

REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

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, September 25, 1996

Time: 9:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: Barbara Dew, Chair
Charles Aki, Hawaii Member
Michael Ching, Kauai Member
Alfredo Evangelista, Public Member
Alvin Imamura, Maui Member (Late arrival)
Carol Mon Lee, Public Member
Helen Lindemann, Oahu Member (Late Arrival/Early Departure)
Nora Nomura, Public Member

Calvin Kimura, Supervising Executive Officer
Christine Rutkowski, Executive Officer
Aileen Chikasuye, Senior Real Estate Specialist
Lee Ann Teshima, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Benedyne Stone, Condominium Specialist
Camille Chun-Hoon, Condominium Specialist
Jay Paige, Deputy Attorney General (Early Departure)
Shari Wong, Deputy Attorney General (Late Arrival)
Irene Kotaka, Secretary

Nicki Thompson, Hawaii Association of Realtors
Steve W. Gilbert, Hawaii Real Estate Research and Education Center
Mae Enfield, Gentry Properties
Shelley Yamamoto, Gentry Properties
Carole Love Gaddis, Diamond International
Arlette Harada, Attorney for Peter A. Tegan
Peter A. Tegan, Applicant

Excused: Stanley Kuriyama, Vice Chair

Call to Order: The Chair called the meeting to order at 9:10 a.m., at which time quorum was established.

Chair's Report: No report was presented.

Executive Officer's Report: **Announcements, Introductions, Correspondence and Additional Distributions**
Additions to the Agenda

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

5. Licensing - Restoration of Forfeited Licenses
Over Two Years - Salesperson
01/01/93 - Carla Jean Beard
8. Recovery Fund Report - 1997 Recommended Legislation
9. Committee Reports
 - a. Laws and Rules Review Committee - Governor's/Director's Project
 - b. Condominium Review Committee
 - 1) AOA Royal Aloha
 - 2) Governor's/Director's Project
 - 3) Association of Apartment Owners and Condominium Managing Agent 1997 Registrations

Additional Distribution

The following materials were distributed to the Commissioners prior to the start of the meeting:

3. Executive Officer's Report
 - a. Announcements, Introductions, Correspondence and Additional Distributions - 1997 Proposed Real Estate Commission and Committee Meeting Schedule
9. Committee Reports
 - a. Laws and Rules Review Committee - Neighbor Island Outreach
 - b. Condominium Review Committee - Neighbor Island Outreach
 - c. Education Review Committee - Neighbor Island Outreach

Licensing and Registration - Ratification:

Upon a motion by Commissioner Aki, seconded by Commissioner Nomura, it was voted on and unanimously carried to ratify the following, as amended:

<u>Brokers</u>	<u>Effective Date</u>
H. John Callahan, Airborne Realty Advisor 98-715 Iho Place, #105 Aiea, HI 96701 H. John Callahan, pb	08/26/96
Ralph S. Rogers 4211 Waialae Avenue, H3 Honolulu, HI 96816 Ralph S. Rogers, pb	07/29/96
Parker Ranch Realty, Inc. 65-1184 Mamalahoa Highway Kamuela, HI 96743 Leslie M. Agorastos, pb	08/21/96

Andres Albano, Jr. 08/22/96
 1585 Kapiolani Boulevard, Suite 800
 Honolulu, HI 96814
 Andres Albano, Jr., pb

Fred S. Iha 08/26/96
 871 Kapiolani Boulevard, Room 8
 Honolulu, HI 96813
 Fred S. Iha, pb

Poipu Resort Partners, L.P. 09/13/96
 1613 Pe'e Road
 Koloa, HI 96756
 William F. Norris, pb

Junko Belt, JTB Homes & Land 08/15/96
 75-5669 "K" Alii Drive
 Kailua-Kona, HI 96740
 Junko Belt, pb

Tradenname Effective Date

Erin Tamayo Shimosono 08/19/96
 dba Real Estate Hawaii

KBTR International Corporation 08/29/96
 dba Hawaii Homes and Management

Gary T. Mack dba Aloha 'Aina Properties 09/11/96

Site Office Expiration Date

Kauai Realty, Inc. 03/23/97
 Puako Subdivision
 Lot 1471
 Lihue, Hawaii 96766

Carol Ball Inc. 02/21/97
 Carol Ball & Associates, Realtors
 The Cliffs at Kahakuloa
 Kaukini Street
 Kahakuloa, Maui, Hawaii

