

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: July 11, 2012

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: Walter Harvey, Chair / Broker / Honolulu Commissioner
Aileen Wada, Vice Chair / Broker / Honolulu Commissioner
Rowena B. Cobb, Broker / Kauai Commissioner
Stanley Kuriyama, Broker/Honolulu Commissioner
Frances T. Gendrano, Broker / Honolulu Commissioner
Bruce Faulkner, Broker / Maui Island Commissioner
Nikki T. Senter, Public / Honolulu Commissioner
Scott A. Sherley, Broker / Hawaii Island Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
David J. Grupen, Real Estate Specialist
Benedyne Stone, Condominium Specialist
Shari Wong, Deputy Attorney General
Lesley Matsumoto, Recording Secretary

Others: Aron Espinueva, Hawaii Association of REALTORS®
Marsha Shimizu, Hawaii Association of REALTORS®
Beth Holiday, Hawaii Association of REALTORS®
Philip H. Wilia, Dower Realty
Robin Sagadraca, Abe Lee Seminars
Scott Arakaki, Badger Arakaki

Call to Order: The Chair called the meeting to order at 10:36 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

3. Minutes of the Previous Meeting – Minutes of June 13, 2012

Minutes of Previous Meeting

Upon a motion by Commissioner Sherley, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to accept the minutes of the June 13, 2012 Education Review Committee meeting.

Continuing Education: Applications

2011-2012 Continuing Education Providers and Courses Ratification List

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

<u>Registration/Certification</u>	<u>Effective Date</u>
"Live Webinar: Apartment Buildings – Secrets to Understand, Sell and List Them" (ARELLO/McKissock, LP)	06/12/2012

Course – “Avoiding Real Estate Fraud”; Author/Owner: Scott C. Arakaki, Esq.; Provider: Eddie Flores Real Estate Continuing Education; Course Categories: Real Estate Law, Risk Management; Clock Hours: 3 (Deferred ERC 4/11/12)

Mr. Arakaki stated he appreciated the Commissioners comments and he revised the course to reflect the following:

- 1) Elaborate on how to avoid different types of fraud by recognizing specific red flags that may arise. What does a real estate licensee do if they suspect fraud? To whom may they report their suspicions?
- 2) Review the language used on page 1, 3rd paragraph under "Why be concerned about real estate fraud?" The ERC noted that characterizing the real estate licensee as "innocent" and "unknowingly a victim or facilitator..." may not be completely apropos, as real estate licensees may not always rely on a defense of "I didn't know."

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

Course -"Fundamentals of Listing: Establishing Market Value & Pricing Strategies"; Author/Owner: Hawaii Association of REALTORS®; Provider: Hawaii Association of REALTORS®; Course Category: Other – Listing process; Clock Hours: 3

Course – “Fundamentals of Finance: Basics”; Author/Owner: Hawaii Association of REALTORS®; Provider: Hawaii Association of REALTORS®; Course Category: Finance; Clock Hours: 3

Ms. Beth Holiday was present to answer questions on her courses.

Ms. Holiday stated that these courses are about knowing and applying the laws. Applicants are not prepared for the day to day world after they pass their test and they do not know how to apply it to their business.

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

**Course - “Cloud Computing and Mobile Technology for the Real Estate Agent”;
Author/Owner: Robin Sagadraca; Provider: Abe Lee Seminars; Course
Category: Technology and the Licensee; Clock Hours: 3**

Mr. Robin Sagadraca was present to answer questions.

Mr. Sagadraca stated that this course will explore what cloud computing is, how it works and how it is being deployed. Additionally, this class will examine cloud computing and its relation to the rapidly expanding field of mobile technology. By learning about cloud computing and mobile technology, agents will be able to discover new and alternate ways that real estate problems can be solved and obstacles to servicing their clients.

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

Provider – Green Building LLC; Administrator: John Bendon

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve Green Building LLC as a continuing education provider.

**Course – “When Geek Meets Greek: Online Ethics in the Social Media Age”;
Author/Owner: Nobu Hata; Provider: Hawaii Association of REALTORS®;
Course Category: Technology and the Licensee; Clock Hours: 3**

Ms. Marsha Shimizu was present to answer questions.

Ms. Shimizu stated that this course addresses content, branding and trademark misuse; fair housing and Code of Ethics violations; the power of the social web and marketing. The course guides licensees through today’s online landscape and how agents need to stay out of trouble and best serve the new consumers.

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

**Course – “Land Use and Permit Requirements – Residential Mini Subdivisions and Condominium Property Regimes (CPR); Author/Owner: Philip Hale Wilia;
Provider: Dower School of Real Estate; Course Category: Other - Real Estate Development; Clock Hours: 3**

Mr. Philip Wilia was present to answer questions.

Mr. Wilia stated that this course provides real estate students an overview of the development of a subdivision and a condominium property regime which will assist them in guiding clients on the basic requirements.

