

LAWS AND RULES REVIEW COMMITTEE
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: Tuesday, June 10, 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
Kathleen Kagawa, Ph.D., Member
John Ohama, Member

Calvin Kimura, Supervising 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
Shari Wong, Deputy Attorney General (Late Arrival)
Irene Kotaka, Secretary

Others: Karen Iwamoto, Hawaii Association of REALTORS®
Suzanne King, Honolulu Board of REALTORS®
John Nichols
Don Baxter

Excused: Mitchell Imanaka, Member
Peter Rice, Member
Vern Yamanaka, Member

Call to Order: The Chair called the meeting to order at 9:00 a.m., at which time quorum was established.

Chair's Report: No report was presented.

SEO's Report:

Announcements, Introduction, Correspondence, and Additional Distributions

Additional Distribution

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

5. ARELLO, Other Organizations and Jurisdictions
 - a. ARELLO
 - 2) Reports

The Deputy Attorney General arrived.

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 May 8, 2003 Laws and Rules Review Committee meeting as circulated.

Schedule of Non-Accessible Dates for July through December 2003

The Commissioners were reminded to turn in their schedule of non-accessible dates for the July through December 2003 meetings if they had not already done so.

Program of Work, FY03:

Neighbor Island Outreach – Kauai

The next neighbor island outreach is scheduled for September 10, 2003, on Kauai. REB staff will work with the Kauai Commissioner in scheduling the meetings.

Commissioner Yamanaka had requested that the program of work for FY04 be expanded in this area to include three neighbor island outreach programs instead of the normal two. The Commission hopes to hold at least one meeting in each county per fiscal year.

The neighbor island outreach for FY2004 is tentatively scheduled for the months of September, January and May.

The Chair stated that the Commission relies on the neighbor island Commissioners to generate enthusiasm for the meetings and she is looking forward to the Kauai meetings.

Commissioners' Education Program

A copy of the April 2003 issue of OpenLine was distributed to the Commissioners for their information.

Division and Department Programs

RICO had requested that the Commission forward names of those in the industry who can serve on RICO's Real Estate Advisory Committee. There are a number of former Commissioners who are serving on the Committee.

The Commissioners were asked to send their recommendations to staff for forwarding to RICO.

The Chair suggested that former Commissioner, Alvin Imamura, be asked to serve on the Committee, provided that his health allows him to serve. Commissioner Choi was also asked to serve on the Committee.

Upon a motion by Commissioner Abrams, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend referral of Alvin Imamura, health permitting, and Patricia Choi to be appointed to RICO's Real Estate Advisory Committee.

FY 04

The SEO reported that the Real Estate Recovery Fund budget passed the Legislature.

If the Commission desires to increase the budget ceiling in order to meet the obligations of the program of work, the changes would be for FY2005.

The Commission would like to find ways of utilizing the testing service to assist in the electronic filing of the application. In the future, the Commission would like the testing company to electronically administer a database on all prelicensing certificates issued (prelicensing school completion certificates, educational equivalencies, uniform exam equivalencies, and broker experience certificates) so that the candidates do not have to produce the documentation at the test site or with their license application and that test site personnel and Licensing Branch can just review the database; to provide out-of-state testing sites for Hawaii applicants; to issue temporary licenses or pocket cards at the exam site; and to provide other licensing services.

The SEO outlined the new programs being proposed for FY2004.

Upon a motion by Commissioner Abrams, seconded by Commissioner Ohama, it was voted on and unanimously carried to recommend acceptance and forwarding of the Program of Work and Budget for FY2004 to the Director for approval.