Gibraltar Pacific Realty, Inc. 03/08/97
 The Prudential West Hawaii Realty
 Sunpoint, Phases II and III
 94-1336 Kulewa Loop, #5-B
 Waipahu, Hawaii 96797

Iwado Realty, Inc. 02/12/97
 The Masters at Kaanapali Hillside
 50 Puu Anoano Street, #2803
 Lahaina, Hawaii 96761

Tom Soeten Realty 02/12/97
 The Masters at Kaanapali Hillside
 50 Puu Anoano Street, #2803
 Lahaina, Hawaii 96761

Branch Office Effective Date

Poipu Resort Partners, L.P. 09/13/96
 1221 Honoapiilani Highway, #D-7
 Lahaina, HI 96761
 William F. Norris, pb
 David C. Weiss, bic

Poipu Resort Partners, L.P. 06/13/96
 2155 Kalakaua Avenue, #700
 Honolulu, HI 96815
 William F. Norris, pb
 Rex D. Johnson, bic

Corporation Name Effective Date

Pacific Power International, Inc. 08/20/96
 (fka Pacific Power Inc.)

McCormack Real Estate Services, Ltd. 09/03/96
 (fka McCormack Referral Service Company, Ltd.)

MRE, Inc. 08/19/96
 (fka McCormack Real Estate, Inc.)

Education Waiver Certificate Expiration Date

Stephen D. Soares 08/23/97
 Kimberly Mae Luke 08/23/97
 Lori Michel Whitworth 08/23/97
 Roger C. Sherwood 09/03/97
 Brigitte Habib 09/03/97
 William Samuel Westmoreland, II 09/06/97

Real Estate Broker Experience Certificate Expiration Date

Kelfred K. C. Chang 08/23/97
 Henry S. Maerki 09/03/97
 Byron J. Yap 09/10/97
 Marie A. Achi 09/10/97
 Morton Achi 09/10/97
 Joyce L. Rosehill 09/10/97
 Newton A. Lieurance 09/10/97
 Mary L. Kim 09/13/97

Real Estate Broker (upgrade) Effective Date
 Anne Scheffelmaier 08/05/96

Troy H. Komatsu	08/19/96
Kim D. Sain-Brady	08/28/96
Dan Nakamura	05/20/96
Darel L. Sparling	08/19/96

Continuing Education Waiver

Effective Date

Edward H. S. Tam	08/22/96
Virginia L. Waracka	08/22/96
Richard Mitsuo Ogasawara	08/22/96
Clifford P. Shin	08/22/96
Robert Gilbert Rediske	08/22/96
Richard King Ingersoll	08/22/96
Barbara Lu O'dor	08/22/96
Robert S. Wong	08/22/96
Ronald M. Hirahara	08/23/96
Clara Yukiko Yokoyama	08/23/96
Eric M. Watanabe	08/23/96
Nelda J. Neuffer	08/23/96
Sandra N. S. Furukawa	08/23/96
Hiroshi Yamane	08/23/96
Maxine Atwater	08/23/96
Mitchell Akio Imanaka	08/23/96
Walter Palmer Yim	08/23/96
Michael Samuel Myers	08/23/96
Gordon J. Mau	08/23/96
Philip J. Leas	08/23/96
Stephen P. Pingree	08/23/96
Stephen Michael Gelber	08/23/96
Mitsuo Shimizu	08/23/96
Lois W. Silverman	08/23/96
Kathryn G. Bilkiss	08/23/96
Harry Yoshio Teruya	08/23/96
Bassill I. Dunn	08/23/96
Robert Tomiaki Takafuji	08/23/96
Sandra R. Gillis	08/23/96
Edwin W. K. Lum	08/23/96
Ernest Medeiros	08/23/96
James C. Smith	08/23/96
Dai Woon Sur	08/23/96
Vernon R. Ng	08/23/96
Betty L. Ontai	08/23/96
Frances M. Abe	08/23/96
Heinz-Guenther Gerhard Pink	08/30/96
H. Edward Hampton	08/30/96
Richard Bacilio Tkachenko	08/30/96
Paula B. Rudinoff	08/30/96
Richard Y. Takahashi	08/30/96
Gordon Y. H. Wong	08/30/96
Dennis T. Katsura	08/30/96
George Megumu Furuuchi	08/30/96
Sam Setsuo Isokane	08/30/96
James Takumi Morioka	08/30/96

