

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, June 10, 2009

Time: 9:00 a.m.

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

Present: Louis Abrams, Chair, Broker/Kauai Commissioner
Michele Sunahara Loudermilk, Vice Chair, Public/Honolulu Commissioner
Frances Gendrano, Broker/Honolulu Commissioner
Stanley Kuriyama, Broker/Honolulu Commissioner
Carol Ball, Broker/Maui Commissioner
Trudy Nishihara, Broker/Honolulu Commissioner
William Chee, Broker/Honolulu Commissioner
Mark Suiso, Public/Honolulu Commissioner – late arrival

Neil Fujitani, Supervising Executive Officer
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
Jon Gasper, Recording Secretary

Others: Aron Espinueva, Hawaii Association of REALTORS®
Myoung Oh, Hawaii Association of REALTORS®
John Morris, Esq., Community Associations Institute Hawaii Chapter
Jane Sugimura, Esq., HCAAO

Absent: Annette Aiona, Broker/Hawaii Commissioner

Call to Order: The Chair called the meeting to order at 9:03 a.m., at which time quorum was established.

Chair's Report: The Chair announced that the Committee may move into executive session 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 Aiona was excused from today's meeting. Prior notice of her non-attendance was received.

SEO's
Report:

Minutes of Previous Meetings

Upon a motion by Commissioner Ball, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the May 6, 2009, Laws and Rules Review Committee meeting as circulated.

Program of
Work, FY09:

Advice, Education, and Referral – Advertising on Social Networks and Forums

The Hawaii Association of Realtors through Myoung Oh questioned whether licensees were governed by the advertising laws and rules if the licensees participated in the various internet social networking websites.

Commissioners responded that if the discussion pertained to real estate, then the easy answer would be yes the advertising laws and rules apply regardless of the type of media. However, it was recognized that not all discussions rise to that level and may be purely social.

Commissioner Suiso arrived at 9:11 a.m.

One thing to consider is that once the licensee is granted a real estate license, the licensee is never a civilian. Whether or not real estate is a topic of conversation, licensees are constantly marketing themselves.

As it is, technology is constantly changing and it is futile to make a general determination of advertising laws and rules violations applicable to all models of internet social interaction. Violations occur on a case-by-case basis and the individual licensee should consult with the brokerage firm's policies and procedures manual. If the licensee is in doubt on whether the conduct violates the laws and rules, to be on the safe side, disclosure should occur.

When the commissioners asked if any further guidance is necessary, Mr. Oh stated he understood the position of the Commission from the discussion that transpired.

Legislative Acts and Resolutions

Commissioner Abrams stated that Act 66 relating to the Mortgage Fraud and Prevention Act was signed into law.

Neighbor Island Outreach

The July 8, 2009 committee meetings will be held in Lihue, Kauai at the State Office Building, Conference Rooms A, B, and C, 3060 Eiwa Street.

Ad Hoc Committee on Consumer-Broker Relationships

Wyoming is adding designated agency. If Hawaii wanted to move in this direction, a statutory amendment is necessary and not just a rule revision. Currently, the principal broker has the ultimate responsibility to oversee the conduct of all associated licensees.

Program of Work and Budget, FY10

Upon a motion by Commissioner Ball, seconded by Commissioner Suiso, it was voted on and unanimously carried to approve the program of work and budget for fiscal year 2010 as amended.

ARELLO,
Other
Organizations
And
Jurisdictions:

Meetings, Workshops, and Reports

Upon a motion by Commissioner Ball, seconded by Commissioner Gendrano, it was voted on and unanimously carried to approve sending up to three Commissioners and one staff member to the ARELLO Annual Conference, to be held October 22 to 24, 2009, in Miami, Florida, subject to Departmental, budgetary, and other administrative travel approvals. The Commission chair and SEO will determine attendees.

Special
Issues:

None presented.

Open Forum:

None.

Budget and
Finance
Report:

No report presented.

Next
Meeting:

Wednesday, July 8, 2009
9:30 a.m.
State Office Building
Conference Rooms A, B, and C
3060 Eiwa Street
Lihue, KAUAI

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

June 30, 2009
Date

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