

EDUCATION REVIEW COMMITTEE
REAL ESTATE COMMISSION
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 Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: August 10, 2011

Time: Upon adjournment of the Condominium Review Committee meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convened at 9:00 a.m.

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

Present: Scott A. Sherley, Chair / Broker / Hawaii Island Commissioner
Rowena B. Cobb, Vice Chair / Broker / Kauai Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Michele Sunahara Loudermilk, Public / Honolulu Commissioner
Nikki T. Senter, Public / Honolulu Commissioner
Aileen Wada, Broker / Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Amy Endo, Real Estate Specialist
David J. Grupen, Real Estate Specialist
Cheryl Leong, Condominium Specialist
Benedyne Stone, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary
Amy Fujioka, Office Assistant

Others: David Catanzaro, REMI School of Real Estate
Marsha Shimizu, Hawaii Association of REALTORS®
Myoung Oh, Hawaii Association of REALTORS®
Ginger Kolonick
David Catanzaro, REMI School of Real Estate

Absent: Carol Mae Ball, Broker / Maui Commissioner
Frances T. Gendrano, Broker / Honolulu Commissioner
Walter Harvey, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:33 a.m., at which time quorum was established.

Chair's Report: The Chair stated the Committee may move into Executive Session to consider and evaluate personal information relating to individuals applying for licensure in accordance with section 92-5(a)(1), HRS, and to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities in accordance with section 92-5(a)(4), HRS.

Real Estate
Specialist's Report:

Additional Distribution

The following was distributed as additional distribution:

4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - b. Applications
 - 2) Course – "Rental Property Management;" Author/Owner: Ginger A. Kolonick.; Provider: Abe Lee Seminars; Course Category: Real Estate Law, Property Management; Clock Hours: 3

Minutes of Previous Meeting

Upon a motion by Commissioner Cobb, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to accept the minutes of the July 13, 2011, Education Review Committee meeting.

Continuing Education: Administrative Issues

FY 2011 Continuing Education Statistics

Fiscal year 2011 continuing education statistics were distributed to the Commissioners for their information.

Applications

2011-2012 Continuing Education Providers and Courses Ratification List

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Cobb, it was voted on and unanimously carried to ratify the following:

<u>Registration/Certification</u>	<u>Effective Date</u>
Course(s)	
Selling a Business" (ARELLO/Continuing Ed Express LLC)	July 7, 2011
"Using Feng Shui Principles to Improve Living Spaces" (ARELLO/Continuing Ed Express LLC)	July 7, 2011
"Real Estate Investors and Your Business" (ARELLO Certified Course/The CE Shop, Inc.)	July 15, 2011
"Understanding Mold in the Restoration Industry" (Servpro Industries, Inc)	July 19, 2011
Provider	
Servpro Industries, Inc. (Amanda Green, Administrator)	July 19, 2011

Course – “Rental Property Management;” Author/Owner: Ginger A. Kolonick; Provider: Abe Lee Seminars; Course Category: Real Estate Law, Property Management; Clock Hours: 3

Ms. Ginger Kolonick was present. Ms. Kolonick stated that during the past ten years she has taken many continuing education courses on property management and they never address all the different types of property management.

Ms. Kolonick stated that this course covers rental management. Having personally experienced three different types of rental managers, she feels that this course is necessary.

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

Course – “Buyer Representation 2011-2012;” Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course Categories: Contracts, Real Estate Law; Clock Hours: 3 (Deferred from 7/13/11 ERC)

Senior Specialist Fujimura reported that decision making on this application was deferred from the July 13, 2011, meeting. She stated that Mr. Catanzaro has addressed the Committee’s concerns and integrated the Committee’s suggestions into the course. Mr. Catanzaro has also acquired the Hawaii Association of REALTORS® permission to use their forms for illustration purposes in the course.

Commissioner Cobb questioned who updates the course or assures that the course is updated when there are changes to the standard forms. Senior Specialist Fujimura replied that the provider and/or instructor are responsible for keeping the course updated. If Staff receives reports to the contrary, Staff will follow-up. Senior Specialist Fujimura added that any Commissioner is welcome to monitor any continuing education course.

Commissioner Kuriyama suggested that Staff issue a notice to all providers and instructors when HAR updates their standard forms.

