

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, January 10, 2007

Time: 9:30 a.m.

Place: REALTORS® Association of Maui
441 Ala Makani Place
Kahului, Maui, Hawaii

Present: Louis Abrams, Chair, Broker/Kauai Commissioner
Michele Sunahara Loudermilk, Vice Chair, Public/Honolulu Commissioner
Annette Aiona, Broker/Hawaii Commissioner
Carol Ball, Broker/Maui Commissioner
Frances Gendrano, Salesperson/Honolulu Commissioner
Stanley Kuriyama, Broker/Honolulu Commissioner
Trudy Nishihara, Broker/Honolulu Commissioner

Calvin Kimura, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Secretary

Others: Marsha Shimizu, Hawaii Association of Realtors
Terry Tolman, Realtors Association of Maui
Elinor Bond, Condominium Owner
Vina Chandra, Condominium Owner
Vivi-Anne Olsson, Condominium Owner
Karan Schafer, Condominium Owner
Elizabeth T. Young, Condominium Owner

Absent: William Chee, Broker/Honolulu Commissioner
Mark Suiso, Public/Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:37 a.m., at which time quorum was established.

Chair's Report: The Chair announced that the Commission may move into executive session 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.

Chair Abrams thanked the Realtors Association of Maui for providing the rooms for today's meetings and Specialists' Office for the Day.

SEO's Report: **Additional Distribution**

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

4. Program of Work, FY07
 - j. Licensing Renewal – PVL Renewal Survey

Additions to the Agenda

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Ball, it was voted on and unanimously carried to add the following to the agenda:

4. Program of Work, FY07
 - q. Division and Department Programs – Certificates of Appreciation
 - 3) Scott W. Taylor, Oregon Real Estate Agency

Minutes of Previous Meetings

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Ball it was voted on and unanimously carried to accept the minutes of the December 6, 2006 Laws and Rules Review Committee meeting.

Program of Work, FY07:

Legislative and Government Participation Report

SEO Kimura reported that the 2007 Legislative Session opening day is scheduled for January 17, 2007. This is the first year of the Legislative biennium, those bills that don't pass this session will carry over to next session automatically. The most important issue this session is the budget and protecting the three funds. The Commission's position is to secure its funds.

SEO further reported that based on a few sources HAR may be introducing a bill on agency which it tried to introduce three years ago. HAR has been included in the Commission's two committees which are dealing with the agency issue. Should HAR introduce an agency type bill without any extensive cordial collaborative efforts with the Commission prior to deciding on the bill, it may end any efforts which the Commission has been working on and deter any future collaborative efforts.

Chair Abrams reported that the Commission will continue to work on the agency issue with hopes that the paths of HAR and the Commission will join. Chair Abrams noted that he will open discussions with HAR on the issue. It was further reported that HAR has been working with the Commission's task force and has brought in Lynn Madison as a representative. The Commission is planning on working agency into its Chapter 99 rule making amendments. The committee hopes to have something to present to the Commission by mid year and then move forward to present it to the administration and public hearings.

Legislative Acts and Resolutions – 2006 Annual Report

The committee acknowledged receipt of the Real Estate Commission's 2006 Annual Report. It was reported that the report has been transmitted to the Legislature via the Governor, meeting the Commission's statutory requirements. It was further noted that the Annual Report is the Commission's official document in regards to its budget and statistics for the fiscal year.

Commissioner Ball informed those present that the Commission's 2006 Annual Report is more than just statistics, it is a reference material full of great information which she also uses in the classes she teaches.

Commissioner Nishihara reported that she agrees with Commissioner Ball and would encourage all brokers to use the Commission's Annual Report as educational material.

Licensing Renewal

It was reported that 87% of real estate licensees renewed online. 81% of all brokers renewed and 86% of all salespersons renewed their licenses. There are still 7374 renewals outstanding, 392 pending dependency issues and 542 deficient renewals.

The committee acknowledged receipt of staffs' 2006 renewal workshop report.

A copy of the PVL Online Renewal survey was distributed for informational purposes.

Terry Tolman, RAM, informed the committee that the online renewals ran smoothly and was an easy process. The Realtors Association of Maui assisted Maui licensees with the renewals by offering the use of RAM's computers to renew online. RAM also offered online CE classes through the Kauai Board of Realtors for its members. Mr. Tolman suggested that in the future if the Commission provides RAM with information regarding online renewals and discounts, RAM would be willing to get the word out to its membership.

SEO Kimura thanked RAM and KBR for its assistance in the renewals and noted that direct mailing was done regarding the online renewals and discounts to all licensees. He further noted that there was a good showing in Maui for the license renewal workshop and Specialist Office for the Day. The Commission was also made aware of some problems with online classes for those trying to complete their CE at the last minute and for those trying to do an online course who were not familiar with the online course process. Staff is looking into improving the process with the providers. The Commission is also considering a suggestion to have principal brokers and entities renew with an earlier deadline so as not to have the dependency problem of those licensees who renew on time, but are then subject to their principal broker and entity renewing on time.

Mr. Tolman commended PVL on the change made to PVL's search site which now allows a larger number of employees of an entity to be shown on a screen search.

Commissioners' Education Program

The following were distributed for informational purposes: The High Road, December 2006 and OpenLine, October-November 2006.

Division and Department Programs – Certificates of Appreciation

Upon a motion by Commissioner Aiona, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval to present the following with Certificates of Appreciation from the Real Estate Commission for their outstanding contributions in real estate: Norman Lau, RICO Supervising Investigator; Gary Mau, RICO Supervising Investigator; and Scott W. Taylor, Oregon Real Estate Agency.

Ad Hoc Committee on Consumer-Broker Relationships

It was reported that the next meeting is scheduled for the end of the month at which time the committee will work on rules.

Handouts from the Consumer Federation of America and Inman Real Estate News were distributed as reference material.

ARELLO, Other
Organizations and
Jurisdictions:

RICO Evaluation Forms

The committee acknowledged receipt of reports submitted by RICO staff on the ARELLO Investigator/Attorney Workshop sponsored by ARELLO.

ARELLO Investigator and Attorney Workshop Report

The committee acknowledged receipt of the report submitted by Neil Fujitani, Executive Officer, Diane Choy Fujimura, Senior Real Estate Specialist, and Lorene Kimura, Real Estate Specialist.

SEO Kimura reported that the workshops allowed for interaction of investigators and attorneys from other states and Canada.

Consumer Federation of America – Consumer Assembly 2007

Information regarding the February 2007 Consumer Assembly Conference was distributed for informational purposes.

Special Issues: None.

Open Forum: None.

Budget and Finance
Report: No report presented.

Next Meeting: Wednesday, February 14, 2007
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 10:15 a.m.

Reviewed and approved by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

February 14, 2007
Date

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