

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: Friday, April 30, 1999

Time: 9:00 a.m.

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

Present: Alvin Imamura, Chair
Nora Nomura, Vice Chair (Late Arrival/Early Departure)
Charles Aki, Member
Michael Ching, Member
Alfredo Evangelista, Member
Helen Lindemann, Member
John Ohama, Member
Iris Okawa, Member (Late Arrival)

Calvin Kimura, Supervising Executive Officer
Christine Rutkowski, Executive Officer
Pamela Garrison, Senior Real Estate Specialist
Lee Ann Teshima, Real Estate Specialist
Russell Wong, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Gina Watumull, Condominium Specialist
Shari Wong, Deputy Attorney General
Irene Kotaka, Secretary

Steve Gilbert, Hawaii Real Estate Research and Education Center
Leslie Harrington, Applicant
Barbara Diener, Applicant
Beverly Van Horne, Applicant
Daniel Clement

Excused: Mitchell Imanaka, Member

Call to Order: The Chair called the meeting to order at 9:05 a.m., at which time quorum was established.

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

Executive Officer's Report: **Announcements, Introductions, Correspondence and Additional Distribution**

Additions to the Agenda

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

4. Committee Reports
 - b. Education Review Committee - HREREC No-Cost Extension Request
 - c. Condominium Review Committee
 - 1) HREREC No-Cost Extension Request
 - 2) CAI Seminar Proposal
7. Licensing - Questionable Applications
Century 21 Islands Realty, Inc.

Additional Distribution

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

4. Committee Reports
 - d. Legislative Report 99-6
6. Licensing - Restoration of Forfeited Licenses
Over Two Years - Broker
Beverly L. W. Sunn

Minutes of Previous Meetings

Approval of the minutes was deferred to later in the meeting.

Committee Reports:

Laws and Rules Review Committee

Upon a motion by Commissioner Ching, seconded by Commissioner Ohama, it was voted on and unanimously carried to accept the report of the April 14, 1999 Laws and Rules Review Committee meeting as follows:

1. **Accept** the minutes of the March 10, 1999 meeting.
2. Hawaii Real Estate Research & Education Center Report Professional Responsibility Course (PRC) - REB staff to check to see if the deadline has passed for the remaining licensee to complete the PRC course as assigned. If the course completion deadline has not passed, REB staff to notify the licensee that the course will no longer continue to be offered.
3. Program of Work, FY99 – Neighbor Island Outreach – The May committee meetings on the island of Hawaii, will be held on Friday, May 14, 1999, in the Natural Energy Laboratory of Hawaii Authority's Conference Room, located at 73-4460 Queen Kaahumanu Highway, Kailua-Kona, Hawaii. The first neighbor

- island outreach for FY00 will be held on Maui, at the Outrigger Wailea Resort on Thursday, July 8, 1999.
4. Program of Work, FY00 - No comments or recommendations were received after the mail out of the Committee Chair's invitations to submit comments or recommendations or appearance at the meetings.
 5. Budget and Finance Report - Real Estate Recovery Fund - **Recommend acceptance** of the Real Estate Recovery Fund Report as of February 28, 1999.
 6. Special Issues - C. C. Curry Concerns - **Recommend** that should Ms. Curry appear at the Education Review Committee meeting, the Committee will address Ms. Curry's concerns. However, if Ms. Curry does not appear, REB staff will respond to the concerns raised by Ms. Curry.
 7. Next Meeting: **Friday, May 14, 1999**
10:00 a.m.
Conference Room
Natural Energy Laboratory of Hawaii
Authority
73-4460 Queen Kaahumanu Highway
Kailua-Kona, Hawaii

Professional Responsibility Course (PRC) - Mr. Gilbert clarified that there is no pending individual waiting to take the PRC course. All parties have been notified of the discontinuance of the PRC course.

The Vice-Chair arrived.

