

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: Wednesday, October 13, 2004

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

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

Present: Trudy Nishihara, Vice Chair
Louis Abrams, Member
Carol Ball, Member
Mitchell Imanaka, Member
Kathleen Kagawa, Member
Michele Sunahara Loudermilk, Member
John Ohama, Member
Iris Okawa, Member

Calvin Kimura, Supervising Executive Officer
Neil K. Fujitani, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Lorene K. A. Kimura, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
David Grupen, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Others: Stephanie Ripple, Honolulu Board of REALTORS
Joanna Markle, Hawaii Association of REALTORS
Marsha Shimizu, Hawaii Association of REALTORS
George Y. Chatani
Russ Goode, Chair, Hawaii Association of Real Estate Schools

Absent: Vern Yamanaka, Chair

Call to Order: Vice Chair Nishihara called the meeting to order at 9:24 a.m., at which time quorum was established.

Chair's Report: No report presented.

Sr. Real Estate
Specialist's Report:

Announcements, Introduction, Correspondence and Additional Distribution

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

6. Administration of Examinations
 - a. Promissor
 - 3) National Job Task Analysis

The following were distributed at additional distribution:

4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - a. Administrative Issues – Real Estate Pocket Card for CE Course Entrance
5. Prelicensing Education Administration, Curriculum, Schools, Instructors, and Equivalency
 - c. Broker Curriculum and Resources
 - 1) Broker Curriculum On-line Proposals
 - 2) Rick Seiler E-mail Inquiry

Minutes

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, it was voted on and unanimously carried to accept the minutes of the September 8, 2004, Education Review Committee meeting as distributed.

Continuing Education: **Administrative Issues**

CE Completions

Senior Specialist Fujimura reported that as of Tuesday, October 12, 2004, 4,574 licensees completed their 10 hour continuing education requirement.

Real Estate Pocket Card for CE Course Entrance

Senior Specialist Fujimura reported that she recently received an inquiry as to whether or not a continuing education provider may accept a copy of a licensee's real estate pocket card or the licensee's wall certificate as meeting the requirements for entrance into a continuing education course.

The current policy as stated in Section 16-99-115, Hawaii Administrative Rules, is ". . . at minimum, the continuing education provider shall require a picture identification and a current real estate pocket card or notification of licensed status from the commission. . ." May the continuing education provider accept a copy of a "license screen" downloaded from the Professional and Vocational Licensing Division's web site in lieu of the licensee's original pocket card?

Upon a motion by Commissioner Imanaka, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend approval of a current, legible, printed copy of the Professional and Vocational Licensing Division's "license screen," or actual on-line review of the "license screen" by the continuing education provider, that at the minimum reflects the licensee's name, license number, license expiration date, and license status, for continuing education course entrance requirement is accepted as "notification of license status from the commission" per Section 16-99-115, Hawaii Administrative Rules, subject to

verification with a picture identification of the licensee. Further clarification will be determined at the next rule making.

Applications

Course – “The Accredited Staging Professional Course;” Author/Owner: Barb Schwarz, Stagedhomes.com; Provider: TBA; Course Category: Other (Staging); Clock Hours: 14 (6 credits for the 14 clock hours, a two-day course)

Senior Specialist Fujimura reported that this agenda item was deferred from the September meeting as the committee members requested information on whether the course is recognized for continuing education credit in other states/jurisdictions. Senior Specialist Fujimura reported that this course is currently certified in California, Washington, Colorado and Ohio.

Commissioner Abrams stated that the Commission’s goal is to educate the licensee to be more professional and to protect the consumer and he believes that staging does not take into consideration this goal--assisting the seller is more a marketing tool and is getting away from the purpose of education. Commissioners Imanaka, Loudermilk and Ball agreed with Commissioner Abrams and shared his concerns.

Upon a motion by Commissioner Ball, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend denial of “The Accredited Staging Professional Course” based on Sections 16-99-101(3) and (7), Hawaii Administrative Rules.

Provider – Roger Butcher Training; Rhonda Butcher, Administrator

Upon a motion by Commissioner Ohama, seconded by Commissioner Abrams, it was voted on and unanimously carried to defer decision making on this application.

Course – “How to Market You;” Author/Owner: Roger Butcher; Provider: Roger Butcher Training (pending approval); Course Category: Technology and the Licensee, Other (Professional Customer Service); Clock Hours; 3

Upon a motion by Commissioner Ohama, seconded by Commissioner Abrams, it was voted on and unanimously carried to defer decision making on this application.

Continuing Education Core Course

2005-2006 Core Course RFP

SEO Kimura reported that the quarterly budget cash flow would need to be reviewed to ensure the availability of funds.