The Commission has concerns that this course only applies to Honolulu ordinances. Mr. Wilia responded that all county ordinances are different. The Commission recommended Mr. Wilia identify the county charts used as references in the course materials.

Concerns were raised about the need to distinguish the difference between the county's recognition of condominiums as a physical build-out and the state's recognition of the condominium property regime as a division of legal ownership.

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

Prelicense Education: Applications

Dower School of Real Estate – Independent Study Course – Salespersons and Brokers curricula

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Cobb, it was voted on and unanimously carried to approve the Dower School of Real Estate, Independent Study Course – Salesperson and Brokers curricula.

Dower School of Real Estate – Independent Study Course Instructor, Scott Alan Bly, Esq., Salespersons and Brokers curricula

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Cobb, it was voted on and unanimously carried to defer the above course instructor application because it was not complete.

Evaluation and Education Program

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

- Abe Lee Seminars (7)

Administration of Examinations:

PSI

Licensing Examination Statistics – June 2012

Examination statistics for June 2012 were distributed to the Commissioners for their information.

School Pass/Fail Rates – June 2012

School pass/fail rate statistics for June 2012 were distributed to the Commissioners for their information.

School Summary by Test Category – June 2012

Copies of the June 2012 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 July 2012 issue of *Schools Files* will be distributed later this month and the Real Estate Bulletin will be distributed in August 2012.

Neighbor Island Outreach – Innovations Center – UH Hilo, September 12, 2012

The next Neighbor Island Outreach and Real Estate Specialists' Office for the Day is scheduled to be held in Hilo on September 12, 2012, at the Hawaii Innovation Center Conference Room, University of Hawaii at Hilo.

Ad Hoc Committee on Education (ACE) – report of 6/19/12 meeting

Senior Specialist Fujimura reported that the Ad Hoc Committee met on June 19, 2012 and recommended the following topics for the 2013-2014 core course:

1. 2013-2014 Core Course, Part A, Policies and Procedures Manual, and 2013 Hawaii Legislative Update; and
2. 2013-2014 Core Course, Part B, Advertising, and 2014 Hawaii Legislative Update.

ARELLO, REEA and
Other Organizations: No report.

Budget and Finance
Report: No report.

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

Continuing Education: Applications

Course – "Avoiding Real Estate Fraud"; Author/Owner: Scott C. Arakaki, Esq.; Provider: Eddie Flores Real Estate Continuing Education; Course Categories: Real Estate Law, Risk Management; Clock Hours: 3 (Deferred ERC 4/11/12)

Upon a motion by Commissioner Gendrano, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve "Avoiding Real Estate Fraud" as a 3 credit hour continuing education elective course subject to amending the title to "Real Estate Fraud and How to Avoid It".

Course -"Fundamentals of Listing: Establishing Market Value & Pricing Strategies"; Author/Owner: Hawaii Association of REALTORS®; Provider: Hawaii Association of REALTORS®; Course Category: Other – Listing process; Clock Hours: 3

Course – “Fundamentals of Finance: Basics”; Author/Owner: Hawaii Association of REALTORS®; Provider: Hawaii Association of REALTORS®; Course Category: Finance; Clock Hours: 3

Upon a motion by motion by Commissioner Sherley, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve “Fundamentals of Listing: Establishing Market Value & Pricing Strategies” and “Fundamentals of Finance: Basics” as a 3 credit hour continuing education elective course subject to amending the title to “Strategies of Listing: Establishing Market Value & Pricing Strategies” and “Strategies of Finance: Basics”.

Course - “Cloud Computing and Mobile Technology for the Real Estate Agent”; Author/Owner: Robin Sagadraca; Provider: Abe Lee Seminars; Course Category: Technology and the Licensee; Clock Hours: 3

Upon a motion by Commissioner Cobb, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve “Cloud Computing and Mobile Technology for the Real Estate Agent” as a 3 credit hour continuing education elective course.

Course – “When Geek Meets Greek: Online Ethics in the Social Media Age”; Author/Owner: Nobu Hata; Provider: Hawaii Association of REALTORS®; Course Category: Technology and the Licensee; Clock Hours: 3

Upon a motion by Commissioner Cobb, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve “When Geek Meets Greek: Online Ethics in the Social Media Age” as a 3 credit hour continuing education elective course.

Course – “Land Use and Permit Requirements – Residential Mini Subdivisions and Condominium Property Regimes (CPR)”; Author/Owner: Philip Hale Wilia; Provider: Dower School of Real Estate; Course Category: Other - Real Estate Development; Clock Hours: 3

Upon a motion by Commissioner Gendrano, seconded by Commissioner Senter, it was voted on and unanimously carried to defer “Land Use and Permit Requirements – Residential Mini Subdivisions and Condominium Property Regimes (CPR)” subject to comments by staff regarding HRS, chapter 514B and revising of course materials based on comments received.

Next Meeting:

Wednesday, August 8, 2012

Upon adjournment of the Condominium Review Committee Meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convenes at 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
11:30 a.m.

Reviewed and approved by:

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

July 30, 2012

Date

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