

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, March 7, 2012

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
Scott Sherley, Broker/Hawaii Commissioner
Nikki Senter, Public/Honolulu Commissioner
Rowena Cobb, Broker /Kauai Commissioner
Aileen Wada, Broker/Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, 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
Lesley Matsumoto, Recording Secretary

Others: Aron Espinueva, Hawaii Association of REALTORS®
Myoung Oh, Hawaii Association of REALTORS®

Absent: Carol Ball, Broker/Maui Commissioner

Call to Order: The Chair called the meeting to order at 9:00 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.

Commissioner Ball was excused from today's meeting. Prior notice of her non-attendance was received.

SEO's
Report:

Additional Distribution

The following material was distributed to the Commissioners prior to the start of the meeting:

4. Program of Work, FY 12
 - f. Legislative and Government Participation Report

Minutes of Previous Meetings

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Sherley, it was voted on and unanimously carried to accept the minutes of the February 8, 2012, Laws and Rules Review Committee meeting as circulated.

Program of Work:
FY 12

Legislative and Government Participation Report

Legislative Report No. 2 was distributed to the Commissioners for their information.

Senate Bill No. 2089, S.D.1, Relating to Transient Accommodations. SEO Fujitani reported that this bill intends to require any nonresident owner who operates a transient accommodation located in the nonresident owner's private residence to employ a real estate broker or salesperson. The Commission was in consensus that this bill remain with the Department of taxation.

Senate Bill No. 3002, S.D.2, Relating to Real Estate Brokers and Salespersons. SEO Fujitani reported that this bill attempts to strip away RICO's and the Commission's policy and powers to protect the consumers.

Mr. Myoung Oh from the Hawaii Association of REALTORS® ("HAR") was present to answer questions the Commissioners may have. Mr. Oh stated that HAR regrets not providing the Commissioners with a draft of the bill before the bill was introduced. HAR did not initiate this bill, but will support the bill and push to move it forward.

The Commissioners had some concerns about HAR's support of a bill which Prudential Location's broker-in-charge and HAR's Government Affairs Committee chairperson Brian Benton admittedly said would attempt to change a misrepresentation charge that rarely, if ever, occurs and that this bill was drafted to protect the licensee and not the consumer. When asked whether there are cases illustrating the need to change the current statute. Mr. Oh responded that he cannot answer that question. He also stated that Senator Slom asked the same question which HAR could not answer.

Mr. Oh informed the Commissioners that he will bring up the Commission's concerns to the Committee.

ARELLO,
Other

ARELLO

Organizations
And
Jurisdictions:

The following articles was distributed for informational purposes: ARELLO extends "Farewell and Best Wishes" to Chief Operating Officer Joe McClary and Maryland Court Examines "Nexus" Between Conviction and Licensure, Upholds Revocation.

Special
Issues:

No report presented.

Budget and
Finance Report:

Upon a motion by Commissioner Sherley, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to accept the Real Estate Recovery Fund Financial Report for the period ending December 31, 2011.

Next
Meeting:

Wednesday, April 11, 2012
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 9:28 a.m.

Reviewed and approved by:

/s/ Neil K. Fujitani

Neil K. Fujitani
Supervising Executive Officer

March 30, 2012

Date

Approved as is.

Approved with amendments. See minutes of _____ meeting.

NF:lm