

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: May 9, 2007

Time: 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: Carol Mae Ball, Chair / Broker / Maui Commissioner
Annette Aiona, Vice Chair / Broker / Hawaii Island Commissioner
William S. Chee, Broker / Honolulu Commissioner
Frances T. Gendrano, Salesperson / Honolulu Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner
Mark Suiso, Public / Honolulu Commissioner
Michele Sunahara Loudermilk, Public / Honolulu Commissioner

Calvin Kimura, Supervising Executive Officer
Neil Fujitani, Executive Officer
Lorene 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

Absent: Louis Abrams, Broker / Kauai Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner

Others: Myoung Oh, Hawaii Association of REALTORS®
Chris Catanzaro, Digital Learning Centers, LLC
Rudy Mician, Digital Learning Centers, LLC

Call to Order: Chair Ball called the meeting to order at 9:30 a.m., at which time quorum was established.

Chair's Report: Chair Ball stated the Commission 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/or to consult with the Commission's attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities in accordance with Section 92-5(a)(4), HRS.

Commissioners Abrams and Kuriyama are excused from the meeting. Prior notification of their non-attendance was received.

Real Estate
Specialist's Report:

Announcements, Introduction, Correspondence, and Additional Distribution

The following was distributed as additional distributions:

4. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - c. Continuing Education Core Course
 - 3) Hawaii Association of REALTORS®
13. Budget and Finance Report – Real Estate Education Fund

SEO Kimura reported that this is Specialist Kimura's last meeting as she will be leaving the Real Estate Branch. Chair Ball thanked Specialist Kimura for her hard work and efficiency and stated that it has been a pleasure working with her.

Upon a motion by Commissioner Aiona, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to present a certificate of appreciation to Specialist Kimura for her outstanding contributions in real estate at the May 25, 2007, Real Estate Commission meeting.

Minutes of April 11, Meeting

Upon a motion by Commissioner Nishihara, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the April 11, 2007, Education Review Committee meeting as distributed.

Continuing Education: Applications

Provider – Character Training Inc. dba Global Ethics University, Mark S. Putnam, Administrator

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve Character Training Inc. dba Global Ethics University as a continuing education provider.

Course – “Ethical Conduct in Real Estate – Hawaii”; Author/Owner: Mark S. Putnam; Provider Character Training Inc. dba Global Ethics University (pending approval); Course Category: Other – Ethics; Clock Hours: 4 (Credit Hours: 3)

Commissioner Nishihara stated that she had concerns about this course. She stated that the National Association of REALTORS® has a code of ethics and was concerned if this course would be in conflict—is it in-line with NAR, and if not, would they explain the difference.

Upon a motion by Commissioner Chee, seconded by Commissioner Nishihara, it was voted on and unanimously carried to defer decision making on this application until further information is presented on whether this course is approved in other States as an ethics course, if yes, which States, and does the course content emulate closely the National Association of REALTORS' code of Ethics, if yes, an explanation, if not, what areas are different.

At this time, SEO Kimura added that the NAR code of ethics is used as an enforcement tool and is currently the only recognized code of ethics—it has been used in hearing cases.

Course – “Qualifier Plus, Module I – Introductory”; Author/Owner: Rollie J. Litteral; Provider: Kona Board of REALTORS®; Course Categories: Finance and Technology and the Licensee; Clock Hours: 3

Commissioner Nishihara moved to approve “Qualifier Plus, Module I – Introductory”, Commissioner Chee seconded the motion.

Commissioner Loudermilk expressed concerns regarding the course’s objective of student’s being able to “qualify clients/customers and determine loan payments.”

Commissioner Nishihara withdrew her motion, Commissioner Chee withdrew his second to the motion.

Commissioner Chee moved to defer decision making on this application until further information is received on the definition of “pre-qualify” and “qualify” as used in the course and an explanation on the extent to which students completing the course will be able to “pre-qualify” and “qualify” prospective home buyers.

Course – “Qualifier Plus, Module II – Comprehensive & Module III – Introduction to Commercial Investment”; Author/Owner: Rollie J. Litteral; Provider: Kona Board of REALTORS®; Course Categories: Finance and Technology and the Licensee; Clock Hours: 3

Upon a motion by Commissioner Nishihara, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to deny the certification of “Qualifier Plus, Module II – Comprehensive & Module III – Introduction to Commercial Investment” as a continuing education elective course, based on Section 16-99-101 “Courses not acceptable for continuing education course certification. The Commission may not certify a continuing education course, or any portion thereof, which: (1) Does not directly relate to real estate law or real estate practice;. . . .”

Continuing Education Core Course

Chair Ball reported that three quotations were received for the request for quotations to assist the Real Estate Commission in developing the mandatory core course for the 2007-2008 biennium.

Digital Learning Centers, LLC

Mr. Chris Catanzaro and Mr. Rudy Mician representing Digital Learning Centers, LLC, were present.

