

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: May 11, 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 9:00 a.m.

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

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
Michael Pang, Broker / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
David J. Grupen, Real Estate Specialist
Benedyne Stone, Condominium Specialist
Dathan Choy, Condominium Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Recording Secretary
Torrie-ann Primacio, Office Assistant

Others: Kamalani Rodrigues, Honolulu Board of REALTORS®
Lynn Murison, Honolulu Board of REALTORS®
Marsha Shimizu, Hawaii Association of REALTORS®
Clayton Nakamoto

Absent: None

Call to Order: The Chair called the meeting to order at 9:51 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.

The Chair reminded Commissioners about her request for all Commissioners to take, monitor and evaluate an on-line CE course for the ERC. She thanked Commissioners Klein, Arakaki and Faulkner for following through on this request.

Specialist Fujimura reminded Commissioners to inform staff of which course(s) they will be monitoring so that staff can provide them with the information and evaluation forms.

Real Estate
Specialist's Report:

Additional Distribution

The following was distributed as additional distribution:

8. Program of Work, FY16
 - s. Ad Hoc Committee on Education (ACE) – Report – Core B 2015-2016, 1st Draft

Minutes of Previous Meeting

Upon a motion by Commissioner Sherley, seconded by Commissioner Pang, it was voted on and unanimously carried to accept the minutes of the April 6, 2016, Education Review Committee meeting as circulated.

Continuing Education: Administrative Issues

2015-2016 Continuing Education Providers and Courses Ratification List

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

<u>Registration/Certification</u>	<u>Effective Date</u>
Course(s)	
CRS 120 Converting Leads Into Closing (6 Credits) (ARELLO/Hawaii Association of REALTORS)	03/28/2016
CRS 202 Effective Buyer Sales Strategies (6 Credits) (ARELLO/Hawaii Association of REALTORS)	03/28/2016
Sales Leadership That Drives Performance (6 Credits) (ARELLO/Hawaii Association of REALTORS)	03/28/2016
How Technology Can Ruin Your Real Estate Business (3 Credits) (ARELLO/McKissock, LLC)	03/30/2016
Real Estate Safety Matters: Safe Business=Smart Business (3 Credits) (ARELLO/Honolulu Board of Realtors)	03/31/2016
Pricing Strategies: Mastering the CMA (6 Credits) (ARELLO/Honolulu Board of Realtors)	03/31/2016

Green Day 1: The Resource-Efficient Home: Remodels, Retrofits, Renovations, and New Home Construction (6 Credits) (ARELLO/Honolulu Board of Realtors)	03/31/2016
Green Day 2: Representing Buyers and Sellers: Resource Efficient Homes (6 Credits) (ARELLO/Honolulu Board of Realtors)	03/31/2016
Real Estate Safety Matters: Safe Business = Smart Business (3 Credits) (ARELLO/The CE Shop, Inc.)	04/07/2016
Attracting Online Consumers: Listing and Syndication (3 Credits) (ARELLO/The CE Shop, Inc.)	04/07/2016
Pricing Strategies: Mastering the CMA (6 Credits) (ARELLO/The CE Shop, Inc.)	04/07/2016

Eddie Flores Real Estate Continuing Education - Advertising

Correspondence and response from Eddie Flores Real Estate Continuing Education regarding their advertising of the not yet certified Core B Core Course was provided for informational purposes.

As a reminder, §16-99-114(6) states "A continuing education provider shall not engage in any of the following acts; . . . (6) Advertise a course which has not been certified by the commission, unless the advertisement clearly states that it is 'proposed' or 'tentative' offering, subject to the certification by the commission; . . ."

Staff will follow up on information received from licensees and the education industry should it affect the offering of continuing education courses. Staff will also include reminders in its School Files publication.

Applications

Provider – At Your Pace Online, LLC, Administrator – Tony Bowers

Upon a motion by Commissioner Pang, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve "At Your Pace Online, LLC" as a continuing education provider.

Course – "A Legal & Ethical Career in Real Estate"; Author/Owner: At Your Pace Online, Provider – At Your Pace Online, LLC (pending approval); Course Categories: Contracts, Real Estate Law, Risk Management; Clock Hours: 12

There was concern regarding the length of the course, 12 hours, and a suggestion that the course be divided into multiple courses. Staff informed the committee that while taking an online course, the attendee is able to pause the course and return to complete the course at a later time. The Commission also allows approval of courses up to 15 hours.

Commissioner Pang suggested that the author specify that the Fair Housing portion of the course is specific to Federal Fair Housing Laws as it does not seem to include Hawaii laws.

