

EDUCATION 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 Lieutenant Governor's Office as required by Section 92-7(b), Hawaii Revised Statutes.

Date: February 11, 2015

Time: Upon adjournment of the Condominium Review Committee meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convened at 9:00 a.m.

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

Present: Aileen Wada, Vice Chair, Broker / Honolulu Commissioner
Bruce Faulkner, Broker / Maui Commissioner
Scott Arakaki, Public Member / Honolulu Commissioner
Nikki Senter, Public Member / Honolulu Commissioner
Laurie A. Lee, Broker / Honolulu Commissioner
Scott Sherley, Broker / Hawaii Island Commissioner
Michael Pang, Broker / Honolulu Commissioner
Aleta Klein, Broker / Interim Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
David J. Grupen, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Dathan Choy, Condominium Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Recording Secretary

Others: Aron Espinueva, Hawaii Association of REALTORS®
Marsha Shimizu, Hawaii Association of REALTORS®
Bryan Andaya, Eddie Flores Real Estate Continuing Education
Elisia Flores, Eddie Flores Real Estate Continuing Education
Beth Holiday, Hawaii Business Training
Abe Lee, Abe Lee Seminars

Absent: Rowena Cobb, Chair / Broker / Kauai Commissioner

Call to Order: The Vice Chair called the meeting to order at 9:54 a.m., at which time quorum was established.

Chair's Report: The Vice Chair stated the Committee 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 to consult with the Board's attorney on questions and issues pertaining to the Board's powers,

duties, privileges, immunities, and liabilities in accordance with section 92-5(a)(4), HRS.

Chair Cobb was excused from the meeting. Prior notification of her non-attendance was received.

Real Estate
Specialist's Report:

Minutes of Previous Meeting

Upon a motion by Commissioner Sherley, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the minutes of the January 7, 2015, Education Review Committee meeting.

Continuing Education: Administrative Issues

2015-2016 Continuing Education Providers and Courses Ratification List

Upon a motion by Commissioner Sherley, seconded by Commissioner Faulkner, it was voted on and unanimously carried to ratify the attached list.

Applications

Course – "The ABCs of Escrow; Author/Owner: Suzette Nasser; Provider: tbd; Course Categories: Real Estate Law, Other: Escrow and Transaction Management; Clock Hours: 3

Commissioners noted that it is a good course for all, including seasoned licensees. The course materials were well organized.

Upon a motion by Commissioner Klein, seconded by Commissioner Pang, it was voted on and unanimously carried to approve "The ABCs of Escrow" as a 3 credit hour continuing education course, under the course categories Real Estate Law, Other: Escrow and Transaction Management.

Provider – American Dream Real Estate School, LLC, Administrator – Todd Cordrey

Upon a motion by Commissioner Sherley, seconded by Commissioner Arakaki, it was voted on and unanimously carried to approve "American Dream Real Estate School, LLC," as a continuing education provider.

Course – "Raising Standards of Communication with Everything DiSC®"; Author/Owner: Beth Holliday (Authorized Distributor – Everything DiSC); Provider: Hawaii Business Training; Course Categories: Other – Improving licensee's communication with sellers/buyers; Clock Hours: 6

Beth Holliday was present to answer any questions the committee may have. She informed the committee that the course is based off of an online assessment which each individual completes. The course creates a systematic process for licensees to understand their customers and adapt their own style, including improving communication skills to better serve the consumer.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve "Raising Standards of Communication with Everything DiSC®" as a 6 credit hour continuing education

course, under the course category Other – Improving licensee’s communication with sellers/buyers.

Course – "Selling to Chinese Customers (Chinese Nationals)"; Author/Owner: Eddie Flores, Jr. and Bryan P. Andaya, Esq.; Provider: Eddie Flores Real Estate Continuing Education; Course Categories: Real Estate Law, Other – Legal and other issues dealing with Chinese Nationals (non-resident citizens); Clock Hours: 3

Commissioners Arakaki and Senter recused themselves and removed themselves from the meeting room due to a conflict of interest.

Mr. Bryan Andaya was present to answer any questions the committee may have. Mr. Andaya informed the committee that the course was created due to the increase in sales volume by Chinese nationals. The course will help real estate professionals understand how to deal with buyers from China, and be able to more effectively represent their client.

Mr. Andaya noted that the first half of the course dealing with selling to Chinese customers was written by Eddie Flores whose research in the area is gained from his experience dealing with Chinese business associates. The second part of the course dealing with the legal issues when representing foreign buyers was written by Mr. Andaya himself with his legal experience and research of the current laws.