Education Review Committee

Upon a motion by Commissioner Aki, seconded by Commissioner Ching, it was voted on and unanimously carried to accept the report of the April 14, 1999 Education Review Committee meeting as follows:

1. Minutes of March 10, 1999 Meeting – **Accept** as amended.
2. Hawaii Real Estate Research and Education Center Report
 - a. Acting Director's Report
 - 1) Continuing Education 99-00 Core Course – Third draft should be completed by the end of April.
 - 2) Evaluation and Education System for CE and Prelicensing Instructors – Mr. Gilbert reported that there were no overwhelming numbers for the first quarter of 1999 (as of March 31). The results will be held and combined with the end of the fiscal year report (June 1999).
3. Continuing Education Administration, Curriculum, Courses, Providers and Instructors - Applications - 1999-2000 Continuing Education Providers, Instructors, and Courses Ratification List – **Recommend Approval** of the following registrations/ certifications:

<u>Courses</u>	<u>Effective Date</u>
"Avoid Litigation – How to Detect Red Flags" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"Comprehensive 1031 Exchange" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"Foreclosure & the Role of the Commissioner" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"Hawaii Landlord-Tenant Code" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"Homeowner's Tax Strategies" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"How to List & Sell Business Opportunities" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"Pitfalls in DROA & Addenda" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99
"Pitfalls in Managing Residential Properties" (Eddie Flores/Eddie Flores Real Estate Continuing Education)	03/11/99

4. ASI - Test Development – The test development session scheduled for July is being rescheduled to mid-August.
5. Educator's Forum
 - a. Hawaii Association of REALTORS – Ms. Shimizu passed out HAR's schedule of education programs. She also reported that during April, May and June HAR will be working on changing their standard forms and updating all coinciding courses. The release date of the new forms and updated course materials is July 1, 1999. Education Review Committee Report.
 - b. Hawaii Association of Real Estate Schools (HARES) – Ms. Goya was asked if there were any concerns or recommendations from HARES. Ms. Goya said there were none. Ms. Goya also reported that the last HARES meeting was postponed due to conflicts with other meetings and that they would be rescheduling to have Commissioner Ohama as their guest speaker.
6. Program of Work, FY99
 - a. Annual Report, Quarterly Bulletin, and School Files – Request for Proposals – **Recommend Approval.**
 - b. Neighbor Island Outreach - The May committee meetings on the island of Hawaii will be held on Friday, May 14, 1999, in the Natural Energy Laboratory of Hawaii Authority's Conference Room, located at 73-4460 Queen Kaahumanu Highway, Kailua-Kona, Hawaii as follows:

- 10:00 a.m. Laws and Rules Review Committee
11:00 a.m. Education Review Committee
1:30 p.m. Condominium Review Committee
- c. Real Estate Specialist Office for the Day – The Real Estate Commission’s real estate and condominium specialists will set up offices for a day on May 10, 1999, by appointment only, from 8:30 a.m. to 3:30 p.m. at the following location:
Kona, Hawaii
Regulated Industries Complaints Office
Keauhou Shopping Center
Room 134A
- d. HREREC Termination Transition – Commissioner Imanaka reported on the inspection he, Commissioner Ohama and staff did on the HREREC’s reference materials. Recommendations to offer HREREC’s reference materials to the University of Hawaii as well as other educational institutions.
- e. Program of Work, FY2000 – Request from interested parties for input for Fiscal Year 2000 Program of Work.
7. Program of Work, FY2000 - No comments or recommendations received after mail out of Committee Chairs’ invitation for submissions of comment and recommendations, nor any appearance at meetings.
8. Budget and Finance Report – February 1999 Report – **Accept.**
9. Next Meeting: **Friday, May 14, 1999**
11:00 a.m.
Natural Energy Laboratory of Hawaii Authority
Conference Room
73-4460 Queen Kaahumanu Highway
Kailua-Kona, Hawaii

Condominium Review Committee

Upon a motion by Commissioner Evangelista, seconded by Commissioner Aki, it was voted on and unanimously carried to accept the report of the April 14, 1999 Condominium Review Committee meeting as follows:

1. **Minutes of March 10, 1999** -- Accept minutes.
2. **HREREC Report** -- Hawaii Condominium Bulletin - FY99 Vol. 7, Number 3, (Spring 1999) issue has been distributed.
3. **AOAO Registrations** - March 31, 1999 -- **Recommend approval** to ratify.
4. **Mediation & Arbitration** - Contract Renewals -- **Recommend approval** to automatically renew the current Neighborhood Justice Center of Honolulu, Inc. and Mediation Services of Maui, Inc. mediation agreements after June 30, 1999 for successive one year periods, subject to the availability of the Condominium Management Education Funds, and pursuant to the same terms and conditions of the current Agreements.