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

Course – “Disclosures in Residential Transactions;” Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course Categories: Contracts, Real Estate Law; Clock Hours: 6 (Deferred from 7/13/11 ERC)

Senior Specialist Fujimura reported that decision making on this application was deferred from the July 13, 2011, meeting. She stated that Mr. Catanzaro has addressed the Committee’s concerns and integrated the Committee’s suggestions into the course. She added that Mr. Catanzaro has also increased the course to six hours as suggested by the Committee.

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

**Course – “The Settlement Process – HUD-1, RESPA, and the GFE;”
Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course
Categories: Contracts, Real Estate Law, Finance, Broker Management, Other –
RESPA, Consumer Protection; Clock Hours: 3 (Deferred from 7/13/11 ERC)**

Mr. David Catanzaro arrived.

Senior Specialist Fujimura reported that decision making on this application was deferred from the July 13, 2011, meeting. She stated that Mr. Catanzaro has made changes to the original submission and added more material. He has addressed the Committee's concerns and integrated the Committee's suggestions into the course.

Mr. Catanzaro stated that he has complied with all items as suggested by the Committee, as well as added material.

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

**Course – “Foreclosure Resolution Law in Hawaii;” Author/Owner/Provider:
David Catanzaro/REMI School of Real Estate; Course Categories: Contracts,
Real Estate Law, Finance, Dispute Resolution; Clock Hours: 6**

Mr. David Catanzaro was present. Mr. Catanzaro stated that this is a very comprehensive law that took time to develop. He stated that with this course, he wants to make a statement to licensees regarding the new foreclosure law and who they can refer clients to. He added that this course warns licensees that this is a very complex process.

Mr. Catanzaro was asked if he will be instructing the course and about his experience with foreclosures. Mr. Catanzaro stated that he will be the instructor. Although he has never been foreclosed upon, years ago, he has worked with clients and experts in the field. Mr. Catanzaro stated that he has seen his share of foreclosures in his 30 years of experience.

Commissioner Cobb stated that she was concerned with a lay person teaching this course due to its complexity and legal implications. She noted that she has taken courses taught by attorneys that could not fully explain the process.

Mr. Catanzaro stated that he has an attorney on staff.

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

Prelicense Education: Administrative Issues

FY 2011 Prelicense Education and Equivalency Statistics

Fiscal year 2011 prelicense education and equivalency statistics were distributed to the Commissioner for their information.

Evaluation and Education Program

Copies of evaluations of the independent study course from the following prelicense school was distributed to the Commissioners for their information:

- Seiler School of Real Estate (4)

Administration of
Examinations:

PSI

Licensing Examination Statistics – July 2011

Examination statistics for July 2011 were distributed to the Commissioners for their information.

School Pass/Fail Rates – July 2011

School pass/fail rate statistics for July 2011 were distributed to the Commissioners for their information.

School Summary by Test Category – July 2011

Copies of the July 2011 test category summary reports, by school, were distributed to the Commissioners for their information.

Educator's Forum:

Hawaii Association of REALTORS® – No discussion presented.

Public and Private Institutions of Higher Education – No discussion presented.

Program of Work:

Annual Report, Quarterly Bulletin, and School Files

Senior Specialist Fujimura reported that the August 2011 *Bulletin* will be distributed shortly and a copy will be made available on the Commission's website: www.hawaii.gov/hirec.

Neighbor Island Outreach / Real Estate Specialists' Office for the Day

The next Neighbor Island Outreach and Real Estate Specialists' Office for the Day is scheduled to be held in Kona on September 7, 2011, at the West Hawaii Association of REALTORS® offices.

Instructor's Development Workshop

Hawaii Association of REALTORS® Proposal 2011-2012 IDW

Ms. Marsha Shimizu was present. Ms. Shimizu stated that per the contract with the Commission, HAR is proposing to offer two IDWs this biennium.

Ms. Shimizu stated that the first IDW will be focused on course development. The presenter has condensed the workshop from a two-day workshop to one day. She added that it is a very hands-on workshop and the students will go through the process of course development—designing, creating and validating courses and curricula. If approved, they intend to offer this IDW on September 14, 2011, in conjunction with the HAR real estate convention to utilize the meeting room space at no cost.

Ms. Shimizu reported that there are 12-14 people on the waiting list for the "T3: Training Trainers to Train" IDW and they are proposing this as their second IDW for the biennium. If approved, they intend to offer the IDW late this year or early next year.

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

Budget and Finance Report: Real Estate Education Fund

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Cobb, it was voted on and unanimously carried to accept the Real Estate Education Fund report for the fiscal year ending June 30, 2011.

