

**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: November 19, 2007

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

Place: King Kalakaua 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  
Louis Abrams, Broker / Kauai Commissioner  
William S. Chee, Broker / Honolulu Commissioner  
Frances T. Gendrano, Broker / Honolulu Commissioner  
Stanley Kuriyama, Broker / Honolulu Commissioner  
Michele Sunahara Loudermilk, Public / Honolulu Commissioner  
Mark Suiso, Public / Honolulu Commissioner

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

Absent: Trudy Nishihara, Broker / Honolulu Commissioner

Call to Order: Chair Ball called the meeting to order at 9:15 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.

Real Estate Specialist's Report: Minutes of October 10, 2007  
Upon a motion by Commissioner Chee, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the October 10, 2007, Education Review Committee meeting as distributed.

Continuing Education: Applications

### **2007 – 2008 Continuing Education Provider and Courses Ratification List**

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Abrams, it was voted on and unanimously carried to ratify the following registrations/certifications:

<b>Course</b>	<b>Effective Date</b>
"NARPM Ethics" (ARELLO Certified Course/Americas Best)	October 2, 2007
"NARPM Tenancy" (ARELLO Certified Course/Americas Best)	October 2, 2007
"Homes for All: Serving People with Disabilities (ARELLO Certified Course/Dearborn Real Estate Education)	November 8, 2007

**Course – "Environmental Hazards and Structural Deficiencies in a Home and Issues with Older Homes;" Author/Owner/Provider: All Islands Real Estate School; Course Categories: Property Ownership and Development and Risk Management; Clock Hours: 3 (Deferred from 10/10/07 ERC meeting)**

The Commissioners discussed their concerns regarding the licensee ascertaining the hazards versus referring the consumer to consult an expert home inspector. They also felt that the course outline is not clear on the presentation of the course.

Upon a motion by Commissioner Chee, seconded by Commissioner Gendrano, it was voted on and unanimously carried to defer decision making on this application with the following recommendations:

- 1) The course as revised is still "diagnostic" as opposed to "informational." The course outline gives the impression that the real estate agent is relied upon to provide the ascertainment of hazards and deficiencies in the subject property, and recommend a method of dealing with the identified hazard and/or deficiency. For example, the course outline specifies "mold detection" and "removal" and "asbestos detection" and "removal".

The reliance on the agent for the detection and removal of different hazards, etc. appears to encourage the licensee to take on areas of expertise outside of the scope of their real estate license.

There have been court cases where agents with "some" knowledge have been taken to court for providing inaccurate or misleading advice or information in areas outside the scope of their real estate license.

- 2) The last sentence in the "Summary description of course content" states, "Explains the necessity for agents to recommend a professional inspection for observed defects." The Committee recommends that the course content include material on how to obtain professional assistance in the different areas of possible hazards and deficiencies that may be observed in a home, for example, how to locate an expert on mold,

asbestos removal, structural deficiencies, etc. and provide a resource guide for these contacts.

- 3) Expand the course topical outline with more specifics that will be covered in the course. You stated the course content is provided by Pillar to Post, a home inspection company. Please include more detail from the information available from Pillar to Post that is applicable to Hawaii.
- 4) Emphasize the appropriate disclosure of the role of the real estate licensee in these types of transactions.

**Course – “Idiosyncrasies of Hawaii Land Court Property;” Author/Owner: Suzette Nasser; Provider: Kauai Board of REALTORS®; Course Categories: Property Ownership and Development and Risk Management; Clock Hours: 3**

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve “Idiosyncrasies of Hawaii Land Court Property” as a three clock hour continuing education course, under the course categories Property Ownership and Development and Risk Management.

Prelicense Education: Evaluation and Education Program

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

1. Abe Lee Seminars; Salesperson Independent Study On-Line (13)
2. Seiler School of Real Estate; Salesperson Independent Study On-Line (6)
3. Vitousek Real Estate School; Salesperson Independent Study (1)

#### Education Equivalency

#### **Statistics provided by staff**

Statistics compiled by Staff on the examination passage rates for individuals receiving the Prelicense Education Equivalency were distributed to the Commissioners for their information and consideration. These statistics will be used to determine the future of the Prelicense Education Equivalency.

Administration of Examinations:

#### Promissor

#### **Promissor Notice of Name Change**

A copy of a letter dated October 16, 2007, announcing Promissor’s name change to Pearson VUE beginning January 1, 2008, was distributed to the Commissioners for the information.

#### **Licensing Examination Statistics – September 2007**

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

#### **School Pass/Fail Rates – September 2007**

School pass/fail rate statistics for September 2007 were distributed to the Commissioners for their information.

### **School Summary Reports – September 2007**

A copy of the September 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 – Report

A report on the Test Development meetings held on October 23 – 23, 2007 and the Educator's Forum held on October 24, 2007, was distributed to the Commissioners for their information.

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: Annual Report, Quarterly Bulletin, and School Files

Senior Specialist Fujimura reported that the October 2007 issue of the Real Estate *Bulletin* will be distributed shortly. It is currently available on the Commission's website: [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

#### Interactive Participation with Organizations

#### **Honolulu Board of REALTORS®, 10/15/07, Honolulu 2007 Real Estate Summit Report**

A report on the Honolulu Board of REALTORS®, Honolulu 2007 Real Estate Summit held on Monday, October 15, 2007, was distributed to the Commissioners for their information.

#### Education Evaluation Task Force – Report

A report on the EETF meeting held on October 11, 2007, was distributed to the Commissioners.

Chair Ball reported that the EETF initially decided on creating rules for an Associate Instructor; however, at the last meeting it was determined that it would be redundant as individuals have other opportunities to become instructors by first becoming a Substitute Instructor and/or Guest Lecturer.

Additionally, Chair Ball reported that the EETF is also considering eliminating the Prelicense Education Equivalency for brokers.

Budget and Finance Report: Real Estate Education Fund Report

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the Real Estate Education Fund report for period ending September 30, 2007.

Next Meeting: Wednesday, December 12, 2007  
Upon adjournment of the Laws and Rules Review Committee Meeting, that 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, Chair Ball adjourned the meeting at 9:47 a.m.

Reviewed and approved by:

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

November 29, 2007  
Date

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