5. **CPR Registration, Public Reports, Extensions Issued -- Recommend approval** to ratify issuance of effective dates for public reports and extensions for the month of March 1999.
6. **Program of Work, FY99**
 - a. **Neighbor Island Outreach** -- The May committee meetings on the island of Hawaii will be held on Friday, May 14, 1999, with this committee meeting at 1:30 p.m., in the Natural Energy Laboratory of Hawaii Authority's Conference Room, located at 73-4460 Queen Kaahumanu Highway, Kailua-Kona, Hawaii.
 - b. **Condominium Specialists Office for the Day** -- The Condominium Specialists Office for the Day will be held on May 10, 1999, at the RICO Office, Keauhou Shopping Center, Room 134A, Kona, Hawaii.
 - c. **Records Management -- Recommend approval** that Real Estate Specialist Wong draft a proposal including estimated costs for converting the storage of the condominium public reports to a paperless medium and that the draft proposal be reviewed at the Real Estate Commission meeting of April 30, 1999.
 - d. **Program of Work, FY00 - Hawaii Condominium Bulletin**
 - 1) **Recommend approval** to solicit at least three quotations for the publication of a total of eight issues of the Hawaii Condominium Bulletin; four issues in Fiscal Year 2000 and four issues in 2001.
 - 2) **Recommend approval** to either have the prison contract for approximately 11,390 copies for each issue (a total of eight issues) of the Hawaii Condominium Bulletin (four issues in Fiscal Year 2000 and four issues in 2001) or to submit the printing of the bulletin to competitive sealed bidding whichever is determined appropriate.
 - e. **Program of Work, FY00** -- Although this committee has invited those in the condominium community and governance organizations through distribution of the Committee Chairs invitation memorandum, the Committee has not received any written comments or recommendations as well as any testimony at the meeting for the program of work for fiscal year 2000.
7. **Open Forum**

There were no comments, recommendations, or concerns received from the following: Community Association Institute Hawaii Chapter, Alakahi Foundation, Hawaii Council of Association of Apartment Owners, Hawaii Independent Condominium and Cooperative Owners, Hawaii State Bar Association / Real Property & Financial Services Section, Land Use Research Foundation, Condominium Council of Maui, Hawaii Association of Realtors / Institute of Real Estate Management Hawaii Chapter / Oahu Arm Committee, others.

8. **CMEF Budget and Finance Report (February 1999) -- Recommend approval** to accept the pro forma report for the period ending February 28, 1999.
9. **Next Meeting:** May 14, 1999
1:30 p.m.
Natural Energy Laboratory of Hawaii Authority's Conference Room, 73-4460 Queen Kaahumanu Highway
Kailua-Kona, Hawaii.

Commissioner Okawa arrived.

Education Review Committee/Condominium Review Committee - HREREC No-Cost Extension Request

HREREC submitted a request for the Commission to grant a no-cost extension until December 31, 1999. Mr. Gilbert stated that the no-cost extension request allows payments out of the existing moneys to be made after July 1, otherwise the funds would have to be encumbered for a specified amount prior to the end of the fiscal year.

Real Estate Specialist Wong stated that the letter requests an extension until December 31, 1999, however, the contract expires on June 30, 1999. Mr. Gilbert was asked if the expiration of the extension could be shortened.

Mr. Gilbert informed the Commissioners that the letter was just a standard letter. Mr. Gilbert was asked if the expenditures were for expenses incurred during the current fiscal year but would not be paid until the following fiscal year. He answered yes.

Commissioner Evangelista asked Mr. Gilbert for an estimate of the amount that would need to be covered by the no-cost extension. Mr. Gilbert stated that he estimates \$10,000 to \$11,000. Mr. Gilbert stated that he will try to pay for his staff's accrued vacation before the end of June. The no-cost extension would cover expenses that are billed to HREREC after June 30, 1999 but were incurred during the current fiscal year. The printing of the Condominium Bulletin and the telephones are some of the bills that may not be paid prior to the end of the fiscal year.

Mr. Gilbert was asked if the billing system for the telephones went through another party. Mr. Gilbert stated that they receive their bills directly, with the exception of the telephone bill. However, the payment needs to be processed through the College of Business Administration and the Research Corporation of the University of Hawaii ("RCUH").

The Chair informed Mr. Gilbert that HREREC had known well ahead of time that the contract expires on June 30, 1999. He stated that he was not sure that the December 31, 1999 deadline would be acceptable to the Commission.

