

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: April 9, 2008
- 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
Frances T. Gendrano, Broker / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner
Mark Suiso, Public / Honolulu Commissioner
Michele Sunahara Loudermilk, Public / Honolulu Commissioner
- Neil Fujitani, Acting Supervising 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: William S. Chee, Broker / Honolulu Commissioner
- Call to Order: Chair Ball called the meeting to order at 10:18 a.m., at which time quorum was established.
- Chair's Report: Chair Ball 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/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.
- Commissioner Chee was excused from today's meeting. Prior notice of his non-attendance was received.

Real Estate Specialist's Report: Minutes of March 12, 2008

Upon a motion by Commissioner Suiso, seconded by Commissioner Gendrano, it was voted on and unanimously carried to accept the minutes of the March 12, 2008, Education Review Committee meeting as distributed.

Continuing Education: Administrative Issues

New Salesperson Licensees – 2008

A report on the number of new salesperson licensees for 2008 was distributed to the Commissioners for their information. Senior Specialist Fujimura reported that, to date, there are 464 new salesperson licensees in 2008. The total number of 464 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.

Applications

2007 – 2008 Continuing Education Providers and Courses Ratification List

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

Course	Effective Date
“International Real Estate for Local Markets” (Nationally Certified Course/Hawaii Association of REALTORS®)	03/03/08
“Federal Fair Housing, Sales” (Scott A. Sherley/ERA School of Real Estate)	03/17/08

Course – “The REALTOR Code of Ethics in 2008;” Author/Owner: Jim Hogan and Curtis Hall; Provider: Hogan School of Real Estate, Inc.; Course Category: Other – Ethics and Professional Development; Clock Hours: 3

Commissioner Nishihara abstained from discussion and voting on this matter.

Chair Ball noted that there were three authorities cited throughout the outline (HRS/HAR, Code of Ethics, and MLS) and stated that it is important that the student understands the three cited authorities and where one ends and the other begins.

Chair Ball also had concerns about the Hawaii Buyer Advisory handout. Because the document changes frequently as information is updated, she had concerns that the licensee may not always download a “fresh” copy and rely on the handout from the class, which may become outdated.

Chair Ball referred to Hawaii Administrative Rules, Section 16-99-3(b), under conduct, “The licensee shall protect the public against fraud, misrepresentation, or unethical practices in the real estate field.” Based on this, the use of the Code of Ethics would be appropriate in the course materials.

Chair Ball referenced and emphasized Hawaii Revised Statutes, Section 467-4.5(b)(3) "Continuing education providers shall: Ensure that the course is based on current information, laws, and rules" and 467-4.5(d) "Continuing education courses shall be designed to improve a licensee's competency, or professional standards. . . ."

Commissioner Suiso stated that he feels ethics is a core issue and all licensees need to practice in an ethical manner. He stated that this is fundamental and a course on ethics does not improve a licensee's competency.

Commissioner Abrams stated that the instructors are great, the course would be helpful to all licensees, and we are assured that, at least, every National Association of REALTORS® member will take this course.

Commissioner Abrams moved to approve "The REALTOR Code of Ethics in 2008" as a three credit hour continuing education course subject to standard language editing. Commissioner Kuriyama seconded the motion.

Commissioner Abrams withdrew his motion. Commissioner Kuriyama withdrew his second.

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Abrams, it was voted on and carried to defer decision making on this application. Commissioner Nishihara abstained from voting. The Commissioners provided the following recommendations:

1. Page 3, Course Outline, VII.e - delete the phrase, "less than standard' fee" and replace this phrase with an appropriate explanation that does not convey the idea that commissions are set and non-negotiable.
2. The three different "authorities" referenced in the course (Hawaii Revised Statutes and Hawaii Administrative Rules, HI Central MLS rules, and the Code of Ethics) should be clearly distinguished throughout the course so attendees are not confused regarding which authority is which, and what each requires. However, see #3 below.
3. Delete references to the HI Central MLS requirements. The MLS information may not be essential for a course on ethics. Also, there are other MLS systems in Hawaii, and there are some differences between each system.
4. Because the Hawaii Buyer Advisory is a ". . . living breathing (sic) document and changes frequently," it is recommended that it not be included as a handout as it may be relied upon by some licensees. Providing a downloadable link and a reminder to the licensee to use the most current version available is recommended.

Course – "The Foreclosure Process;" Author/Owner: Ralph Foulger; Provider: Ralph Foulger's School of Real Estate; Course Categories: Real Estate Law, Contracts, Dispute Resolution; Clock Hours: 3

Commissioner Nishihara stated that there are references made in the course and accompanying handouts that are not relevant to Hawaii. Commissioner Gendrano agreed and stated that if Mr. Foulger is planning to use these handouts it will be very confusing to students.

Upon a motion by Commissioner Gendrano, seconded by Commissioner Suiso, it was voted on and unanimously carried to defer decision making on this application and requested Mr. Foulger appear at the Real Estate Commission or Education Review Committee meeting. The Commissioners provided the following recommendations:

1. If the attached articles are to be used as handouts, they are confusing, and some are not related to Hawaii practice. The Title Guaranty website has useful, easy-to-understand Hawaii foreclosure information. Handouts should assist the student in understanding the foreclosure process in Hawaii.
2. The course should address bank foreclosure properties in Hawaii.

Prelicense Education: Evaluation and Education Program

Copies of evaluations of the independent study course from the Abe Lee Seminars (5) were distributed to the Commissioners for their information.

Administration of Examinations: Pearson VUE

Licensing Examination Statistics – February 2008

Examination statistics for February 2008 were distributed to the Commissioners for their information.

School Pass/Fail Rates – February 2008

School pass/fail rate statistics for February 2008 were distributed to the Commissioners for their information.

School Summary Reports – February 2008

Copies of the February 2008 performance summary reports, by school, were distributed to the Commissioners for their information. The report is derived from statistics for first time test takers.

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

The next neighbor island outreach will be held in Maui on May 7, 2008, at the REALTORS® Association of Maui offices at 441 Ala Makani Place, Kahului, Maui.

Real Estate Speakership Program

The REALTORS® Association of Maui (RAM) requested a speaker for their Brokers' Forum luncheon to be held on May 7, 2008.

Acting SEO Fujitani reported that he has been in contact with Judi Pasco and RAM is flexible on the date/time of the forum. He also stated that if there are any suggestions on topics, to please forward them to him.

Education Evaluation Task Force – Report of 3/27/08 EETF Meeting

The report of the March 27, 2008, EETF meeting was distributed to the Commissioners for their information. Senior Specialist Fujimura reported that the first draft of Part B of the mandatory core course was discussed. The legislative portion of Part B is pending. The target date for the course is June with Train-The-Trainer workshops to be held in May.

The next EETF meeting is scheduled for Friday, May 2, 2008, at the Honolulu Board of REALTORS' office.

Next Meeting: Wednesday, May 7, 2008
Upon adjournment of the Laws and Rules Review Committee Meeting, that convenes at 9:30 a.m.
REALTORS® Association of Maui
441 Ala Makani Place
Kahului, HI 96732

Adjournment: With no further business to discuss, Chair Ball adjourned the meeting at 11:02 a.m.

Reviewed and approved by:

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

April 29, 2008
Date

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