Executive Session: Upon a motion by Commissioner Cobb, seconded by Commissioner Kuriyama, 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 Loudermilk, seconded by Commissioner Cobb, it was voted on and unanimously carried to move out of executive session.

Continuing Education: Applications

Course – "Rental Property Management;" Author/Owner: Ginger A. Kolonick; Provider: Abe Lee Seminars; Course Category: Real Estate Law, Property Management; Clock Hours: 3

Commissioner Loudermilk moved to approve "Rental Property Management" as a three credit hour continuing education elective course, under the course categories Real Estate Law and Property Management, subject to replacement of all references to "realtor" with "licensee" in the course materials. Commissioner Kuriyama seconded the motion. The motion was voted on and unanimously carried.

Course – "Buyer Representation 2011-2012;" Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course Categories: Contracts, Real Estate Law; Clock Hours: 3 (Deferred from 7/13/11 ERC)

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Wada, it was voted on and unanimously carried to approve "Buyer Representation 2011-2012" as a three credit hour continuing education course, under the course categories Contracts and Real Estate Law.

Staff was asked to remind the author that where a Hawaii Association of REALTORS[®] form is used in the course materials the item should be marked with "sample" or a similar watermark as specified in HAR's July 19, 2011, letter to the author.

Course – "Disclosures in Residential Transactions;" Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course Categories: Contracts, Real Estate Law; Clock Hours: 6 (Deferred from 7/13/11 ERC)

Commissioner Kuriyama moved to approve "Disclosures in Residential Transaction" as a six credit hour continuing education elective course, under the course categories Contracts and Real Estate Law, subject to corrections to slide numbers 51 and 52 of the PowerPoint presentation. Specifically, bullet five of

slide 51, the cite should be corrected and bullet 2 of slide 52, the word is misspelled. Commissioner Loudermilk seconded the motion. The motion was voted on and unanimously carried.

Staff was asked to remind the author that where a Hawaii Association of REALTORS® form is used in the course materials the item should be marked with "sample" or a similar watermark as specified in HAR's July 19, 2011, letter to the author.

Course – "The Settlement Process – HUD-1, RESPA, and the GFE;"
Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course Categories: Contracts, Real Estate Law, Finance, Broker Management, Other – RESPA, Consumer Protection; Clock Hours: 3 (Deferred from 7/13/11 ERC)

Commissioner Kuriyama felt that due to the technical nature of the subject matter, the Committee should exercise its right to have the course independently reviewed.

Commissioner Kuriyama moved to defer decision making on this application and have the course independently reviewed by a consultant pursuant to section 16-99-100(b), Hawaii Administrative Rules. Furthermore, the Education Review Committee will select the consultant. Commissioner Senter seconded the motion. The motion was voted on and unanimously carried.

Course – "Foreclosure Resolution Law in Hawaii;" Author/Owner/Provider: David Catanzaro/REMI School of Real Estate; Course Categories: Contracts, Real Estate Law, Finance, Dispute Resolution; Clock Hours: 6

Commissioner Kuriyama moved to approve "Foreclosure Resolution Law in Hawaii" as a three credit hour continuing education elective course, under the course categories Contracts, Real Estate Law, Finance and Dispute Resolution. Furthermore, due to the technical, legal nature of the subject matter and the ambiguity of this untested law, the instructor is required to co-teach the course with a qualified expert or an experienced attorney in foreclosure law. Commissioner Loudermilk seconded the motion. The motion was voted on and unanimously carried.

Program of Work: Instructor's Development Workshop

Hawaii Association of REALTORS® Proposal 2011-2012 IDW

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Cobb, it was voted on and unanimously carried to approve the Hawaii Association of REALTORS® proposal to offer "Instructional Design: Performance-Based and Results-Focused" and "T3: Training Trainers to Train" instructor development workshops for the 2011-2012 biennium per the terms of the contract.

Next Meeting: Wednesday, September 7, 2011
Upon adjournment of the Condominium Review Committee Meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convenes at 9:30 a.m.
West Hawaii Association of REALTORS®
74-5620 Palani Court, #106
Kailua-Kona, HI 96740

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Adjournment: With no further business to discuss, Chair Sherley adjourned the meeting at
10:58 a.m.

Reviewed and approved by:

/s/ Diane Choy Fujimura
Diane Choy Fujimura
Senior Real Estate Specialist

August 16, 2011
Date

[] Minutes approved as is.
[] Minutes approved with changes, see minutes of _____