Kazuo Omiya	08/30/96
Michael Marr	08/30/96
Mary Fook Yee Brock	08/30/96
Marjorie Chun Yung Au	08/30/96
Marika Yamato	08/30/96
Tadayoshi Hara	08/30/96
Howard J. Bilkiss	08/30/96
Irene Yoneko Kanetake	08/30/96
Melvin James Lum	08/30/96
Vernon Gunji Koike	08/30/96
William Sadao Horimoto	08/30/96
Alfred K. S. Lee	09/04/96
James R. Hill	09/04/96
Norman Naoteru Akita	09/04/96
John M. Hayama	09/04/96
Clifford Bung Yuk Lum	09/04/96
Ivan G. Pivaroff	
09/04/96	
Margaret S. Ching	09/04/96
Donald C. G. Look	09/04/96
Ruth L. Munro	09/04/96
Gail A. Upton	09/04/96
Katsumi Ohama	09/04/96
Eiko Ohama	09/04/96
Miyako Tsubota	09/04/96
James S. Kometani	09/04/96
Mary Lou Whitman	09/04/96
Frank Satoshi Yamamoto	09/04/96
Kamehameha Maertens	09/04/96
in Cho Chung	09/09/96
Carol Kimble	09/10/96
Richard B. W. Ing	09/10/96
Tony Tsuneo Tamura	09/10/96
Evelyn Kurosumi	09/10/96
Raymond A. Ching	09/10/96
Martha Teresa Kersting	09/10/96
Earl John Hanson	09/10/96
Buzzy Tadao Okazaki	09/10/96
Sybil Sumiko Kaneko	09/10/96
Tadashi, Kaneko	09/10/96
Peter Thomas Young	09/10/96
Rex E. Herren	09/10/96
Raymond M. Kimura	09/10/96
Kenneth Kozo Fujii	09/10/96
David A. Mayeda	09/10/96
Harold Hisashi Ohama	09/10/96
Samuel Alexander Caldwell, III	09/10/96
Ron H. Deisseroth	09/10/96
Alan C. Beall	09/10/96
Catherine M. Banning	09/10/96
Merton S. C. Lau	09/10/96
Valerie G. Howell	09/10/96
Lionel Yui Haw Low	09/11/96

Helen K. Danielsen	09/11/96
Doyle Wheelles	09/11/96
Richard W. W. Fong	09/11/96
Virginia P. McGowan	09/11/96
Clifford Yoshito Ishii	09/11/96
Ronald Bernard	09/11/96
Wallace Katsuichi Kazama	09/11/96
Marie-Terese F. Ewart	09/11/96
Norman K. T. Chang	09/11/96
Sonja Gail Mitchell	09/12/96
Gary John Hahn	09/12/96
Maryann Gertz	09/12/96
William Hisashi Munekata	09/12/96
Wesley K. H. Chong	09/12/96
Robert Sydney Myers	09/12/96
Stephanie Joy MacDonald	09/12/96
Henry Andrew Spangler	09/12/96
Roy Eiji Takushi	09/12/96
Edwin Milne Johnston	09/12/96
Fumie Fujii	09/12/96
Alice H. Vinton	09/12/96
Frank L. Spillman	09/12/96
Peter J. Chun	09/12/96
Daisy L. Chun	09/12/96
Henry Masao Arakaki	09/12/96
Norman Itsuki Hirohata-Goto	09/12/96
John W. Landgraf	09/12/96
Gilman Palmer Budar	09/12/96
Del A. Osman	09/12/96
Rosetta Lewin	09/12/96
Leslie K. C. Hee	09/13/96
Jitsuo Nakano	09/13/96
Arthur H. Higashide	09/13/96
Warren M. Sweet	09/13/96
Dick Weaver	09/13/96
Wayne Mitchell	09/13/96

Licensing -
Questionable
Applications:

Shelley M. Yamamoto

Ms. Yamamoto was present to request an equivalency to the real estate broker's experience requirement (three closed sales and three closed listings) and she is also requesting that the Commission recognize the Experience Certification statements of her former principal brokers.

