

**LAWS AND RULES REVIEW COMMITTEE**  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii  
[www.state.hi.us/hirec](http://www.state.hi.us/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: Friday, January 4, 2002

Time: 9:30 a.m.

Place: Conference Room  
Maui Board of REALTORS  
441 Ala Makani Place  
Kahului, Maui

Present: Alfredo Evangelista, Chair  
Iris Okawa, Vice Chair  
Charles Aki, Member  
Michael Ching, Member  
Casey Choi, Member  
Patricia Choi, Member  
Mitchell Imanaka, Member  
John Ohama, Member  
Peter Rice, Member

Calvin Kimura, Supervising Executive Officer  
Alan Taniguchi, Executive Officer  
Diane Choy Fujimura, Senior Real Estate Specialist  
Cynthia Yee, Senior Condominium Specialist  
Gordon Arakaki, Condominium Recodification Attorney  
Shari Wong, Deputy Attorney General  
Tammy Norton, Recording Secretary

Others: Lee Grossi, Kamaole Sands AOA  
Anthony Grossi, Kamaole Sands AOA  
Donna Smith, Kamaole Sands AOA  
Elizabeth Wood, Coldwell Banker Island Properties  
Scott Sherley, Max Sherley & Associates  
Ralph A. Villiers, Villiers Real Estate, Inc.  
Lisa Montarti, Whaler's Realty, Inc.  
Lois Janis, Condominium Council of Maui  
Terry Tolman, Maui Board of REALTORS  
Sylvia Cabral, Sylvia Cabral Real Estate

Call to Order: The Chair called the meeting to order at 9:43 a.m., at which time quorum was established.

Chair's Report: Chair Evangelista welcomed all present to the Commission's Laws and Rules Review Committee meeting and thanked the Maui Board of REALTORS for its hospitality in allowing the Commission the use of its facilities to hold the committee meetings. Commissioners and Staff introduced themselves to those present.

SEO's Report:

**Minutes of Previous Meetings**

Upon a motion by Commissioner Okawa, seconded by Commissioner Imanaka, it was voted on and unanimously carried to accept the minutes of the December 13, 2001 Laws and Rules Review Committee meeting as circulated.

Program of Work, FY02:

**Rule Making, Chapter 99, HAR, Real Estate Brokers and Salespersons, and SWAT**

SEO Kimura reported that the proposed administration bill to the upcoming legislature includes a continuation of the SWAT project. The proposed legislation includes the removal of the Real Estate Commission as an authority over limited equity coops; aligns CMAs with CHOs to eliminate the duplicative registration requirement and fidelity bond requirement, but that the CMA maintain a current real estate broker license; allow the Commission reciprocity authority to negotiate and have reciprocity agreements with other states; and to allow out-of-state brokers to obtain a Hawaii real estate broker license more directly.

Chair Evangelista informed those present that the Commission will be holding a presentation at 1:00 p.m. on the Condominium Recodification of Chapter 514A and also a question and answer session with the Senior Condominium and Real Estate Specialists.

**Commissioners' Education Program**

A copy of the December 2001 issue of The High Road was distributed to the Commissioners for their information.

Special Issues:

**Maui Board of REALTORS**

Terry Tolman, Executive Vice President of the Maui Board of REALTORS informed the committee that MBR has been trying to determine which broker offices licensees are affiliated with. MBR has reviewed the PVL website but finds it difficult to determine which licensees are affiliated with the Maui offices. Mr Tolman proposed a meeting with Commission staff and MBR to look at some of the changes made by SWAT and the impact that the industry faces because of them and to see how the government and the industry can work together with the new laws.

SEO Kimura informed Mr. Tolman that the records processing is handled by a centralized Licensing Branch which handles approximately 40 different boards and programs. Real Estate is the only two tier licensing area with dependencies. SEO Kimura informed Mr. Tolman that staff is willing to sit down with MBR to go over their concerns.

Mr. Tolman further reported that MBR is currently reviewing their bylaws. NAR has two options on identifying members. Currently, the Boards in Hawaii have been using the Realtor and Realtor Associate designation to determine whether the individual is a broker or salesperson. NAR has another option available which is an all realtor board, whereby all realtors use the designation Realtor. Mr. Tolman questioned the Commission's advertising requirement should the boards decide to change over to an all

realtor board and requested that MBR also meet with REC staff on this issue.

### **Agency Law Quarterly**

A copy of the article entitled, "California puts PC emphasis on buyer broker contracts," which appeared in the November 2001 issue of the Agency Law Quarterly, was distributed to the Commissioners for their information.

### ARELLO, Other Organizations and Jurisdictions:

### **ARELLO MidYear Meeting 2002**

Upon a motion by Commissioner Imanaka, seconded by Commissioner Aki, it was voted on and unanimously carried to recommend approval to send one commission member and one staff member to the ARELLO MidYear Meeting to be held in Fort Worth, Texas, on April 11 to 13, 2002, subject to the Governor's fiscal policy and budgetary approval.

### Open Forum:

Ms. Lois Janis noted that it is easier now to register as a CMA without having the fidelity bond requirement.

SEO Kimura replied that the current registration process for CMAs have been streamlined but that a CMA is still required to hold a current real estate broker license and required to obtain a fidelity bond. The proposed legislation may eliminate the duplicative registration and fidelity bond requirements.

### Budget and Finance Report – RERF:

No report presented.

### Next Meeting:

Wednesday, February 13, 2002  
9:00 a.m.  
Kapuaiwa Room  
HRH Princess Victoria Kamamalu Building  
1010 Richards Street, Second Floor  
Honolulu, Hawaii

### Adjournment:

With no further business to discuss, the Chair adjourned the meeting at 10:03 a.m.

Reviewed and approved by:

/s/ Calvin Kimura  
Calvin Kimura  
Supervising Executive Officer

February 13, 2002  
Date

[ X ] Approved as is.

[ ] Approved with amendments. See minutes of \_\_\_\_\_ meeting.