Commissioner Lee moved to approve "Selling to Chinese Customers (Chinese Nationals)" as a 3 credit hour continuing education elective course, under the course categories Real Estate Law, Other – Legal and other issues dealing with Chinese Nationals (non-resident citizens). Commissioner Faulkner seconded the motion. The motion was voted on and carried.

Commissioners Arakaki and Senter returned to the meeting.

Course – "Navigating the DPP and Tax Websites"; Author/Owner: Abe Lee; Provider: Abe Lee Seminars; Course Categories: Technology and the Licensee, Other – Research Information on Oahu Properties; Clock Hours: 3

Mr. Abe Lee was present to answer any questions the committee may have. Mr. Lee noted that the City and County of Honolulu's Department of Planning and Permitting (DPP) has initiated new rules requiring all building permits to be filed through the County's new ePlan system. The course will teach licensees how to navigate and obtain available information from the DPP and TAX websites.

Upon a motion by Commissioner Sherley, seconded by Commissioner Senter, it was voted on and unanimously carried to approve "Navigating the DPP and Tax Websites" as a 3 credit hour continuing education course, under the course categories Technology and the Licensee, Other – Research Information on Oahu Properties.

Course – "Judicial System and Real Estate"; Author/Owner: Abe Lee; Provider: Abe Lee Seminars; Course Category: Real Estate Law; Clock Hours: 3

Mr. Abe Lee reported that the course will introduce licensees to the judicial system, the various courts and their areas of jurisdiction, and how it applies to their client. Current issues dealing with the Landlord-Tenant Code, Act 48 and Act 182 and how it impacts non-judicial foreclosures will be introduced.

Upon a motion by Commissioner Klein, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve "Judicial System and Real Estate" as a 3 credit hour continuing education course, under the course category Real Estate Law.

Prelicense Education: Administrative Issues

New Salesperson Licensees 2014

Reports and graphs of new salespersons licensed during calendar year 2014 were distributed to the Commissioners for their information.

Broker Curriculum and Resources – Broker Curriculum Enhancement Project

Report submitted on the Broker Curriculum Enhancement Project. It was suggested that the 80 hour prelicense broker curriculum be amended to emphasize broker management and responsibilities, which would also require a revision to the broker licensing exam.

Marsha Shimizu stated that by amending the broker curriculum with an emphasis on broker management, it will raise the bar of professionalism among licensees and reinforce the responsibilities of brokers.

Upon a motion by Commissioner Faulkner, seconded by Commissioner Wada, it was voted on and unanimously carried to pursue the broker curriculum enhancement project.

Evaluation and Education Program

Copies of evaluations of the independent study course from the following prelicense school was distributed to the Commissioners for their information:

- ProSchools (10)
- Seiler School of Real Estate (2)

Administration of
Examinations:

PSI

Licensing Examination Statistics – January 2015

Examination statistics for January 2015 were distributed to the Commissioners for their information.

School Pass/Fail Rates – January 2015

School pass/fail rate statistics for January 2015 were distributed to the Commissioners for their information.

School Summary by Test Category – January 2015

Copies of the January 2015 test category summary reports, by school, were distributed to the Commissioners for their information.

Educator's Forum: **Hawaii Association of REALTORS®** – No discussion presented.

Public and Private Institutions of Higher Education – No discussion presented.

Program of Work: Ad Hoc Committee on Education (ACE) – Report – Meeting of January 20, 2015

A written report of the January 20, 2015 ACE meeting was distributed for informational purposes. Specialist Fujimura reported that the committee met with the Core Course vendor, Everett Kaneshige and reviewed the proposed Parts A and B. 2015 and 2016 legislative updates of real estate-related legislation will be included with the course materials. The first draft of Part A is due April 10, 2015. Staff met on February 10th with Mr. Kaneshige who informed staff that he will be working with a mainland CE provider to provide the online portion of the course.

Budget and Finance Report: Real Estate Education Fund

No report presented.

Next Meeting: Wednesday, March 11, 2015
Upon adjournment of the Condominium Review Committee Meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convenes at 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, Vice Chair Wada adjourned the meeting at 10:40 a.m.

