

**LAWS AND RULES REVIEW COMMITTEE**  
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: Monday, November 19, 2007

Time: 9:00 a.m.

Place: King Kalakaua Conference Room  
King Kalakaua Building  
335 Merchant Street, First Floor  
Honolulu, 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  
William Chee, Broker/Honolulu Commissioner  
Frances Gendrano, Broker/Honolulu Commissioner  
Stanley Kuriyama, Broker/Honolulu Commissioner  
Mark Suiso, Public/Honolulu Commissioner

Neil Fujitani, Executive Officer  
Diane Choy Fujimura, Senior Real Estate Specialist  
Amy Endo, Real Estate Specialist  
David Grupen, Condominium Specialist  
Cynthia Yee, Senior Condominium Specialist  
Cheryl Leong, Condominium Specialist  
Benedyne Stone, Condominium Specialist  
Shari Wong, Deputy Attorney General  
Irene Kotaka, Secretary

Others: None.

Absent: Trudy Nishihara, Broker/Honolulu 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 report was presented.

The Chair announced that the Committee 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.

The Chair announced that Commissioner Nishihara was excused from today's meeting.

SEO's Report: The EO introduced Benedyne Stone, Condominium Specialist, to the Commissioners and introduced David Grupen as the Real Estate Specialist.

### **Minutes of Previous Meetings**

Upon a motion by Commissioner Ball, seconded by Commissioner Suiso, it was voted on and unanimously carried to accept the minutes of the October 10, 2007, Laws and Rules Review Committee meeting.

Program of Work, FY08:

### **Licensing, Registration and Certification Administration**

An excerpt from the latest Geographic Report of Current Licenses as of October 15, 2007 was distributed to the Commissioners for their information. There are 20,460 real estate licensees.

### **Rule Making, Chapter 99, Hawaii Administrative Rules – Real Estate Brokers and Salespersons**

A copy of page 7 of the Maine Real Estate News, Fall 2007 issue, was distributed to the Commissioners for their information. Licensees in the State of Maine voluntarily report the completion of their continuing education requirements. The State of Maine also conducts random audits to ensure that the licensees have completed their continuing education requirements. A Maine licensee can remain inactive for six years before their have to retake the licensing examination.

A copy of the Oregon Real Estate Agency's Notice of Permanent Rule, dated June 29, 2007, was distributed to the Commissioners for their information. The rule limits the delegation of authority of a principal broker for advertising that "originates in a branch office" to a principal broker who manages that branch office. A real estate broker who is not a principal broker cannot be delegated authority for advertising. Delegation of authority must be in the written policy.

The Committee deferred to the Ad Hoc Committee on Internet Advertising to look into the issue of licensees having and advertising on their own personal websites.

Information on the Advanced Real Estate Practices Course Requirement from the Oregon Real Estate Agency was distributed to the Commissioners for their information.

It was noted that more states are moving towards post-licensing education requirements.

### **Commissioners' Education Program**

The following was distributed to the Commissioners for their information:

1. OpenLine, October 2007 issue; and
2. The High Road, October 2007 issue.

### **Ad Hoc Committee on Consumer-Broker Relationships**

The Chair reported that the next AHCCBR meeting is scheduled for this afternoon, at 1 p.m., in the Examination Room.

A copy of an article entitled, "Continuing Duty of Confidentiality," which appeared in the October 2007 issue of the Real Estate Council of British Columbia's Report from Council, was distributed to the Commissioners for their information.

The Chair reported that British Columbia is a common law state, which is similar to Hawaii. The Commission will be addressing the issue of confidentiality when it amends the rules.

ARELLO,  
Other  
Organizations  
and  
Jurisdictions:

**Meetings, Workshops and Reports**

REC Chair Nishihara has been appointed as the Vice Chair of ARELLO's Resource Committee and will need to attend the ARELLO Board of Directors Meeting.

Upon a motion by Commissioner Aiona, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to approve sending REC Chair Nishihara to the ARELLO Leadership Symposium and Board of Directors Meeting, to be held on January 11 and 12, 2008, in Orlando, Florida, subject to budget and DCCA approval.

Chair Abrams also reported that he was asked to be the Vice Chair of ARELLO's Tenants-in-Common Committee and he is on the Task Force on Best Practices for Internet Advertising.

A copy of the ARELLO Annual Conference Report, which was submitted by Commissioners Abrams and Ball and the SEO was distributed to the Commissioners for their information.

Special  
Issues:

None.

Budget &  
Finance  
Report:

**Real Estate Recovery Fund Report**

Upon a motion by Commissioner Suiso, seconded by Commissioner Chee, it was voted on and unanimously carried to accept the Real Estate Recovery Fund Report as of September 30, 2007.

Open Forum:

None.

Next  
Meeting:

Wednesday, December 12, 2007  
9:00 a.m.  
Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, First Floor  
Honolulu, Hawaii

Laws and Rules Review Committee  
Minutes of the November 19, 2007 Meeting  
Page 4

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 9:15 a.m.

Reviewed and approved by:

/s/ Neil K. Fujitani  
Neil K. Fujitani  
Executive Officer

November 26, 2007  
Date

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