Ms. Yamamoto was asked if she wished to have her application considered in executive session. She declined the offer.

Ms. Yamamoto stated that she achieved her two years full-time experience in real estate in November 1995. Ms. Yamamoto stated that she had submitted a letter from the doctor certifying that her former principal broker, Charles B. L. Pang, had been hospitalized due to liver cancer. Ms. Yamamoto stated that Mr. Pang had been unable to sign her experience statement. She also submitted documentation showing her commission

splits and a letter from Gentry Properties stating that she had worked for Mr. Pang.

Ms. Yamamoto stated that she does all of the leasing for the properties owned by The Gentry Companies. She stated that she is involved in condo sales. She oversees the management of the shopping center, warehouses and other properties owned by the company.

Commissioner Lee moved to take this matter under advisement.
Commissioner Aki seconded the motion.

Ms. Yamamoto stated that she had a problem obtaining Harvey Migdal's signature on the experience statement as she has been unable to locate him.

Commissioner Lindemann arrived.

Barbara Stehouwer is the principal broker of Gentry Properties. Ms. Yamamoto was advised that Ms. Stehouwer could sign her experience statement for the period in which she was employed by Gentry Properties. Ms. Yamamoto stated that she will follow up with Ms. Stehouwer. Ms. Yamamoto was also advised to contact RICO regarding the non-signing of the experience statement by Mr. Migdal. Ms. Yamamoto stated that she represented Gentry, the developer, in all of her transactions. In general, she always represented the developer in her transactions. She has no further education than what is stated in her resume.

The motion was voted on and unanimously carried.

Peter A. Tegan

Peter A. Tegan and his attorney, Arlette Harada, were present to request a reconsideration of the denial of Mr. Tegan's real estate salesperson's license application. Mr. Tegan was asked if he wished his application to be considered during executive session. Ms. Harada declined the offer.

Ms. Harada stated that her client has additional information since the initial denial. She stated that the initial denial was based on her client's lack of financial integrity, based on his having an outstanding State and Federal tax liens. Since that time, Mr. Tegan has declared bankruptcy and will be discharged from his tax liens. Ms. Harada stated that governmental entities cannot discriminate against someone who is claiming bankruptcy and cannot deny the license for having filed bankruptcy.

Real Estate Specialist Teshima informed Mr. Tegan and Ms. Harada that the Commission does not consider the bankruptcy petition when reviewing an application for licensure.

Ms. Harada stated that she recognized that it could not be based on bankruptcy. The bankruptcy code prevents from discriminating against a person whose debts will be discharged in bankruptcy. Ms. Harada stated that her letter to the Commission requesting reconsideration cites the bankruptcy code.

Commissioner Ching asked if they had an estimate on when the liens would be discharged. Commissioner Ching was informed that the Court would have to discharge the bankruptcy and it was irrelevant if the liens have been discharged.

The Chair asked if relief from the tax liens is granted upon the filing of bankruptcy. Ms. Harada stated that she is not a bankruptcy attorney, however, there are cases on this issue.

Deputy Attorney General Paige advised the Commission that they should discuss this issue in executive session as further discussion might waive the Commission's rights.

The Executive Officer stated that based on the July 28, 1995 letter to Mr. Tegan, the Commission did not deny the application because of the IRS tax liens and the State of California tax liens. The Commission is required, by law, to look for the applicant's reputation for or record of competency, honesty, truthfulness, financial integrity and fair dealing.

Ms. Harada stated that the minutes of the Commission meeting reflects that the discussion was regarding solely the IRS tax liens. It appeared that the tax liens were the reasons for denying his real estate salesperson's license.

Should the Commission decide to open up the entire file again and receive new information, would they allow the Commission to seek new information as well.