Reviewed and approved by:

/s/ Diane Choy Fujimura

Diane Choy Fujimura
Senior Real Estate Specialist

February 23, 2015

Date

[X] Minutes approved as is.
[] Minutes approved with changes, see minutes of _____

**2015-2016 CONTINUING EDUCATION PROVIDERS AND COURSES
RATIFICATION LIST**

EDUCATION REVIEW COMMITTEE

February 11, 2015

| <u>Registration/Certification</u> | <u>Effective Date</u> |
|---|-----------------------|
| Course(s) | |
| "Ethics for the Real Estate Manager (ETH800)" (3 credits) (Institute of Real Estate Management/National) | January 1, 2015 |
| "Managing Single Family Homes and Small Investment Properties (SFH201)" (3 credits) (Institute of Real Estate Management/National) | January 1, 2015 |
| "Common Interest Developments: Managing Condominium Association Properties (CID201)" (6 credits) (Institute of Real Estate Management/National) | January 1, 2015 |
| "Managing the Physical Asset (MNT402)" (6 credits) (Institute of Real Estate Management/National) | January 1, 2015 |
| "Broker Awareness, Part 1 (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Broker Awareness Part 2: Broker Practice and Risk Management (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Agency, Ethics and Fair Housing" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Analysis of Investment Real Estate" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Contracts" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Condominium and Planned Communities" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Disclosure" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Finance" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Land Use and Development" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Legal Issues" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |

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|---|-----------------|
| "Property Management and Landlord Tenant" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Residential Tax Rules, 1031 Exchange, and Foreign Investors" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "General Refresher on Landlord-Tenant Laws, Pets and Medical Marijuana" (3 credits) (Bryan P. Andaya/Eddie Flores Real Estate Continuing Education) | January 1, 2015 |
| "Understanding Timeshares" (3 credits) (Lei Ahu Isa, PhD/ Eddie Flores Real Estate Continuing Education) | January 1, 2015 |
| "Strategies of Listing: Getting the Listing" (3 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Strategies of Listing: Exclusive Right to Sell Listing Contract" (3 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Strategies of Listing: Establishing Market Value (CMA)" (3 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Strategies of Finance: Basics" (3 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Strategies of Finance: Advanced" (3 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Strategies of the Purchase Contract" (6 credits) (Hawaii Association of REALTORS) | January 1, 2015 |
| "Global Real Estate: Local Markets" (3 credits) (Hawaii Association of REALTORS/National) | January 1, 2015 |
| "CIPS Asia/Pacific and International Real Estate" (3 credits) (Hawaii Association of REALTORS/National) | January 1, 2015 |
| "CIPS Europe and International Real Estate" (3 credits) (Hawaii Association of REALTORS/National) | January 1, 2015 |
| "CIPS Global Real Estate Transaction Tools" (3 credits) (Hawaii Association of REALTORS/National) | January 1, 2015 |
| "CIPS The Americas and International Real Estate" (3 credits) (Hawaii Association of REALTORS/National) | January 1, 2015 |
| "At Home with Diversity" (6 credits) (Hawaii Association of REALTORS/National) | January 1, 2015 |
| "Saving Home Energy for Real Estate Professionals" (3 credits) (International Association of Certified Home Inspectors/ARELLO) | January 9, 2015 |
| "Senior Real Estate Specialist" (12 credits) (All Islands Real Estate School/National) | January 9, 2015 |

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|---|------------------|
| "Homeowner's Flood Insurance - Coastal Region Specific" (4 credits) (McKissock, LP/ARELLO) | January 9, 2015 |
| "Understanding Mold in the Restoration Industry" (3 credits) (Servpro Industries, Inc.) | January 26, 2015 |
| "Akamai about Credit Reports, Credit Scores and the Fair Credit Reporting Act" (3 credits) (Mark D. Clement, Esq.) | January 28, 2015 |
| "Residential Property Managers: Tenant Screening and Collecting Debt on Behalf of Landlord" (3 credits) (Mark D. Clement, Esq.) | January 28, 2015 |

Provider(s)

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| Institute of Real Estate Management (Illinois branch) | January 1, 2015 |
| Hawaii Association of REALTORS | January 1, 2015 |
| Eddie Flores Real Estate Continuing Education | January 1, 2015 |
| Carol M. Egan, Esq. | January 1, 2015 |
| Pacific Real Estate Institute | January 1, 2015 |
| Coldwell Banker Pacific Properties Real Estate School | January 1, 2015 |
| IREM Hawaii Chapter No. 34 | January 1, 2015 |
| Russ Goode Seminars | January 1, 2015 |
| West Hawaii Association of Realtors | January 1, 2015 |
| International Association of Certified Home Inspectors | January 23, 2015 |
| Servpro Industries, Inc. | January 26, 2015 |

School(s)

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|---|-----------------|
| Coldwell Banker Pacific Properties Real Estate School | January 1, 2015 |
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Instructor(s)

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|----------------------|-----------------|
| Carol M. Egan | January 1, 2015 |
| Trudy I. Nishihara | January 1, 2015 |
| M Russell Goode, Jr. | January 1, 2015 |
| Everett Kaneshige | January 8, 2015 |