Upon a motion by Commissioner Pang, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve "A Legal & Ethical Career in Real Estate" as a twelve (12) credit hour continuing education course, under the course categories Contracts, Real Estate Law, Risk Management.

Course – "Code of Ethics"; Author/Owner: Honolulu Board of REALTORS®; Provider - Honolulu Board of REALTORS®; Course Categories: Risk Management, Other - Ethics; Clock Hours: 3

Kamalani Rodrigues of the Honolulu Board of REALTORS® was present to answer any questions the committee may have. She noted that the course was written to satisfy the mandatory Ethics requirement of Realtor® members which is due by December 31, 2016. It was noted that the course addresses the most current and relevant happenings in the local market. HBR has already trained 5000 of its 6000 members, which allows for the remaining 1000 members to receive CE credit should the course be approved. The course would also be applicable to all licensees, not just the Board's membership.

Upon a motion by Commissioner Pang, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve "Code of Ethics" as a three credit hour continuing education course, under the course categories Risk Management, Other - Ethics.

Course – "Run Your Business Like A Business"; Author/Owner: Hawaii Association of REALTORS®; Provider: Hawaii Association of REALTORS®; Course Categories: Other – Business planning; Clock Hours: 6

Commissioner Klein questioned the meaning of "An exercise in Crazy" on page 7, slide 2, under "What is a business plan?"

Marsha Shimizu of the Hawaii Association of REALTORS® explained the phrase as an attempt to describe the analytical process that is necessary to put together a business plan. All licensees are independent contractors so they need a business plan that gives them a solid foundation. She further responded that she would re-evaluate the terminology used in the slide.

Upon a motion by Commissioner Sherley, seconded by Commissioner Klein, it was voted on and unanimously carried to approve "Run Your Business Like A Business" as a six credit hour continuing education course, under the course categories Other – Business planning.

Course – "Meth and Its Makers: New Hazards in Housing"; Author/Owner: Karel Murraya, CSP, DREI; Provider: Real Class, Inc.; Course Categories: Risk Management, Other – Environmental Hazards and Licensee Safety; Clock Hours: 3

Commissioner Sherley recused himself from decision making and informed the committee that he could answer any questions as he is the Provider of the proposed course.

Mr. Sherley stated that the author of the course has had first-hand experience in dealing with this course topic. The course will identify the ethical and legal

responsibilities of real estate licensees regarding properties contaminated by the cooking of meth. It will provide information on protecting the licensee, the buyer, and the community by knowing what to look for, how to disclose and who to call.

Upon a motion by Commissioner Klein, seconded by Commissioner Faulkner, it was voted on and carried to approve "Meth and Its Makers: New Hazards in Housing" as a three credit hour continuing education course, under the course categories Risk Management, Other – Environmental Hazards and Licensee Safety. Commissioner Sherley was recused from voting.

Prelicense Education: 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 (6)

Administration of
Examinations:

PSI

Licensing Examination Statistics – April 2016

Examination statistics for April 2016 were distributed to the Commissioners for their information.

School Pass/Fail Rates – April 2016

School pass/fail rate statistics for April 2016 were distributed to the Commissioners for their information.

School Summary by Test Category – April 2016

Copies of the April 2016 test category summary reports, by school, were distributed to the Commissioners for their information.

Educator's Forum: **Hawaii Association of REALTORS®**

Marsha Shimizu of HAR reported that a Masters in Real Estate is now offered at the REALTOR® University based in Illinois and is recognized in many states. A BA is required to be accepted into the program. The program is all online with the licensee selecting their specialty area.

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 May 2016 *Bulletin* will be distributed shortly and a copy is available for viewing on the Commission's website: www.hawaii.gov/hirec.

Ad Hoc Committee on Education (ACE) – Report – Core B 2015-2016, 1st Draft

Written report distributed for informational purposes. Train-the-Trainer is scheduled for Thursday, June 30, 2016 at HBR from 9am to 1pm.

Budget and Finance Real Estate Education Fund
Report:

No report presented.

Next Meeting: Wednesday, June 8, 2016
Upon adjournment of the Condominium Review Committee Meeting, which is upon
adjournment of the Laws and Rules Review Committee meeting, which convenes at
9:30 a.m.
Hawaii Island REALTORS®
1321 Kino`ole Street
Hilo, Hawaii

Adjournment: With no further business to discuss, Chair Cobb adjourned the meeting at
10:28 a.m.

Reviewed and approved by:

/s/ Diane Choy Fujimura

Diane Choy Fujimura
Senior Real Estate Specialist

May 23, 2016

Date

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