THE SEO stated that the contract ends on June 30, 1999 and that no work will be done by HREREC after that date. If the programs are not completed by this time, the Commission will then have to decide whether or not to complete it. The Department is concerned about the length of time requested in the extension letter. If the sole purpose of the extension is to pay the expenses for work that was done until June 30, the Department does not have a problem with a no-cost extension. However, it would recommend an extension of 60 to 90 days, that an accounting be provided of the moneys, and that any remaining funds be returned to the Commission.

Mr. Gilbert stated that the no-cost extension letter was a standardized letter and he did not have any problems with amending it. He stated that a 90-day extension is fine with him.

The SEO suggested the following:

1. Grant a 90-day extension after the contract terminates on June 30, 1999, for the purposes of paying expenses incurred during the current fiscal year;
2. No further work is to be performed on the program of work after contract termination;
3. HREREC, or its representative, to provide separate financial accounting of the funds; and
4. HREREC, or its representative, to provide separate refund checks.

Mr. Gilbert stated that he is the person who is responsible for keeping track of the funds. He stated that he has separate accounts for the Condominium Management Education Fund and the Real Estate Education Fund. The University of Hawaii and the RCUH combined their accounting process into one process. Mr. Gilbert stated that he used to receive two separate printouts but now he only receives one printout. Mr. Gilbert informed the Commissioners that he may have a problem with the personnel costs because employees will not be paid until July 7, 1999 for the period of work ending June 30, 1999. He can estimate the personnel cost for that period.

Commissioner Ching stated that the 90-day extension would not pay for personnel costs that are incurred after June 30, 1999.

Mr. Gilbert informed the Commissioners that he does not know who will perform the accounting after June 30, 1999.

The Deputy Attorney General asked Mr. Gilbert if he would be able to provide an estimate of what is still outstanding as of April 30, 1999. Mr. Gilbert stated that he would not be able to and that if he were aware of the outstanding expenses, he would be able to encumber the funds. Mr. Gilbert stated that he has a general idea of what is outstanding, but he does not know the exact costs that will be incurred in May and June. When asked if he could get a ballpark figure in June, he answered, "Yes."

Commissioner Aki moved to approve a 90-day no-cost extension for the HREREC. Commissioner Evangelista seconded the motion.

Commissioner Aki withdrew his motion. Commissioner Evangelista withdrew his second.

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

Condominium Review Committee - CAI Seminar Proposal

Upon a motion by Commissioner Evangelista, seconded by Commissioner Ching, it was voted on and unanimously carried to ratify the contract between the Real Estate Commission by its Chair and the Department of Commerce and Consumer Affairs, by its Director and the Community Associations Institute-Hawaii Chapter, effective as of February 26, 1999.

The Senior Condominium Specialist informed the Commissioners that the total estimated amount to be subsidized from the Condominium Management Education Fund ("CMEF") for one seminar is \$1,500.

The CAI-Hawaii Chapter mailed out the flyers and registration information for the seminar earlier. Information on the CMEF-funded subsidy was not included on the flyer

It was suggested that REB staff work with the CAI-Hawaii Chapter to see if they would be willing to send out another flyer or notice containing information on the \$15 CMEF-funded subsidy that is available to each apartment owner of a registered condominium association. If the CAI-Hawaii Chapter is unable to send the notice, the Commission may want to consider doing it. REB staff will also post information on the seminar and the Commission-subsidy on its website. It was also suggested that an announcement be made at the beginning and end of the seminar that the seminar was sponsored and funded, in part, by the CMEF.

The SEO stated that it is very important that as many people as possible in the condominium community be informed of the Commission-sponsored seminar. The Commission is hoping that the seminar is so successful that other providers are encouraged to offer Commission-sponsored seminars in the future.

REB staff thanked the Deputy Attorney General for her expeditious processing of the contract.

Upon a motion by Commissioner Evangelista, seconded by Commissioner Aki, it was voted on and unanimously carried to approve the following:

1. Approve the CAI-Hawaii seminar, "Almost Free Legal Advice" scheduled for Thursday, May 27, 1999, as a CMEF-funded seminar;
2. Approve, for this seminar only, a one-time waiver of contract provision concerning publicity so long as the publicity that the seminar is subsidized by the CMEF is displayed at the seminar and announced orally at the beginning and end of the seminar; and
3. Recommend that the CAI-Hawaii Chapter do another mail out to those already notified about the seminar on CMEF subsidy, with the mechanics being worked out between REB staff and the CAI-Hawaii Chapter.

