

LAWS AND RULES REVIEW COMMITTEE
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
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: Wednesday, March 12, 2003

Time: 9:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: Iris Okawa, Chair
Louis Abrams, Vice Chair
Marshall Chinen, Member
Patricia Choi, Member
Mitchell Imanaka, Member
Kathleen Kagawa, Ph.D., Member
Peter Rice, Member
Vern Yamanaka, Member

Calvin Kimura, Supervising Executive Officer
Alan Taniguchi, Executive Officer
Cynthia Yee, Senior Condominium Specialist
Diane Choy Fujimura, Senior Real Estate Specialist
Lorene Arata, Real Estate Specialist
Russell Wong, Real Estate Specialist
Cheryl Leong, Condominium Specialist
David Grupen, Condominium Specialist
Gordon Arakaki, Recodification Attorney
Shari Wong, Deputy Attorney General
Irene Kotaka, Secretary

Others: Karen Iwamoto, Hawaii Association of REALTORS

Excused: John Ohama, Member

Call to Order: The Chair called the meeting to order at 9:04 a.m., at which time quorum was established.

Chair's Report: No report was presented.

SEO's Report: **Announcements, Introduction, Correspondence, and Additional Distributions**

Minutes of Previous Meetings

Upon a motion by Commissioner Abrams, seconded by Commissioner Choi, it was voted on and unanimously carried to accept the minutes of the February 12, 2003 Laws and Rules Review Committee meeting as circulated.

Program of Work, FY03:

Licensing, Registration and Certification Administration

Real Estate Specialist Arata requested that the Commission confirm that the intent of Act 129 was to allow an out-of-state licensee full equivalency to the real estate broker's examination without having to be a Hawaii-licensed real estate salesperson.

Upon a motion by Commissioner Choi, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend confirmation that the language and intent of Act 129 was to allow applicants for the real estate broker's license who meet the requirements of §467-9.5(a) (2) (B), HRS, full equivalency to the experience requirement and to the prerequisite of a current Hawaii salesperson's license.

Legislative and Government Participation

A copy of Legislative Report No. 4 was emailed to the Commissioners for their information. The only bills remaining that directly affect the Commission are Senate Bill No. 1087, S.D. 1 and House Bill No. 75, H.D. 2, which involve the recodification project. The other bills which may affect the Commission are related to budgetary matters.

The SEO also reported that there is a concurrent resolution which directs the Commission to conduct a study on condominium association managers.

Interactive Participation with Organizations

Chair Okawa stated that Hawaii's participation with the Association of Real Estate License Law Officials (ARELLO) is very important. Constance K. Anderson, the Executive Director of the Wyoming Real Estate Commission, will be retiring. Ms. Anderson has been an active member of ARELLO for a number of years. In the spirit of good will and fellowship, Chair Okawa asked the Commissioners if they would like to present a certificate of appreciation to Ms. Anderson. If approved, the certificate will be presented to Ms. Anderson at the ARELLO Midyear Meeting.

The SEO informed the Commissioners that Ms. Anderson is one of the old timers at ARELLO. She helped to open doors for the State of Hawaii's participation in ARELLO. She has also been the "Rock of Gibraltar" for the ARELLO members from the Midwestern states.

The interactive participation received from attendance at the meetings has proven to be valuable to the Commission. The Commission met recently with Vicki Hammond of the Montana Board of Realty Regulation and that proved to be valuable.

Upon a motion by Commissioner Abrams, seconded by Commissioner Imanaka, it was voted on and unanimously carried to recommend the issuance of a Certificate of Appreciation to Constance K. Anderson, Executive Director of the Wyoming Real Estate Commission.

Neighbor Island Outreach

The next neighbor island outreach is scheduled to be held on the island of Hawaii on May 8, 2003. The meetings will be held in the Conference Rooms of the Kona Board of REALTORS' office, located at 75-240 Nani Kailua Drive, Suite 157, Kailua-Kona, Hawaii. The meetings will be scheduled as follows:

9:30 a.m.	Condominium Review Committee
10:30 a.m.	Laws and Rules Review Committee
11:00 a.m.	Education Review Committee

Licensing Renewal

Real Estate Specialist Wong reported that the Licensing Branch completed its "push through" in late February. Licensees whose licenses were held in a "pending" status were issued their pocket cards. Licensees whose principal brokers or entities did not renew their license or who did not complete the continuing education requirements received inactive pocket cards. Staff has been receiving calls from licensees about this. Approximately 200 licensees were affected by this.

Chair Okawa stated that under the SWAT rules, more responsibility was placed upon the principal brokers. It is the responsibility of the principal brokers to ensure that the licenses are renewed on time so that the licensees under them do not suffer the consequences.

Review of Services and Organization

An article entitled, "Taking the Lead", which appeared in the Government Technology magazine, was distributed to the Commissioners for their information. The article listed Honolulu as the top digital city for 2002 for cities with populations more than 250,000.

Subcommittee on Internet Advertising

Copies of two articles were distributed to the Commissioners for their information:

1. "Realtors wrestle with Internet issues", The Honolulu Advertiser, January 31, 2003; and
2. "Yahoo emerging as substantial competitor in real estate", The Honolulu Advertiser, February 21, 2003.

Commissioner Abrams reported that he had written an article for the Realtor Journal on internet advertising. He said that the issue is still emerging and they are waiting for the National Association of REALTORS to come up with a policy regarding internet advertising. After NAR develops the policy, ARELLO will conduct a review and will make recommendations.

The EO informed the Commissioners that approximately one month ago, eBay applied for a Hawaii corporate license. They are trying to get a real estate broker in every state.

Subcommittee on Property Manager Licensing and Related Issues

Commissioner Rice apologized for not being able to attend the last meeting. He stated that the Commission was able to answer some of Ms. Johnson's concerns; however there is a lack of educational courses for those who oversee condominium management. Commissioner Rice stated that if there is a need for courses, the Commission has an obligation to address that issue other than through separate licensing. He recommended that the Commission continue to keep the subcommittee active.

Upon a motion by Commissioner Rice, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend that REC Chair Ohama keep the subcommittee on property manager licensing and related issues active in order to explore alternatives to separate licensing.

ARELLO, Other Organizations and Jurisdictions:

ARELLO

February Executive Vice President's Report – A copy of the Executive Vice President's Report on association activities and issues was distributed to the Commissioners for their information.

The SEO reported that Craig Cheatham of ARELLO is trying to have a session on virtual office websites (VOWs) at the Midyear meeting. He is hoping that NAR will participate in the session.

Open Forum:

Ms. Iwamoto stated that the Hawaii Association of REALTORS is in support of the recodification bill. She also reported that the Hawaii Association of REALTORS is tracking the status of the taxation bills.

Next Meeting: **Monday, April 7, 2003**
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 9:21 a.m.

Reviewed and approved by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

April 7, 2003
Date

- [X] Approved as is.
[] Approved with amendments. See minutes of _____ meeting.