

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, July 8, 2015

Time: 9:00 a.m.

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

Present: Scott Arakaki, Chair, Public / Honolulu Commissioner
Laurie Lee, Vice Chair, Broker / Honolulu Commissioner
Rowena Cobb, Broker / Kauai Commissioner
Bruce Faulkner, Broker / Maui Commissioner
Nikki Senter, Public / Honolulu Commissioner
Scott Sherley, Broker / Hawaii Commissioner
Aileen Wada, Broker / Honolulu Commissioner
Michael Pang, Broker / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner

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

Others: Rollie Litteral, American Dream Real Estate
Aron Espinueva, Hawaii Association of REALTORS®
John Dotten

Absent: None

Call to Order: The Chair called the meeting to order at 9:08 a.m., at which time quorum was established.

Chair's Report: The Chair announced that the Commission 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/or 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.

SEO's Report: **Minutes of Previous Meetings**

Upon a motion by Commissioner Faulkner, seconded by Commissioner Klein, it was voted on and unanimously carried to accept the minutes of the June 10, 2015, Laws and Rules Review Committee meeting as circulated.

Program of Work: **Neighbor Island Outreach**

Due to meeting conflicts and the foreseeable lack of quorum, the September Committee meeting date has been changed to Friday, September 4, 2015. The meetings will be scheduled in Kona, Hawaii.

Commissioner Wada noted a schedule conflict and will be unable to attend the September 4, 2015 meetings.

Commissioners' Education Program

The following were distributed for informational purposes: 1) Consumer Financial Protection Bureau (CFPB) web page which provides links to tools and resources for consumers and industry members in complying with CFPB regulations; and 2) Article entitled "Bill would require B&B owners to live in same building" *StarAdvertiser.com* posted June 15, 2015.

ARELLO, Other
Organizations And
Jurisdictions:

ArellloGram and Other Informational Reports

The article "Wisconsin Court: "That Shouldn't Be a Problem" = Misrepresentation" from the June 2015 issue of *ARELLO Boundaries* was distributed for informational purposes.

Special Issues: None reported.

Budget and
Finance Report:

Upon a motion by Commissioner Pang, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the Real Estate Recovery Fund Financial Report for the period ending March 31, 2015.

Program of Work: **Advice, Education, and Referral – Request for Informal Non-Binding Interpretation HRS §467-1**

Mr. Dante's request for an informal non-binding interpretation of HRS §467-1 was deferred from the May 29, 2015 Real Estate Commission meeting to allow staff time to research the issue including the legislative history of "manages or offers to manage".

Executive Session:

Upon a motion by Commissioner Sherley, seconded by Commissioner Klein, it was voted on and unanimously carried to enter into executive session, pursuant to section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities."

Upon a motion by Commissioner Senter, seconded by Commissioner Sherley, it was voted on and unanimously carried to move out of executive session.

Upon a motion by Commissioner Klein, seconded by Commissioner Sherley, it was voted on and unanimously carried to decline to issue an informal non-binding interpretation, pursuant to §16-201-88, Hawaii Administrative Rules ("HAR"), of HRS § 467-1.

Staff to inform the requestor that the Commission plans to address inquiries such as Mr. Dante's in its next round of administrative rulemaking to perhaps include sections or definitions for "manage or offers to manage" and "property management." This administrative rulemaking process will examine whether there has been a consistent historical pattern of deciding similar inquiries and offer the opportunity for community input, industry participation, and public comment at a duly-noticed public hearing.

Next Meeting: Wednesday, August 12, 2015
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, the Chair adjourned the meeting at 9:38 a.m.

Reviewed and approved by:

/s/ Neil K. Fujitani

Neil K. Fujitani
Supervising Executive Officer

July 9, 2015

Date

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