

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

Date: Wednesday, March 9, 2005

Time: 9:00 a.m.

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

Present: Iris Okawa, Chair, Public/Honolulu Commissioner
Louis Abrams, Vice Chair, Broker/Kauai Commissioner
Mitchell Imanaka, Broker/Honolulu Commissioner
Kathleen Kagawa, Broker/Honolulu Commissioner
Michele Sunahara Loudermilk, Public/Honolulu Commissioner
Trudy Nishihara, Broker/Honolulu Commissioner
John Ohama, Broker/Honolulu Commissioner

Calvin Kimura, Supervising Executive Officer
Neil Fujitani, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Lorene Kimura, Real Estate Specialist
Ryan Yamashiro, Real Estate Specialist
Cheryl Leong, Condominium Specialist
David Grupen, Condominium Specialist
Shari Wong, Deputy Attorney General
Irene Kotaka, Secretary

Others: Stephanie Ripple, Honolulu Board of REALTORS®
Janice Lind, RE3LLC
Karen Iwamoto, Hawaii Association of REALTORS®

Absent: Carol Ball, Broker/Maui Commissioner
Vern Yamanaka, Broker/Hawaii Island Commissioner

Call to Order: The Chair called the meeting to order at 9:00 a.m., at which time quorum was established.

Chair's Report: No Chair's report was presented.

SEO's Report:

Additional Distribution

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

4. Program of Work, FY05
 - 1) Legislative and Government Participation Report –
Legislative Report No. 3

Minutes of Previous Meetings

Upon a motion by Commissioner Abrams, seconded by Commissioner Imanaka, it was voted on and unanimously carried to accept the minutes of the February 9, 2005 Laws and Rules Review Committee meeting.

Program of Work, FY05:

Legislative and Government Participation Report

Legislative Report No. 3 was distributed to the Commissioners for their information. The SEO reported on the bills affecting Chapters 467, 514A, 436B, Hawaii Revised Statutes, and other related issues.

The SEO reported that House Bill No. 107, relating to brokerage relationships, was deferred. Senate Bill No. 109, relating to real estate brokers and salespersons was held. Senate Bill No. 1777 will be discussed at the Education Review Committee meeting this morning.

Neighbor Island Outreach

The next neighbor island outreach is being planned for the Island of Hawaii, with preference being given to Kona or Waimea. The Commission hopes to hold their monthly Committee meetings in conjunction with the Hawaii Association of REALTORS' outreach seminar.

Commissioners' Education Program

A copy of the February 2005 issue of The High Road, was distributed to the Commissioners for their information.

Subcommittee on Agency

Subcommittee Chair Abrams informed those present that he would be attending the ARELLO Midyear Meeting and the District IV Meeting at the end of March. The Canadian Task Force on Agency will be reporting on their findings at the meeting, along with the California Department of Real Estate. Most of the information that has been gathered so far has been relevant to the Commission's discussion. He anticipates that the Commission will have sufficient information to proceed on this issue

during the summer. The Commission hopes to have something ready for the next legislative session.

Copies of the following were distributed to the Commissioners for their information:

1. Hawaii Association of REALTORS Agents per Office Comparison
2. Number of Current and Active Hawaii Licensed Real Estate Brokerage Firms as of February 10, 2005
3. National Association of REALTORS Presidential Advisory Group on Agency
4. Real Estate Council of British Columbia – Acted as Limited Dual Agent, Agent's Obligation to Disclose Remuneration, Canadian Regulators Group Agency Task Force Report
5. Realtor Association Executive – What is Minimum Service?

The information listed above will be shared with the Hawaii Association of REALTORS.

Subcommittee Chair Abrams hopes to have more information to present at the April meeting.

Commissioner Nishihara thanked Subcommittee Chair Abrams for coordinating the information on agency. She stated that she found it to be very informative. She also mentioned that some other states are adopting the same legislation on limited services.

Chair Okawa thanked Subcommittee Chair Abrams for taking on this exhaustive work and noted that over the years the issues have not changed.

ARELLO, Other
Organizations and
Jurisdictions:

Texas Real Estate Commission

A copy of an article entitled, "Update on "Minimum Broker Services Rule"", and proposed rule amendments were distributed to the Commissioners for their information.

Ohio Division of Real Estate

A copy of an article entitled, "Ohio Improves Agency Disclosure, Amends Technical Items," was distributed to the Commissioners for their information.

Alaska Real Estate Commission

A copy of an article entitled, "Alaska Replaces Dual Agency with Designated Agency," was distributed to the Commissioners for their information.

Mississippi Real Estate Commission

A copy of an article entitled, "Mississippi Contemplates Agency Law Changes", was distributed to the Commissioners for their information.

ALQ – Real Estate Intelligence Report

Copies of the following articles were distributed to the Commissioners for their information:

1. "Texas sends up minimum services rule"
2. "Sales in new development come to a halt"

Special Issues:

New York Times

A copy of an article entitled, "Why a Real Estate Agent May Skip the Extra Mile," was distributed to the Commissioners for their information.

ALQ – Real Estate Intelligence Report

A copy of the Winter 2005 issue of ALQ – Real Estate Intelligence Report, was distributed to the Commissioners for their information. An article, written by Julie Garton-Good, was highlighted.

Commissioner Abrams suggested that the Commission may want to consider inviting Ms. Garton-Good to Hawaii to inform the Commission on what is happening with real estate practices.

National Association of REALTORS

A copy of an article entitled, "The State of Real Estate," was distributed to the Commissioners for their information.

Open Forum:

Ms. Iwamoto reported that Tracy Stice will be attending the ARELLO Midyear Meeting, in Monterey, California.

Budget and Finance Report:

Upon a motion by Commissioner Nishihara, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend acceptance of the Real Estate Recovery Fund Report, dated February 25, 2005.

Next Meeting:

Wednesday, April 13, 2005
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 9:15 a.m.

Reviewed and approved by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

April 13, 2005
Date

[] Approved as is.
[] Approved with amendments. See minutes of _____ meeting.

CK/isk/050321