Legislative Report 99-6

A copy of the SEO's Legislative Report 99-6 was distributed to the Commissioners for their information.

The SEO stated that the Commission's bills were heard at a Conference Committee meeting. The House and Senate Conferees agreed to merge HB No. 353, HD2, SD1 and SB 238, SD1, HD2 into SB 238, SD1, HD2, CD1. The Commission bill proposes amendments to the bankruptcy issue as it relates to the Real Estate Recovery Fund, deregulates site offices to delete the registration requirement, deregulates the licensing of branch offices and amends it to registration only, amends the experience requirement for real estate broker candidates, removes provisions for waivers or equivalencies and allow a preliminary review process for prospective real estate applicants before they expend time and cost on education and examination.

Licensing and Registration - Ratification:

Upon a motion by Commissioner Nomura, seconded by Commissioner Ching, it was voted on and unanimously carried to ratify the attached list.

Licensing - Restoration of Forfeited Licenses:

Beverly Van Horne

Beverly Van Horne was asked if she wished to have her application considered in executive session. She accepted the offer.

Executive Session:

Upon a motion by Commissioner Nomura, seconded by Commissioner Ching, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a),(1), HRS, "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;".

The Vice Chair was excused from the meeting.

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

Licensing -
Questionable
Applications:

Leslie M. Harrington

Leslie M. Harrington was asked if she wished to have her application considered in executive session. She declined the offer.

Ms. Harrington stated that she did not have a prepared statement. She thanked Real Estate Specialist Teshima for her help during the process.

Ms. Harrington stated that the break in her license occurred when she transferred from A & B Properties, Inc. to Victoria Ward Ltd. She stated that it was a paperwork error which resulted in a nightmare for her. Ms. Harrington stated that she is involved with HUGS ("Hawaii Understanding Group Support"), which is an organization that helps sick kids through their illness. They provide a support group for families with sick children.

Commissioner Okawa stated that HUGS is a very good organization and has a good support group.

Commissioner Ohama asked Ms. Harrington about her lease agreements. She stated that they are fully executed leases which did not result in a sale.

Ms. Harrington stated that she is still working towards her CCIM designation. Ms. Harrington was asked if any of her transactions were conveyed. She stated that she does not believe that it was, only if the tenants required or requested that they be recorded were they recorded.

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

Executive Session:

Upon a motion by Commissioner Evangelista, seconded by Commissioner Ohama it was voted on and unanimously carried to enter into executive session, pursuant to section 92-5(a)(1), HRS, "To consider and evaluate personal information relating to individuals applying for professional or vocational 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 pertaining to the board's powers, duties, privileges, immunities and liabilities;".

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

Chapter 91, HRS,
Adjudicatory
Matters:

The Chair called for a recess from the meeting at 10:33 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

Kaiman Realty, Inc., Edward A. Neizman, REC 96-192-L; 97-56-L

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

Following the Commission's review, deliberation and decisions in these matters, pursuant to Chapter 91, HRS, the Chair announced that the Commission was reconvening its scheduled Commission meeting at 10:38 a.m.

Executive
Officer's Report:

Minutes of Previous Meetings

Upon a motion by Commissioner Ching, seconded by Commissioner Aki, it was voted on and unanimously carried to approve the minutes of the March 31, 1999 Real Estate Commission meeting as circulated.

Licensing -
Restoration of
Forfeited Licenses:

Daryl Lynn Nani Tavares

Salesperson

After a review of the information submitted by the applicant, Commissioner Ching moved that restoration be approved upon submitting evidence of successfully passing the real estate salesperson's licensing examination. Commissioner Evangelista seconded the motion. The motion was voted on and unanimously carried.

**Greg N. Godwin
David Tak-Wai Ma
Beverly L. W. Sunn**

**Broker
Broker
Broker**

After a review of the information submitted by the applicant, Commissioner Ching moved that restoration be approved upon submitting evidence of successfully passing the real estate broker's licensing examination. Commissioner Evangelista seconded the motion. The motion was voted on and unanimously carried.

Beverly Van Horne

Broker

After a review of the information presented by the applicant, Commissioner Ching moved that restoration be approved upon submitting evidence of successfully passing the real estate broker's licensing examination. Commissioner Evangelista seconded the motion. The motion was voted on and unanimously carried.