Ms. Harada stated that they are trying to address the concerns of the Commission. It appeared that the Commission was concerned about the tax liens and the issue of the tax liens have been addressed.

The Supervising Executive Officer informed Ms. Harada and Mr. Tegan that the application has been before the Commission for months. The Commission has a right to re-examine Mr. Tegan totally again.

Ms. Harada stated that Mr. Tegan did not have a problem with that. Ms. Harada was asked if she or Mr. Tegan would be willing to allow the Commission to reopen and reexamine Mr. Tegan if they granted his request for reconsideration. Ms. Harada stated that she had no objections.

Upon a motion by Commissioner Lee, seconded by Commissioner Nomura, it was voted on and unanimously carried to take this matter under advisement.

Executive Session:

Upon a motion by Commissioner Lee, seconded by Commissioner Nomura, 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;"

Commissioner Imamura arrived.

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

Licensing -
Questionable
Applications:

Peter A. Tegan

Ms. Harada stated that they are obtaining a tax clearance from the State of Hawaii and they would be willing to submit it once they receive it.

The Supervising Executive Officer advised Ms. Harada and Mr. Tegan to hold on to the tax clearance and to submit it when it is requested.

Recess:

The Chair recessed the meeting at 10:40 a.m.

Reconvene:

The Chair reconvened the meeting at 10:52 a.m.

Chapter 91, HRS,
Adjudicatory Matters:

Carole D. Gaddis aka Carole Love

Ms. Gaddis was informed that the Commission would only consider information regarding her request for reconsideration. She was advised not to talk about the details of the complaint.

Ms. Gaddis thanked the Commission for allowing her the opportunity to hear her. She apologizes for any violations which she unintentionally incurred. She stated that she has had a clean record since 1971. The violations were not intentional.

Ms. Gaddis explained the reasons why she did not receive notice of the disciplinary action. She stated that she had received one notice and had replied by phone and in writing. After that, her father had a quadruple bypass and stroke and she went to Florida. Two years ago, she changed her broker and also submitted a change of address form which wasn't picked up. She stated that the notice was sent by certified mail and was not forwarded to her in Florida. She wanted to know why they did not look into the licensing file for her new address.

Ms. Gaddis was asked what her address was as of December 1995. Ms. Gaddis stated that her address was on Queen Street and Aliamanu Place in Kailua. Prior to that, she had a Kahala address, then Sacramento, California and Florida. She stated that the place in California was sold and the new owners had no forwarding address for her, so her mail was not forwarded. She stated that she did receive her regular mail in Florida, which came from those two forwardings. She was first contacted by mail by a RICO Investigator. She stated that she checked with her broker every month to see if there was any mail for her. She was told there was none.

Ms. Gaddis asked why they did not contact her new broker if the mail came back unclaimed. Ms. Gaddis was informed that by law the Commission is required to delegate all disciplinary matters to the Regulated Industries Complaints Office and that the Commission is unable to answer her question.

Ms. Gaddis stated that she was out of town and absent from the State from August 1995 to August 15, 1996. Her Hawaii license was still active. Ms. Gaddis was asked if she would be able to provide written documentation to evidence that she was out of town during that period, if the Commission so

desired. Ms. Gaddis stated that she would be willing to provide the documentation.

Upon a motion by Commissioner Aki, seconded by Commissioner Imamura, it was voted on and unanimously carried to take this matter under advisement.

Leslie W. Brown

Upon a motion by Commissioner Nomura, seconded by Commissioner Ching, it was voted on and unanimously carried to accept the Hearings Officer's Findings of Fact, Conclusions of Law, Recommended Order and the Commission's Final Order.

Commissioner Lindemann was excused from the meeting.