Upon a motion by Commissioner Ohama, seconded by Commissioner Okawa, it was voted on and unanimously carried to recommend approval of the 2005-2006 Core Course Request for Proposals with the following wording for item #6, Scope of Services, “Develop course materials to focus on Hawaii case studies and case studies relevant to Hawaii real estate practice.”

Evaluations on file

Senior Specialist Fujimura reported that written evaluations of the Commissions' continuing education core course, on-line and live delivery, continue to stream in and are available for the Commissioners' review. She reported that the evaluations continue to be positive.

Education Evaluation Task Force

The next EETF meeting is scheduled for Monday, November 22, 2004, 9:30 a.m. – 2:30 p.m.

At this time, Senior Specialist Fujimura reported that ProSchools has completed the 2004 law updates for the core course and it will be distributed.

Prelicense Education: **Administrative Issues**

Evaluation forms (6) – Seiler School of Real Estate

Copies of evaluations of Seiler School of Real Estate's independent study course were distributed to the Commissioners for their information.

Broker Curriculum and Resources

Broker Curriculum On-line Proposals

Senior Specialist Fujimura reported that four proposals were received for the broker curriculum on-line RFP.

Senior Specialist Fujimura reported that a proposal was received from Maselle Learning Systems; however, the proposal was for a live internet course which does not meet the requirements specified in the RFP.

Senior Specialist Fujimura reported a proposal was received from 360Training, which is a well known firm based in Texas. Their proposal totaled \$56,000 or if based on an hourly rate, \$700 an hour.

Senior Specialist Fujimura reported a proposal was received from Pacific Resources for Education and Learning (PREL) in collaboration with Hawaii Academy of Real Estate LLC and Pacific Learning Services. PREL has experience in the Pacific Basin area. Their proposal totaled \$275,000.

Senior Specialist Fujimura reported a proposal was received from Kuulei Holdings, Inc. Their proposal totaled \$257,280.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Okawa, it was voted on and unanimously carried to reject the four proposals received by the October 8, 2004, deadline, as they do not meet all requirements specified in the RFP. The proposals submitted by 360Training, Pacific Resources for Education and Learning/Hawaii Academy of Real Estate LLC/Pacific Learning Services, and Kuulei Holdings, Inc. were not within the RFP specification of meeting the State of Hawaii Small Purchase Contract requirements. The proposal submitted by Maselle Learning Systems did not meet the on-line delivery requirement of the broker's curriculum modular format.

Upon a motion by Commissioner Abrams, seconded by Commissioner Imanaka, it was voted on and unanimously carried to have Staff follow-up on procurement procedures for the on-line broker's curriculum project and conduct further review of proposals that offered on-line modular format for the broker's curriculum.

Rick Seiler E-mail Inquiry

Rick Seiler submitted an inquiry as to when the new 80-hour broker curriculum will take effect. Senior Specialist Fujimura stated that instructors should be writing their new 80-hour curriculum and there should be a timeline if the test is to be implemented in January 2005.

Specialist Kimura reported that the Commission needs to give Promissor a date to include the questions in the broker exam, but Promissor will be ready by January 1, 2005.

Commissioner Ball stated that the curriculum needs to be ready before the exam is offered.

Senior Specialist Fujimura inquired what the cut-off date will be as to when candidates will be required to take the 80-hour broker curriculum.

Upon a motion by Commissioner Ohama, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend approval of a test implementation date of February 1, 2005, for the new broker exam. Cut-off date for the 46-hour broker course is December 31, 2004. All prelicense schools and instructors certified for the 2005-2006 biennium will teach the 80-hour broker course effective January 1, 2005. Broker candidates completing the broker's 46-hour course in 2004 will have through January 31, 2005 to take the current broker's exam. Beginning February 1, 2005, all broker candidates will take the new broker's exam, subject to expiration dates of applicable pre-examination certificates. Broker candidates who have a valid, unexpired school completion certificate obtained by completing the 46-hour broker course will not be required to take the 80-hour broker course in order to sit for the new broker's exam.

Salesperson's Curriculum

RFP

Upon a motion by Commissioner Abrams, seconded by Commissioner Okawa, it was voted on and unanimously carried to recommend approval of the RFP to assist the Real Estate Commission in revising and updating its salesperson's prelicense curriculum for the 2005-2006 biennium.

Administration of
Examinations:

Promissor

Licensing Examination Statistics

Examination statistics for August 2004 was distributed to the Commissioners for their information.

August 2004 School Summary Reports

A copy of the performance summary report, by school, was distributed to the Commissioners for their information. The report is derived from statistics for first time test takers

National Job Task Analysis

It was reported that Promissor's National Job Task Analysis is on-going and they are inviting the Commissioners to complete the on-line survey. A copy of an e-mail outlining the instructions of the on-line survey were distributed to the Commissioners.

Test Development and Scenario Exam Items

Test Development Committee Meeting - Report

A report on Promissor's test development committee meetings, which were held on August 25 – 27, 2004, were distributed to the Commissioners for their information.

