. She stated that the course should include a caveat to seek experts' opinions. Chair Ball also noted that a detailed outline of the course was not provided.

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Suiso, it was voted on and unanimously carried to defer decision making on this application until further information is received.

**Course – “Section 1031 Exchanges: What the Exchange Facilitator Does Not Tell You;” Author/Owner: Marianne K. Kingman; Provider: Kingman Winslow School of Real Estate; Course Categories: Investment, Real Estate Law and Risk Management; Clock Hours: 3**

Chair Ball stated that there is language in the description of the course that puts up a red flag—“In this course Real Estate Agents and Brokers learn how to advise and protect clients who are real estate investors on the intricacies of a

Section 1031 exchange, the use of . . . .” She also noted that a detailed outline of the course was not provided.

Commissioner Gendrano noted that at her firm, they seek the advice of a tax attorney. Although Ms. Kingman is a tax attorney, Commissioner Gendrano felt that this should not be given as a real estate course as it may be promoting advice beyond the licensees’ expertise.

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to defer decision making on this application until further information is received.

**Provider – Carol Ball School of Real Estate; Administrator: Carol Ball**

Chair Ball recused herself from discussion and voting on this issue and excused herself from the meeting.

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to approve Carol Ball School of Real Estate as a continuing education provider.

Chair Ball returned to the meeting.

**Core Course – “Law and Agency Core Course 2007;”  
Author/Owner/Provider: David Catanzaro, REMI School of Real Estate;  
Course Categories: Chapter 468, HRS/Chapter 99, HAR, updates; Chapters 514A/514B, HRS/Chapter 107, HAR, Ethics, and Agency and Disclosure;  
Clock Hours: 2**

Mr. David Catanzaro thanked the Committee for considering the course.

Mr. Catanzaro reported that he removed all references to “Realtor” in the course and replaced it with “licensee”. He stated that the course was reviewed by legal counsel, specifically, John Morris and Jeff Grad. He took their comments and incorporated them into the course. He added that he had a summer intern write the law portion of the course.

Mr. Catanzaro stated that he believes the content to be good and the presentation interesting. Students will see the PowerPoint presentation and will receive handouts. If students provide their email address, they will receive regular updates of laws if they choose to do so.

Mr. Catanzaro stated that part one of the course will cover agency, part two will cover condominium recodification and part three will cover laws and ethics update.

Commissioner Abrams stated that the course is well laid out and seems to be an excellent course.

Chair Ball thanked Mr. Catanzaro for his efforts in bringing quality education to licensees.

Upon a motion by Commissioner Abrams, seconded by Commissioner Aiona, it was voted on and unanimously carried to approve "Law and Agency Core Course 2007" as a two hour, part A, core course for the 2007 – 2008 biennium, under the course categories Real Estate Law and Risk Management.

Continuing Education Core Course

**2007 – 2008 Core Course – Final**

Senior Specialist Fujimura reported that the final draft of the core course is in the process of being completed. The failed legislation section will be eliminated and the condominium section will be tightened up and clarified. The agency section is fine as is.

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve the 2007 – 2008 Real Estate Commission Core Course Part A subject to the mentioned changes.

**Train-The-Trainer, Monday, September 17, 2007**

The Core Course Train-The-Trainer sessions have been scheduled for Monday, September 17, 2007 on Oahu, and Wednesday, September 19, 2007 on Maui.

Prelicense Education: Evaluation and Education Program

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

1. Abe Lee Seminars (10)
2. Seiler School of Real Estate (3)
3. Vitousek Real Estate School (1)

Administration of  
Examinations:

Promissor

**Licensing Examination Statistics – July 2007**

Examination statistics for July 2007 were distributed to the Commissioners for their information.

**School Pass/Fail Rates – July 2007**

School pass/fail rate statistics for July 2007 were distributed to the Commissioners for their information.

**School Summary Reports – July 2007**

A copy of the July 2007 performance summary report, by school, was distributed to the Commissioners for their information. The report is derived from statistics for first time test takers.

At this time, SEO Kimura reported on the Big Island exam site issue. He reported that the Department of Education (DOE) has radically changed their policies on the use of their property/facilities for examinations; however, Promissor has come to a compromise with the DOE on the use of Parker School

and hopes to use it as a permanent exam site. SEO Kimura stated that he will be meeting with Promissor officials at the ARELLO conference this week and will get an update on this issue then.

#### Test Development

Senior Specialist Fujimura reported that the test development sessions have been scheduled for October 22 – 23, 2007, at the Hilton Hawaiian Village and the industry day meeting primarily for prelicense schools and instructors has been scheduled for October 24, 2007.

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

The latest issue of *School Files* is being prepared and will be out this month. The issue will also be available on the Commission website: [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

#### Education Evaluation Task Force

Chair Ball reported that the EETF will be considering an increase in continuing education hours and any letters in support will be wonderful. She noted that there are those who feel an increase in hours is in order and there are those also against it.

Commissioner Abrams added that the real estate industry will have to take the lead in supporting an increase CE hours. SEO Kimura stated that based on the past legislative efforts, the real estate brokerage industry has to take the lead in this issue. The Hawaii Association of REALTORS, local Boards, other professional designation groups, consumer groups, etc., will have to be a partner in the leadership of such a measure and it would be best if they sponsor the bill.

SEO Kimura added that post-licensing requirements and principal broker education will be reviewed and discussed.

Ms. Jeudi Johnson, Kona Board of REALTORS, reported that Rollie Litteral will be their new Education Director and will represent the Kona Board on the EETF.

The next EETF meeting is scheduled for October 11, 2007, at the DCCA.

Open Forum: No discussion.

Budget and Finance Report: Real Estate Education Fund

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the Real Estate Education Fund Financial Report for the period ending June 30, 2007.

Next Meeting: Wednesday, October 10, 2007  
Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:00 a.m.  
Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, First Floor  
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Ball adjourned the meeting at 10:26 a.m.

Reviewed and approved by:

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

September 24, 2007  
Date

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