Mr. Catanzaro stated that they are proposing a modern course with current technology such as online narratives, pod casts and/or MP3—a variety of ways to access information, which is also available in print.

Chair Ball inquired what a RSS feed was. Mr. Mician replied that a RSS feed is a way to provide a streaming feed—streams information and makes it available as it changes. It is another delivery method which people subscribe to. As content becomes available, individuals can download the information, which may be audio or mix media (audio/video).

Chair Ball inquired on how their scenarios will be derived. Mr. Catanzaro replied that the scenarios will be real life scenarios that his father, David Catanzaro, encounters with clients. Mr. Mician added that the scenarios are interactive. Chair Ball asked if the scenarios may be utilized in the classroom. Mr. Catanzaro replied yes, through the use of a screen and the students can have a discussion and make a majority decision.

Commissioner Nishihara stated that the techniques may be too advanced and is not sure if many instructors will understand the usage of these technologies. She stated that the current median age of licensees is 52 years old and questions if the average licensee is capable of utilizing this technology or even willing to use new technology. Commissioner Nishihara stated that she believes this technology is good and that they are advanced in their thinking.

Mr. Mician stated that pod casts are just as easy to utilize as email. Mr. Catanzaro added that the technology is not an alternative but compliments the course.

Commissioner Suiso inquired if technical assistance will be made available. Mr. Catanzaro responded yes, they will have local support ready and available.

Commissioner Nishihara inquired if they had any experience writing core courses. Mr. Catanzaro responded that they have produced an online broker course and an online salesperson course.

Commissioner Nishihara inquired on where they get their information, what their experience level is, how good are their resources and is it current, accurate information. Mr. Mician stated that their courses are evolved from Dearborn courses and they are working on a textbook. Mr. Catanzaro added that his father, David Catanzaro, has 20 years of experience in the business.

Hawaii Association of REALTORS®

Ms. Marsha Shimizu stated that HAR will use a team approach to develop the core course by creating different teams, one team to work on agency and disclosure and another to work on the legislative aspects.

Chair Ball inquired if they would be offering an online version. Ms. Shimizu responded that they would have to look into it and evaluate it first.

Commissioner Nishihara inquired about their team concept and asked if they will be pulling resources from HAR. Ms. Shimizu responded yes, they will be using members from the education and legislative committees.

Pacific Real Estate Institute

SEO Kimura reported that Mr. Ken Chong was on the Big Island and was not available to attend today's meeting.

Prelicense Education: Applications

**School – Carol Ball School of Real Estate; Carol Ball, Principal;
Salesperson and Broker Curricula**

Chair Ball recused herself from discussion and voting on this matter.

Chair Ball was excused.

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Chee, it was voted on and unanimously carried to approve Carol Ball School of Real Estate as a prelicense school offering the salesperson and broker curricula.

Chair Ball returned to the meeting.

Program of Work: Evaluation and Education Program

**Abe Lee Seminars; Salesperson Independent Study On-Line (8)
Vitousek Real Estate School (1)**

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

1. Abe Lee Seminars
2. Vitousek Real Estate School

Administration of
Examinations:

Promissor

Licensing Examination Statistics – March 2007

Examination statistics for March 2007 were distributed to the Commissioners for their information.

School Summary Reports – March 2007

A copy of the March 2007 performance summary report, by school, was distributed to the Commissioners for their information. The report is derived from statistics for first time test takers.

Test Development

SEO Kimura reported that he was recently contacted by Promissor about participating in proposed regional meetings to review and discuss the uniform portion of the exam. Promissor has proposed dates in July and would pay for all expenses as per the contract.

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

Hawaii Association of Real Estate Schools (HARES) – No discussion presented.

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

Program of Work: Neighbor Island Outreach

Kauai, June 15, 2007

The next neighbor island outreach is scheduled for June 15, 2007, on Kauai, at the Kauai State Office Building.

Real Estate Specialists' Office for the Day

Kauai, June 15, 2007

The next neighbor island outreach is scheduled for June 15, 2007, on Kauai, at the Kauai State Office Building.

Education Evaluation Task Force

The next EETF meeting is scheduled for Monday, June 4, 2007, subject to completion of the first draft of the 2007 – 2008 core course part A.

Program of Work, FY08

Suggestions and recommendations for the fiscal year 2008 program of work are being accepted.

Budget and Finance: Budget and Finance Report

Real Estate Education Fund

Upon a motion by Commissioner Chee, seconded by Commissioner Loudermilk, it was voted and unanimously carried to approve the Real Estate Education Fund report for the month ending March 31, 2007.

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

Continuing Education: Continuing Education Core Course

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Suiso, it was voted on and unanimously carried to accept Pacific Real Estate Institute's quotation to assist the Real Estate Commission in developing the mandatory core course for the 2007-2008 biennium. Staff to send letters to Digital Learning Centers, LLC and Hawaii Association of REALTORS® encouraging them to develop and submit for approval their own continuing education core course.

