

**EDUCATION REVIEW COMMITTEE**  
**REAL ESTATE COMMISSION**  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii  
[www.hawaii.gov/hirec](http://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:** January 13, 2016

**Time:** Upon adjournment of the Condominium Review Committee meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convened at 9:30 a.m.

**Place:** REALTORS® Association of Maui  
441 Ala Makani Place  
Kahului, Maui

**Present:** Rowena Cobb, Chair / Broker / Kauai Commissioner  
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  
Aleta Klein, Broker / Honolulu Commissioner  
  
Neil K. Fujitani, Supervising Executive Officer  
Diane Choy Fujimura, Senior Real Estate Specialist  
Shari Wong, Deputy Attorney General  
Tammy Norton, Recording Secretary

**Others:** Sylvia Cabral, Realtor, RAM  
Lisa Teichner, KW Island Living  
Brett Fahnestock, Peake & Levoy, LLC  
Brenden Morton, Haiku Properties  
Leah Belmonte, Office of the Governor, Maui  
Gerald Enriques, DCCA RICO

**Absent:** Michael Pang, Broker / Honolulu Commissioner

**Call to Order:** The Chair called the meeting to order at 9:59 a.m., at which time quorum was established.

**Chair's Report:** The 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.  
  
Commissioner Pang was excused from the meeting. Prior notification of his non-attendance was received.

Real Estate Specialist's Report: Minutes of Previous Meeting

Upon a motion by Commissioner Faulkner, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the minutes of the December 2, 2015, Education Review Committee meeting.

Continuing Education: Administrative Issues

**2015-2016 Continuing Education Providers and Courses Ratification List**

Upon a motion by Commissioner Klein, seconded by Commissioner Faulkner, it was voted on and unanimously carried to ratify the following:

<u>Registration/Certification</u>	<u>Effective Date</u>
<b>Course(s)</b> The End of the Paper Trail: How to Conduct Paperless Transactions (3 Credits) (ARELLO/McKissock, LLC)	12/14/2015
Americans with Disabilities Act ADA (3 Credits) (ARELLO/McKissock, LLC)	12/14/2015
Property Management – The Next Generation (3 Credits) (ARELLO/McKissock, LLC)	12/14/2015
Affordable Housing Opportunities for Low – Moderate Income Buyers (4 Credits) ARELLO/McKissock, LLC)	12/14/2015

Applications

**Course – "Client Protection Via Real Estate Best Practices"; Author/Owner: Celine P. Nelsen; Provider: Abe Lee Seminars; Course Categories: Dispute Resolution, Risk Management; Clock Hours: 3 (Deferred from 10/11/15 ERC)**

Specialist Fujimura reported that the course author has responded to the Committee's October 11, 2015 deferral and provided a narrative to the course materials.

Chair Cobb noted that the author is a good instructor but that the course is difficult to follow as presented and needs more clarification.

Commissioner Senter responded that the applicant has added four narrative pages but that it does not meet item number 2 in the letter relating to how the "Overview of the Social Styles" model relates to licensee accountability.

Commissioner Lee noted that the course title does not directly relate to the subject.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Sherley, it was voted on and unanimously carried to take the matter under advisement.

**Course – "Commercial Contracts and Creative Clauses – The Road to Litigation"; Author/Owner: Soozie Jones Walker, SIOR, CCIM; Provider: Hawaii CCIM Chapter; Course Category: Contracts; Clock Hours: 3**

Commissioners discussed the need for more elaboration as there is not enough material to distinguish between residential and commercial contracts, and that they were looking for more creative clauses besides "as is". Also noted was the total number of instructional minutes which fell short of the 180 minutes.

It was further noted that there appears to be some redacted information in the PowerPoint slides which could provide a better idea of the course content and what is to be taught.

Upon a motion by Commissioner Senter, seconded by Commissioner Arakaki, it was voted on and unanimously carried to take the matter under advisement.

**Course – "Essentials of Commercial Leases in Hawaii" Author/Owner: Nancy N. Grekin; Provider: Hawaii CCIM Chapter; Course Categories: Real Estate Law, Other – Commercial Leasing; Clock Hours: 3**

Commissioner Senter felt that the outline was very thorough, but it could also be because of her familiarity with the topic and that a glossary of terms may assist licensees in better grasping the material presented.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Senter, it was voted on and unanimously carried to take the matter under advisement.

Prelicense Education: Broker Curriculum and Resources – Broker Curriculum Enhancement Project – Update of Prelicense Course  
Salesperson's Curriculum and Resources – Update of prelicense course

Specialist Fujimura reported that the last revision to the broker and salesperson curricula was done approximately 10-11 years ago. The curricula still reference outdated terminology such as "DROA". Many changes and updates to procedures, laws, rules and forms have occurred since the last revisions.

The broker curriculum is currently 80 hours, up from the previous 46 hours. The salesperson curriculum is currently 60 hours, up from the previous 45 hours. A review needs to be done to determine if an increase in hours are warranted and if changes need to be made to the current topics, or if they are still worthy to keep, delete, or amplify. Updating of both curricula will require the Commission to procure solicitations for the projects.

It was questioned whether updating the curricula would require a revisions to the exam.

Specialist Fujimura responded that the test would be developed along with the curriculum.

Commissioners requested that drafts of the revised curricula provided by the procured provider(s) be reviewed by the Ad Hoc Committee on Education (ACE).