Real Estate Educator's Forum – Report

A report on Promissor's educators forum held on August 27, 2004, was distributed to the Commissioners for their information.

Amended Salesperson Content Outline

Upon a motion by Commissioner Kagawa, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend approval of the revised salesperson content outline.

Promissor Test Problem

Maria Alayon

It was reported that information was received from Promissor that there may have been an impropriety that occurred on the part of Ms. Maria Alayon during testing on September 24, 2004.

Executive Session:

Upon a motion by Commissioner Abrams, seconded by Commissioner Okawa, it was voted on and unanimously carried to move 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."

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

Administration of Examinations:

Promissor Test Problem

Maria Alayon

Upon a motion by Commissioner Abrams, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend issuance of a Commission's Proposed Final Order to bar the individual from taking future exams for a period of one year and the individual will be allowed 60 days from the date of the proposed final order to respond and present oral arguments.

Educator's Forum: **Hawaii Association of REALTORS®** – No discussion presented.

Hawaii Association of Real Estate Schools (HARES) – Mr. Russ Goode, Chair of HARES, reported that HARES will be holding an informal meeting today.

He also stated that the providers and school owners want to have a standard on the use of social security numbers. He suggested that DCCA amend policy to only use the last four digits of an individual's social security number.

Vice Chair Nishihara thanked Mr. Goode for his suggestion.

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

Program of Work: **Neighbor Island Outreach**

2004 Renewal Workshops

The Commission's goal is to make this a successful renewal for the real estate licensees and will be holding renewal workshops at the following locations and times:

Maui – November 10, 2004
9:30 a.m. – 12:30 p.m.
REALTORS Association of Maui, Inc.
441 Ala Makani Place
Kahului

Kauai – November 15, 2004
9:30 a.m. – 12:30 p.m.
Kauai Board of REALTORS
4359 Kukui Grove, Suite 103
Lihue

Kona – November 16, 2004
9:30 a.m. – 12:30 p.m.
Kona Board of REALTORS
74-5620 Palani Court, #106
Kailua-Kona

Oahu – November 18, 2004
9:30 a.m. – 12:30 p.m.
Honolulu Board of REALTORS
1136 12th Avenue, Holomua Room
Honolulu

Hilo – November 23, 2004
9:30 a.m. – 12:30 p.m.
Hawaii Island Board of REALTORS
26 Waianuenu Avenue
Hilo

Oahu – November 29, 2004
9:00 a.m. – 11:00 a.m.
King Kalakaua Building, Queen Liliuokalani Conference Room
335 Merchant Street, First Floor
Honolulu

Interactive Participation with Organizations

Pacific Rim Real Estate Conference, September 16-17, 2004 - Reports

Reports on the Hawaii Association of REALTORS' Pacific Rim Real Estate Conference held on September 16 – 17, 2004 at the Sheraton Waikiki Hotel were distributed to the Commissioners for their information.

Evaluation and Education System for CE and Prelicensing Instructors

Copies of evaluations of various continuing education courses were distributed to the Commissioners for their information.

Real Estate Specialists' Office for the Day

Lihue, Kauai, 9/18/04 – Report

The report on the Specialists' Office for the Day held on Kauai on September 18, 2004, was distributed to the Commissioners for their information.

Schedule for November 2004

The real estate and condominium specialists will be available to discuss concerns from 9:30 – 12:30 p.m. at the following locations:

Maui – November 10, 2004
REALTORS Association of Maui, Inc.
441 Ala Makani Place
Kahului

Kauai – November 15, 2004
Kauai Board of REALTORS
4359 Kukui Grove, Suite 103
Lihue

Kona – November 16, 2004
Kona Board of REALTORS
74-5620 Palani Court, #106
Kailua-Kona

Oahu – November 18, 2004
Honolulu Board of REALTORS
1136 12th Avenue, Holomua Room
Honolulu

Hilo – November 23, 2004
Hawaii Island Board of REALTORS
26 Waiuanue Avenue
Hilo

Division and Department Programs – New salesperson licensees 2004

A report on the number of new salesperson licensees for January – September 2004 was distributed to the Commissioners for their information. The total number of 1,597 new salesperson licensees reflects the number of licensees

who are deemed as having completed the 10 hour continuing education requirement, pursuant to Section 16-99-89(c), Hawaii Administrative Rules.

Next Meeting: Wednesday, November 10, 2004
Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:30 a.m.
REALTORS Association of Maui, Inc.
441 Ala Makani Place
Kahului, Maui

Adjournment: With no further business to discuss, Vice Chair Nishihara adjourned the meeting at 11:00 a.m.

Reviewed by:

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

November 10, 2004
Date

[X] Minutes approved as is.
[] Minutes approved with changes.