Committee Reports:

Laws and Rules Review Committee

Upon a motion by Commissioner Nomura, seconded by Commissioner Ching, it was voted on and unanimously carried to approve the report of the September 11, 1996 Laws and Rules Review Committee meeting, as follows:

1. HREREC Report
Real Estate Seminars - **Recommend** that the next real estate seminar discuss the issue of land titles, that Dr. Ordway shall submit a proposed outline for review at the October 25, 1996 Laws and Rules Review Committee meeting and research the feasibility of offering the seminars through public access cable television (Olelo).
2. Program of Work
 - a. CHO Registration - Self Certification of Fidelity Bond - **Recommend approval** that the fidelity bond requirement be administered through a form certified by the insurance agent that the fidelity bond complies with the requirements of §467-30 (HRS) and subchapter 10 (HAR), and the recommendation is subject to review and comments by the Deputy Attorney General by the September 25, 1996 meeting.
 - b. Neighbor Island Outreach - the next neighbor island outreach is scheduled for October 25, 1996, on the island of Kauai.
 - c. Licensing Renewal
 - 1) The "Notice to All Candidates for Real Estate Licenses, Schools, and Exams During the Period Ending December 31, 1996" is being distributed through application requests, prelicensing schools, prelicensing exam results, and other means.
 - 2) Batch Renewal Workshops:
Honolulu - November 4, 6, 14, 19, 1996
Maui - November 6, 1996
Kauai - November 14, 1996
Kona - November 18, 1996
Hilo - November 19, 1996

3. Next Meeting: Friday, October 25, 1996
9:00 a.m.
Conference Room
Lihue Public Library
4344 Hardy Street
Lihue, Kauai

Condominium Review Committee

Upon a motion by Commissioner Lee, seconded by Commissioner Ching, it was voted on and unanimously carried to approve the report of the September 11, 1996 Condominium Review Committee meeting, deferring item 6.a. for further discussion later in the meeting, as follows:

1. Minutes of Previous Meetings
Accept committee minutes of July 10, 1996 and August 14, 1996.
2. HREREC Report
 - a. Hawaii Condominium Bulletin - 1996-1997 schedule for bulletins need to be coordinated with REB.
 - b. Board of Director's Guide - HREREC and REB need to agree on the guide topics for 1996-1997.
3. Condominium Project Registration, Public Reports, and Sales to Owner-Occupant Announcements
Public Reports - **Recommend approval** to ratify issuance of effective dates for public reports for the month of August 1996.
4. Program of Work Rulemaking, Chapter 107, -- **Recommend approval** to circulate for comments to participants of previous drafts and other interested parties subject to stylistic amendments, the proposed project registration rules dated August 31, 1996, association governance and arbitration rules dated September 10, 1996, with a 30 day deadline for written comments and proposed finalization at the November 13, 1996 meeting.
5. Program of Work Rulemaking, Chapter 53, Fees -- **Recommend approval** of the proposed fees for rulemaking.
6. Registrations - Association of Apartment Owners
 - a. AOA Royal Aloha - Hawaii Multi-Unit Owners Group -- **Recommend approval** of the fidelity bond submitted by AOA Royal Aloha naming Royal Aloha as an additional insured with the Hawaii Multi-Unit Owner's Group (an insurance risk purchasing group) as the first named insured subject to Commission receipt of an amended fidelity bond policy indicating: limits of policy as \$100,000 per occurrence per association of apartment owners; that claims against one name insured shall not affect the claims of any other named insured; following any loss, the policy is reinstated to the full \$100,000 limit; that the Hawaii Multi-Unit Owner's Group has the obligation to notify each association of any changes, additions, or deletions to the policy including changes required by the Commission. Recommend approval to have Commission staff register AOA Royal Aloha upon the receipt of the requested policy amendments and clarifications.
 - b. AOA Registration Report - **Recommend approval** to ratify

- issuance of effective registration dates for Associations of Apartment Owners for the period 7/9/96 to 8/21/96.
- c. CMA Registration -- Self Certification of Fidelity Bond-- For condominium managing agent registration **recommend approval** to accept as complete evidence of the managing agent having the required fidelity bond, a certification by a duly authorized representative of the insurance company that the fidelity bond issued to the condominium managing agent applicant satisfies the fidelity bond requirement of §514A-95, HRS, and any rules, subject to review and comments by the Deputy Attorney General by the September 25, 1996 meeting.
 7. Neighbor Islands Outreach -- the next neighbor island outreach is scheduled for October 25, 1996 on Kauai.
 8. Condominium Specialists Office of the Day:

November 6, 1996	Maui
November 14, 1996	Kauai
November 18, 1996	Kona
November 19, 1996	Hilo
 9. Next meeting: Friday, October 25, 1996
10:30 a.m.
Lihue Public Library
4344 Hardy Street
Lihue, Kauai

Education Review Committee

Upon a motion by Commissioner Imamura, seconded by Commissioner Aki, it was voted on and unanimously carried to approve the report of the September 11, 1996 Education Review Committee meeting, as follows:

1. **Accept** minutes of the meeting of August 14, 1996.
2. HREREC Report
 - a. Continuing Education Core Course (1996-97) - **Dr. Nicholas Ordway reported that he anticipates having a course curriculum ready by February or March 1997. An outline for Committee consideration will be presented at the October meeting.**
 - b. Seller Disclosure Law course - Dr. Ordway met with five commissioners to discuss disclosure problems. **He is designing a workshop format course and will submit a report in two weeks.**
 - c. Broker's Curriculum and Resources - **Dr. Ordway will present a report on this project at the next meeting.**
3. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - a. MCE Waiver form update - Staff reported that 215 applications for a continuing education waiver have been received to date.
 - b. Windward Community College - **Recommend approval** for certification as a continuing education provider upon staff's receipt and approval of revised course brochure reflecting correct course titles, and revised statements and course

- c. Kenneth D.H. Chong - for instructor certification for the continuing education elective course
 - d. M. Russell Goode, Jr. - for instructor certification for the continuing education elective course
 - e. "Using HAR Standard Forms" (Hawaii Association of **Recommend approval** for certification as categories Real Estate Law and Contracts.
 - f. Reduction and Real Estate" (Abe Lee) - **Recommend denial** certification as continuing education elective course.
 - g. Sales - Real World Problems and Practical Solutions", A. Bernard Bays, Gino L. Gabrio, Gary L. Wixom, Instructors **Recommend approval** for provider/instructors/course.
4. Friday, October 25, 1996
1:30 p.m.
- Conference Room
4344 Hardy Street
e, Hawaii

Governor's/Director's Project

board amendments. Some of the items being proposed are: deleting the notary requirement for all licensing applications; amending the sections

deposited; abolish wall certificates; delete high school graduation diploma where a higher degree is required; allowing the Director the discretion to

inspections, and continuing education requirements.

The Supervising Executive Officer reported that he had met with the Director education requirements for real estate licensees.

The Supervising Executive Officer also reported on how the deregulation will move towards endorsing reciprocity unilaterally. Hawaii is unique in the types of real estate practices. The State might consider recognizing the continuing education courses taken out of State as qualifying for two of the three courses. The licensee would still have to take the Laws and Ethics

Other legislation under consideration is adding a requirement that a public member not be affiliated with a union that is directly related to the vocation;

that the member not be employed by a closely-related industry; that the member not be an attorney who represents clients in real estate matters; eliminate various levels of licensing; deleting requirements which have not been enforced; and increase the number of public members on the board.

Deputy Attorney General Wong arrived.

The Supervising Executive Officer reviewed the proposed amendments to Chapter 467, Hawaii Revised Statutes.

Upon a motion by Commissioner Lee, seconded by Commissioner Aki, it was voted on and unanimously carried to approve the proposed legislation as a Commission bill, subject to review and examination with the Director at the October 30, 1996 Real Estate Commission meeting.

Recovery Fund Report:

1997 Recommended Legislation

Upon a motion by Commissioner Evangelista, seconded by Commissioner Nomura, it was voted on and unanimously carried to approve the recommended legislation subject to comments and approval by the Deputy Attorney General. The proposed legislation will be incorporated into the proposed legislation for Chapter 467, HRS.

Committee Reports:

Laws and Rules Review Committee

Condominium Hotel Operator (CHO) Registration - Self Certification of Fidelity Bond - No comments were received by the Deputy Attorney General. When asked about the self certification of the CHO fidelity by the insurance company, Deputy Attorney General Wong reported that it was okay.

Condominium Review Committee

Condominium Managing Agent (CMA) Registration - Self Certification of Fidelity Bond - When asked about the self certification of the CMA fidelity bond by the insurance company, Deputy Attorney General Wong reported that it was okay.