Upon a motion by Commissioner Klein, seconded by Commissioner Faulkner, it was voted on and unanimously carried to procure for both the Broker and Salesperson curricula updates. ACE Committee to provide review and feedback to the Education Review Committee on the drafts of the updated curricula.

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:

- Continuing Ed Express (2)

Administration of  
Examinations:

PSI

**Licensing Examination Statistics – December 2015**

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

**School Pass/Fail Rates – December 2015**

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

**School Summary by Test Category – December 2015**

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

Educator's Forum:

**Hawaii Association of REALTORS®** – no report presented.

**Public and Private Institutions of Higher Education** – no report presented.

Program of Work:

Annual Report, Quarterly Bulletin, and School Files

Senior Specialist Fujimura reported that the January 2016 issue of *School Files* has been distributed and is available on the Commission's website: [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

Instructor's Development Workshop

HAR's Instructor Development Workshop titled "Video – It's Easier Than You Think" is scheduled for February 1 - Hawaii Island; February 2 – Maui; February 4 – Oahu; February 5 – Kauai. A copy of HAR's registration form provided for informational purposes. The IDW is partially funded by funds from the Real Estate Education Fund. A copy of the registration form was included with the latest mailout of School Files.

It was reported that the IDW is being held in two different sessions. The first session is specifically for instructor credit. The second session is available to all licensees. The boards have been tasked with offering this option to their membership.

Commissioner Sherley noted that Michael Krisa is an excellent instructor. It is very difficult to get good instructors to offer IDWs in Hawaii due to the high costs.

Budget and Finance  
Report:

Real Estate Education Fund

No report presented.

Executive Session: Upon a motion by Commissioner Arakaki, seconded by Commissioner Faulkner, it was voted on and unanimously carried to enter into executive session pursuant to Section 92-5(a)(1), HRS, "To consider and evaluate personal information, relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;" and 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 Sherley, seconded by Commissioner Klein, it was voted on and unanimously carried to move out of executive session.

Continuing Education: Applications

**Course – "Client Protection Via Real Estate Best Practices"; Author/Owner: Celine P. Nelsen; Provider: Abe Lee Seminars; Course Categories: Dispute Resolution, Risk Management; Clock Hours: 3 (Deferred from 10/11/15 ERC)**

Upon a motion by Commissioner Senter, seconded by Commissioner Klein, it was voted on and unanimously carried to defer the course application of "Client Protection via Real Estate Best Practices" with the following recommendations:

- 1) Please answer question Number 2 of the November 12, 2015 deferral letter issued to you stating "Please elaborate and disclose on how the 'Overview of the Social Styles' model relates to licensee accountability".
- 2) Please elaborate and clarify how the results of the behavior and communication models that are included in the course directly impact a real estate licensee's practices and relationships with their clients in a real estate transaction.
- 3) What handouts will the students receive? Please identify and submit those handouts.
- 4) The current title of the course does not reflect the course content. The course summary does not reflect the course content. Please focus on a main objective for the course. Is it client's behavior? Is it licensee's accountability? The current course content does not adequately address licensee's accountability or best practices.

**Course – "Commercial Contracts and Creative Clauses – The Road to Litigation"; Author/Owner: Soozie Jones Walker, SIOR, CCIM; Provider: Hawaii CCIM Chapter; Course Category: Contracts; Clock Hours: 3**

Upon a motion by Commissioner Sherley, seconded by Commissioner Lee, it was voted on and unanimously carried to defer the course application of "Commercial Contracts and Create Clauses – The Road to Litigation" with the following recommendations:

- 1) The Hawaii rules for a continuing education course stipulate a clock hour as instructional time of 60 minutes, and the minimum course length as 3 hours. (See Hawaii Administrative Rules §16-99-87). The total clock hours for your course is 150 minutes and should be adjusted to 180 minutes of instructional time.
- 2) What handouts and information will the students receive? Do they receive the PowerPoint slides and the Addenda?

- 3) The ERC requires that the course content, as reflected in the course outline, be expanded and amplified. It is difficult to follow the course outline. There needs to be more information submitted, more explanation regarding the Addenda.
- 4) The course titles notes ". . . creative clauses . . ." but there appears to be only one "clause", the "As-Is" clause that is discussed. Please include more "creative clauses" in the course.
- 5) There is little information to distinguish commercial from residential activity. The course information covered also appears to be applicable to residential contracts.
- 6) There appears to be instructor notes below some of the PowerPoint slides. If the instructor notes/narrative are included in the course submission, it would provide a better idea of the course content and what is to be taught.

**Course – "Essentials of Commercial Leases in Hawaii" Author/Owner: Nancy N. Grekin; Provider: Hawaii CCIM Chapter; Course Categories: Real Estate Law, Other – Commercial Leasing; Clock Hours: 3**

Upon a motion by Commissioner Sherley, seconded by Commissioner Arakaki, it was voted on and unanimously carried to approve "Essentials of Commercial Leases in Hawaii" as a three credit hour continuing education course, under the course categories Real Estate Law and Other – Commercial Leasing.

Next Meeting: Wednesday, February 10, 2016  
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, Chair Sherley adjourned the meeting at 10:58 a.m.

Reviewed and approved by:

/s/ Diane Choy Fujimura

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Diane Choy Fujimura  
Senior Real Estate Specialist

January 25, 2016

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Date

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Minutes approved as is.

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Minutes approved with changes, see minutes of \_\_\_\_\_