ARELLO, Other Organizations and Jurisdictions:

ARELLO

The ARELLO Annual Meeting will be held on October 25 to 28, 2003, in Portland, Oregon. The Commission's participation in ARELLO and its meetings are very important to Hawaii. Since the meetings are being held on the West Coast, the Commission may want to consider sending more delegates to the meetings. There are numerous issues which the Commission will be facing that will be discussed at the meetings. The

State of California may be considering some form of license recognition. If that is the case, Hawaii should be moving forward as well. Once the National Association of REALTORS® (“NAR”) sets its policy on virtual office websites (“vow”), then ARELLO will need to decide whether or not to adopt NAR’s policy.

NAR & ARELLO will have a number of joint decision issues on the November NAR Meeting agenda, including VOWs, internet advertising, license recognition/reciprocity, continuing education (reciprocity, generic applications, uniform course curriculum, etc.), new licensing curriculum and single licensing, etc. ARELLO has requested that each member send a representative to the NAR meetings.

REC Chair Ohama asked if the Hawaii delegation could arrange to meet with representatives from PSI to view their examination process.

Upon a motion by Commissioner Abrams, seconded by Commissioner Choi, it was voted on and unanimously carried to recommend approval to send three Commissioners and one staff member to the ARELLO Annual Meeting, to be held in Portland, Oregon, on October 25 to 28, 2003, subject to the Governor’s fiscal policy and budgetary approval.

Report

The Chair reported that the ARELLO meeting was very productive. There was active participation and recognition of the delegates from Hawaii. The SEO sits on the Board of Directors and Chair Okawa was appointed as a member of various committees.

The Hawaii delegation reported that they had found it difficult to attend all of the sessions because the many of the meetings overlapped.

A copy of Chair Okawa’s and the SEO’s report on the ARELLO Board of Directors Meeting and the Western District Meeting was distributed to the Committee members for their information. The SEO highlighted the information of interest to Hawaii. He also reported that the trend is to require more post-licensing education.

ARELLO is waiting for information from the NAR regarding their policy on vows.

Ms. Iwamoto informed the Commissioners that NAR has adopted the vows policy and it was reported in the latest issue of the Hawaii REALTOR® Journal.

Ms. King stated that she had a conversation with Wayne Pitluck and he stated that just registering for the vow does not constitute an agency relationship. It is written into NAR’s policy on vows.

Commissioner Ohama informed the Committee members that Chair Okawa was nominated as an alternate Director for the Western District.

Commissioner Ohama asked Chair Okawa if she still had copies of the education awards submissions as he thought the Commission should review British Columbia's submission. He also suggested that Commissioner Yamanaka review their educational program as British Columbia has a good relationship with the British Columbia University ("BCU"). BCU helped them to develop their exam and their educational programs.

It was suggested that the Commission consider forming a partnership with any of the local universities or community colleges in developing its programs.

Alabama Certification of Licensure

A sample of Alabama's certification of licensure was distributed to the Commissioners for their information. Licensees are now able to request a certification of licensure online.

CLEAR Conference

Information on the CLEAR Conference, to be held on September 11 to 13, 2003, in Toronto, Canada, was distributed to the Commissioners for their information.

FEMA Report on Hawaii

Information on Hawaii's statistics from the FEMA Report, as of September 30, 2002, was distributed to the Commissioners.

Budget and Finance Report:

Upon a motion by Commissioner Abrams, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend acceptance of the Real Estate Recovery Fund Report, dated April 30, 2003.

Open Forum:

Ms. Iwamoto stated that there were 25 REALTORS® who returned from the NAR Mid-Year meeting. As was previously stated, NAR approved the vows policy. The policy is discussed briefly in the June 2003 issue of the REALTOR® Journal. The policy will also be posted on the Hawaii Association of REALTORS® ("HAR") website, realtor.org/vows.

Ms. Iwamoto informed the Commissioners that HAR is working on the legislative update for the 2003 session and is beginning to work on developing the issues to be brought forth during the 2004 legislative session. She stated that they are looking forward to working with the Commission during the next legislative session.

Next Meeting: Wednesday, July 9, 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 9:55 a.m.

Reviewed and approved by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

July 9, 2003
Date

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