

LAWS AND RULES 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 Office of the Lieutenant Governor, as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Wednesday, July 13, 2011

Time: 9:00 a.m.

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

Present: Frances Gendrano, Chair, Broker/Honolulu Commissioner
Walt Harvey, Vice Chair, Broker/Honolulu Commissioner
Michele Sunahara Loudermilk, Public/Honolulu Commissioner
Stanley Kuriyama, Broker/Honolulu Commissioner
Carol Ball, Broker/Maui Commissioner
Scott Sherley, Broker/Hawaii Commissioner
Rowena Cobb, Broker / Kauai Commissioner
Aileen Wada, Broker/Honolulu Commissioner

Neil Fujitani, 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
Tammy Norton, Recording Secretary
Coleen Yamashita, Office Assistant

Others: James M. K. Stone, Jr.
Aron Espinueva, Hawaii Association of REALTORS®
Myoung Oh, Hawaii Association of REALTORS®

Absent: None.

Call to Order: The Chair called the meeting to order at 9:07 a.m., at which time quorum was established.

Chair's Report: The Chair announced that 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.

SEO's
Report:

SEO Fujitani introduced and welcomed Commissioners Aileen Wada and Rowena Cobb to the Commission. Both were appointed by the Governor to serve terms beginning July 1, 2011.

Also introduced was Coleen Yamashita, the new real estate education office assistant.

Minutes of Previous Meetings

Upon a motion by Commissioner Harvey, seconded by Commissioner Sherley, it was voted on and unanimously carried to accept the minutes of the June 8, 2011, Laws and Rules Review Committee meeting as circulated.

Program of Work:

Rulemaking, Chapter 99, HAR, Real Estate Brokers and Salespersons

Chapter 99 rules are currently being reviewed by the Office of the Attorney General.

Licensing Renewal

It was reported that effective January 1, 2011, Act 9 was signed into law increasing the amount of continuing education hours a licensee must complete from ten to twenty hours for the two-year biennium preceding the application for renewal.

Currently the requirements for licenses that are forfeited over one year and under four years, whether active or inactive, they must complete one of the following:

1. Complete at least fifteen hours of elective CE; or
2. Complete all three "Essentials" courses; or
3. Successfully complete the precicensing course for the level of license forfeited; or
4. Pass the precicensing examination for the level of license forfeited.

Staff is requesting that the REC consider amending option 1 with an increase in the amount of hours to restore a forfeited license over one year and under four years from fifteen hours to thirty hours.

Deputy Attorney General Wong noted that the restoration requirements were once included in the rules and should be placed back into the rules. The current policy mirrored what existed in the rules prior to 2001. The current HAR regarding CE hours for restoration applicants falls under §16-99-92.

Commissioner Cobb noted that option 2 uses a Hawaii Association of REALTORS term "Essentials." The current "Essentials" courses are given 3 CE credit hours. HAR will be changing the "Essentials" courses to modules and may even change the term "Essentials." If this occurs, option 2 will no longer be available as written.

Commissioner Sherley suggested changing the language to "Essentials or comparable".

SEO Fujitani noted that the concern is the change in hours for restoration from fifteen to thirty hours. The differences in the requirements for restoration from under one year through five years forfeiture were discussed.

Upon a motion by Commissioner Ball, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to move forward with the increase in CE hours for restoration for those applicants restoring over one year and under four years from fifteen hours to thirty hours. Also, delete option 2 (complete all three "Essentials" courses), options 3 and 4 (successfully complete the precicensing course for the level of license forfeited; and pass the precicensing examination for the level of license forfeited) to remain as is. Further it was moved to include the requirement in the current Chapter 99 rulemaking.

ARELLO,
Other
Organizations
And
Jurisdictions:

The following ARELLOGram articles were distributed for informational purposes: "Suspicious" Short Sales Could Cost \$375 Million in 2011" and Texas Real Estate and Appraiser Regulator to Become a 'Self-Directed, Semi-Independent' Agency."

Special
Issues:

Commissioner Harvey noted that House Bill No. 320, HD2, SD1 relating to Broker Price Opinions was signed into law as Act 212 on July 11, 2011.

Budget and
Finance Report:

No report presented.

Next
Meeting:

Wednesday, August 10, 2011
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 9:26 a.m.

Reviewed and approved by:

/s/ Neil K. Fujitani

Neil K. Fujitani
Supervising Executive Officer

July 14, 2011

Date

Approved as is.
 Approved with amendments. See minutes of _____ meeting.