Licensing -
Questionable
Applications:

Bernard T. Odo

After a review of the information submitted by the applicant, Commissioner Ching moved to approve the real estate salesperson's license application of Bernard T. Odo. Commissioner Aki seconded the motion. The motion was voted on and unanimously carried.

Marcia A. Kohler

After a review of the information submitted by the applicant, Commissioner Ohama moved to approve the real estate salesperson's license application of Marcia A. Kohler. Commissioner Lindemann seconded the motion. The motion was voted on and unanimously carried.

Leslie M. Harrington

After a review of the information presented by the applicant, Commissioner Lindemann moved to approve Leslie M. Harrington's request for an equivalency to the ten (10) Hawaii written real estate transactions, of which three are listing contracts or commercial or industrial listings that have closed escrow and three are sales contracts or commercial or industrial leases closed escrow. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

Mary Anne Fitch dba Realty Associates Hawaii

After a review of the information submitted by the applicant, Commissioner Evangelista moved to deny Mary Ann Fitch's request to sign on Susanne M. Lunsford with her company, pursuant §16-99-5(f), HAR. Commissioner Ohama seconded the motion. The motion was voted on and unanimously carried.

Barbara B. Diener

Upon a motion by Commissioner Okawa, seconded by Commissioner Aki, it was voted on and unanimously carried to grant Barbara B. Diener's request for reconsideration.

After a review of the information presented by the applicant, Commissioner Okawa moved to approve Barbara B. Diener's application for a real estate broker's license. Commissioner Aki seconded the motion. The motion was voted on and unanimously carried.

Century 21 Islands Realty, Inc.

After a review of the information submitted by the applicant, Commissioner Aki moved to approve the real estate corporation application of Century 21 Islands Realty, Inc. Commissioner Ching seconded the motion. The motion was voted on and unanimously carried.

Committee Meetings:

Condominium Review Committee - Records Management

At the Commission's request, Real Estate Specialist Wong submitted for consideration at today's meeting, a proposal to convert the Condominium Public Reports to electronic files.

Upon a motion by Commissioner Evangelista, seconded by Commissioner Aki, it was voted on and unanimously carried to approve Real Estate Specialist Wong's proposal to purchase equipment and that the existing and future condominium public reports be scanned and converted to electronic files for distribution and improved public access for funding up to \$30,000 from the Condominium Management Education Fund.

**Education Review Committee/Condominium Review Committee -
HREREC No-Cost Extension Report**

Upon a motion by Commissioner Ching, seconded by Commissioner Evangelista, it was voted on and unanimously carried to approve the no-cost extension for the Hawaii Real Estate Research and Education Center Program from July 1, 1999 through August 31, 1999, for the purposes of payment of expenses of services rendered on or before June 30, 1999, subject to the following conditions:

1. The June 30, 1999 termination of the contract and the conditions of the termination between the College of Business Administration, University of Hawaii and the Real Estate Commission and the Department of Commerce and Consumer Affairs remains unchanged.
2. Carryover funds from the real estate education fund ("REEF") and the condominium management education fund ("CMEF") may be used to pay expenses incurred on or before June 30, 1999 only and may not be used to pay expenses incurred on or after July 1, 1999.
3. The HREREC shall provide an interim accounting of funds on or before May 27, 1999. Such accounting shall include, by each funding source (REEF and CMEF), a detail of expenditures for the current fiscal year, estimated fund balances as of June 30, 1999, and an estimate of expenses that will be paid after June 30, 1999 for services rendered as of June 30, 1999.
4. The HREREC or the University of Hawaii Research Corporation shall provide a final accounting, by each funding source (REEF and CMEF), and return the balances of each fund to the Real Estate Commission by September 30, 1999.
5. The HREREC shall provide the Real Estate Commission with a draft of the education core course by the May 14, 1999 Education Review Committee meeting and the completed core course by the May 27, 1999 Real Estate Commission meeting.

Next Meeting: Thursday, May 27, 1999
9:00 a.m.
Kapuawai 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 10:42 a.m.

Reviewed and approved by:

/s/ Christine Rutkowski
Christine Rutkowski
Executive Secretary

May 27, 1999
Date

- [X] Approved as circulated.
[] Approved with corrections; see minutes of _____ meeting.