Nicki Thompson reported that former Commissioner Douglas Sodetani will be awarded a Lifetime Achievement Award from the National Association of Realtors RPAC. The Commission will be sending a letter to Mr. Sodetani congratulating him on his award.

AOAO Royal Aloha - Upon a motion by Commissioner Lee, seconded by Commissioner Ching, it was voted on and unanimously carried to defer item 6.a. of the Condominium Review Committee Report, for the September 11, 1996 meeting, for a review of the fidelity bond policy by the Insurance Division.

Association of Apartment Owners and Condominium Managing Agent 1997 Registrations - Recent changes to the statutes requires the Commission to set a date for the acceptance of the AOAO and CMA Registration applications. In the past, the registration deadline was December 31. The deadline date requested is November 30, 1996.

was voted on and unanimously carried to approve November 30, 1996, as the deadline submission date for the interim 1997 AOA and CMA re-

Deputy Attorney General Paige was excused from the meeting.

Executive Session:

was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "To consider and evaluate personal licenses cited in section 26-9 or both;" and pursuant to Section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues liabilities;".

Upon a motion by Commissioner Lee, seconded by Commissioner Ching, it

Chapter 91, HRS,
Adjudicatory Matters:

Upon a motion by Commissioner Imamura, seconded by Commissioner Aki, it was voted on and unanimously carried to approve the motion for

Hearings for rehearing.

Licensing - Restoration

Lionel Q. L. Lau

**Salesperson
Salesperson**

After a review of the information submitted by the applicant, Commissioner successfully completing the real estate salesperson's prelicensing course. Commissioner Aki seconded the motion. The motion was voted on and

Barbara D. Gilbertson-Kanekoa

**Salesperson
Salesperson**

Brian S. Kobayashi

After a review of the information submitted by the applicant, Commissioner Imamura moved that restoration be approved upon submitting evidence of

Commissioner Aki seconded the motion. The motion was voted on and unanimously carried.

Questionable
Applications:

This matter was deferred to the October 30, 1996 Real Estate Commission meeting.

After a review of the information submitted by the applicant, Commissioner Lee moved to approve the real estate broker's application of Samuel D.

on and unanimously carried.

Steve D. Weeks

After a review of the information submitted by the applicant, Commissioner Lee moved to approve the real estate broker's application of Steve D. Weeks. Commissioner Ching seconded the motion. The motion was voted on and unanimously carried.

Glenn O. Hay, Jr., Toby Hay Realty

After a review of the information submitted by the applicant, Commissioner Lee moved to approve the real estate sole proprietor application of Glenn O. Hay, Jr., and the trade name, Toby Hay Realty. Commissioner Ching seconded the motion. The motion was voted on and unanimously carried.

Cheryl Viscont

After a review of the information submitted by the applicant, Commissioner Ching moved to deny the educational waiver application of Cheryl Viscont, pursuant to §16-99-37(5), HAR, as the Commission will not accept paralegal diplomas as meeting the criteria for granting a waiver of the prelicensing educational requirement. Commissioner Nomura seconded the motion. The motion was voted on and unanimously carried.

Shelley M. Yamamoto

After a review of the information presented by the applicant, Commissioner Ching moved to deny Shelley M. Yamamoto's application for a real estate broker's experience certificate. However, the Commission will grant an equivalency to three months of the two-year experience requirement. Commissioner Nomura seconded the motion. The motion was voted on and unanimously carried.

Peter A. Tegan

After a review of the information presented by the applicant, Commissioner Nomura moved to defer this matter to the October 30, 1996 meeting for further information from the Deputy Attorney General. Commissioner Ching seconded the motion. The motion was voted on and unanimously carried.

Next Meeting: Wednesday, October 30, 1996
9:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 12:15 p.m.

Reviewed and approved by:

Christine Rutkowski, Executive Officer

Date

961017/isk

RE: Carole Gaddis, aka Carole Love

The Regulated Industries Complaints Office did not receive a copy of the motion for reconsideration prior to the meeting and RICO was inadvertently not provided an opportunity to be present at the September 25, 1996 meeting. The matter will be considered again at the October 30, 1996 meeting so that RICO would have the opportunity to respond.