

**LAWS AND RULES 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 Office of the Lieutenant Governor, as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Wednesday, July 11, 2012

Time: 9:00 a.m.

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

Present: Frances Gendrano, Chair, Broker/Honolulu Commissioner  
Rowena Cobb, Vice Chair, Broker/Kauai Commissioner  
Walt Harvey, Broker/Honolulu Commissioner  
Stanley Kuriyama, Broker/Honolulu Commissioner  
Scott Sherley, Broker/Hawaii Commissioner  
Nikki Senter, Public/Honolulu Commissioner  
Aileen Wada, Broker/Honolulu Commissioner  
Bruce Faulkner, Broker/Maui Commissioner

Neil Fujitani, Supervising Executive Officer  
Miles Ino, Executive Officer  
Diane Choy Fujimura, Senior Real Estate Specialist  
David Grupen, Real Estate Specialist  
Cynthia Yee, Senior Condominium Specialist  
Cheryl Leong, Condominium Specialist  
Benedyne Stone, Condominium Specialist  
Shari Wong, Deputy Attorney General  
Lesley Matsumoto, Recording Secretary

Others: Aron Espinueva, Hawaii Association of REALTORS®  
Marsha Shimizu, Hawaii Association of REALTORS®  
Beth Holiday, Hawaii Association of REALTORS®

Call to Order: The Chair called the meeting to order at 9:02 a.m., at which time quorum was established.

Chair's Report: The Chair announced that 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.

SEO's  
Report:

SEO Fujitani introduced and welcomed Commissioner Bruce Faulkner, as the Maui Island Member to the Commission. He was appointed by the Governor to serve terms beginning July 1, 2012.

### **Additional Distribution**

The following material was distributed to the Commissioners prior to the start of the meeting:

3. SEO's Report

- a. Announcements, Introduction, Correspondence and Additional Distribution

### **Organization of the Commission**

A copy of Chair Senter's memo dated July 9, 2012 regarding the organization of the Commission for fiscal year 2013 was distributed to the Commissioners for their information.

The leadership positions are as follows:

Real Estate Commission - Stanley Kuriyama, Vice Chair

Laws and Rules Review Committee – Frances Gendrano, Chair; Rowena Cobb, Vice Chair

Condominium Review Committee – Scott Sherley, Chair; Bruce Faulkner, Vice Chair

Education Review Committee – Walter Harvey, Chair; Aileen Wada, Vice Chair

### **Minutes of Previous Meetings**

Executive Session:

Upon a motion by Commissioner Harvey, seconded by Commissioner Sherley, it was voted on and unanimously carried to enter into executive session pursuant to Section 92-5(a) (4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities and liabilities."

Upon a motion by Commissioner Harvey, seconded by Commissioner Sherley, it was voted on and unanimously carried to move out of executive session.

Upon a motion by Commissioner Harvey, seconded by Commissioner Sherley, it was voted on and unanimously carried to accept the minutes of the June 13, 2012, Laws and Rules Review Committee meeting as amended.

Program of Work:

### **Rule Making, Chapter 99, HAR, Real Estate Brokers and Salespersons**

The Commission discussed additional proposed changes to HAR, chapter 99. Commissioner Harvey asked for clarification with respect to providing the license number of the brokerage firms.

Commissioner Kuriyama stated that section 16-99-58(g), is overly broad and gives opportunity to address infractions that are either minor or occurred a long time ago and may not be related to the person's qualifications as an instructor. He suggested tightening up the language.

Section 16-99-104(f), "Command knowledge", the Commission discussed which direction the Commission wants to assure that the instructor has the necessary command knowledge for the subject matter, and not just by credentials.

Upon a motion by Commissioner Sherley, seconded by Commissioner Cobb, it was voted and unanimously carried to have staff incorporate changes as follows:

1. Individual licensees license number on all advertisements;
2. Brokerage firm's license number when advertising only the brokerage firm;
3. Tighten up language in section 16-99-58(g); and
4. Staff to work with the Ad Hoc Committee on Education for their comments and recommendation on certification on CE's instructor and "command knowledge".

### **Interactive Participation with Organizations**

A report on the NAR Mid Year Meeting held in Washington, DC, May 14-19, 2012 was submitted by Commissioner Sherley and a report on the Honolulu Board of Realtors 2012 Summer General Membership Meeting, June 22, 2012 was submitted by staff for the committee's information.

ARELLO,  
Other  
Organizations  
And  
Jurisdictions:

### **Professional Licensing Report**

The article entitled "Scofflaw's five-year tax evasion shows moral turpitude and merits suspension" was distributed for informational purposes

Special  
Issues:

None.

Budget and  
Finance Report:

None.

Next  
Meeting:

Wednesday, August 8, 2012  
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, the Chair adjourned the meeting at  
9:47 a.m.

Reviewed and approved by:

/s/ Neil Fujitani

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Neil Fujitani  
Supervising Executive Officer

July 26, 2012

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Date

Approved as is.  
 Approved with amendments. See minutes of \_\_\_\_\_ meeting.