

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: Wednesday, July 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 9:00 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
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
Carole Richelieu, Senior Condominium Specialist
Benedyne Stone, Condominium Specialist
Dathan Choy, Condominium Specialist
Daniel Jacob, Deputy Attorney General
Tammy Norton, Secretary
Torrie-ann Primacio, Recording Secretary

Others: Katrina Mizuuchi, American Warrior Initiative

Absent: Bruce Faulkner, Broker / Maui Commissioner

Call to Order: The Chair called the meeting to order at 9:48 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 Fulkner was excused from the meeting. Prior notification of his non-attendance was received.

Minutes of Previous Meeting

Commissioner Senter noted corrections to page 5 of the draft minutes.

Upon a motion by Commissioner Pang, seconded by Commissioner Klein, it was voted on and unanimously carried to accept the minutes of the June 8, 2016, Education Review Committee meeting, as corrected.

Continuing Education: Administrative Issues

2015-2016 Continuing Education Providers and Courses Ratification List

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

<u>Registration/Certification</u>	<u>Effective Date</u>
Course(s)	
REALTOR Code of Ethics Case Studies (3 Credits) (ARELLO/Continuing Ed Express LLC)	06/21/2016
Tenancy (6 Credits) (ARELLO/Hawaii Association of REALTORS)	06/23/2016

Applications

Course – “American Warrior Real Estate Professional;” Author/Owner: Louise G. Thaxton; Provider: Abe Lee Seminars; Course Categories: Finance, Other – Serving Military and Military Veteran Clients; Clock Hours: 3

Ms. Mizuuchi from American Warrior Initiative was present to answer any questions the Committee may have.

Commissioner Lee asked Ms. Mizuuchi for a clarification on the VA maximum loan amount. Ms. Mizuuchi responded that the maximum amount is \$721,500.00 for 100% financing. Commissioner Senter asked Ms. Mizuuchi for background information on the American Warrior Initiative. Ms. Mizuuchi explained the purpose for a VA loan. There are many applications being turned down because real estate licensees are not being educated regarding VA loan programs. Too often the VA loan is viewed by agents and sellers as being risky when it is not. The American Warrior Initiative educates real estate licensees in the difference between VA buyer and other buyers.

Sean Parnell who is a Veteran himself will participate in teaching of the class.

Commissioner Sherley also agreed that a large number of licensees do not have a correct understanding and experience regarding VA loans.

Upon a motion by Commissioner Pang, seconded by Commissioner Lee, it was voted on and unanimously carried to approve “American Warrior Real Estate Professional” as a 3 credit hour continuing education course, under the course categories Finance, Other – Serving Military and Military Veteran Clients.

Course – “Leases and the Landlord/Tenant Code;” Author/Owner: Scott Alan Bly, Esq.; Provider: Dower School of Real Estate; Course Categories: Contracts, Real Estate Law, Property Management; Clock Hours: 3

Commissioner Pang recommended including “Residential” in the title, “Leases and the Landlord/Tenant Code”.

Commissioner Klein moved to approve “Leases and the Landlord/Tenant Code” as a 3 credit hour continuing education elective course, under the course categories Contracts, Real Estate Law, Property Management, subject to changing the course title. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Course – “Lead Safety: For Real Estate Agents;” Author/Owner: Jilian Krause; Provider: Preferred Systems, Inc.; Course Categories: Property Management, Risk Management; Clock Hours: 3

There was a concern about course materials filling the 3 hour course time.

Commissioner Klein suggested including the Federal form on lead based paint disclosure with an accompanying discussion.

Commissioner Pang moved to approve “Lead Safety: For Real Estate Agents” as a 3 credit hour continuing education elective course, under the course categories Property Management, Risk Management, subject to including the standard federal form and discussion. Commissioner Sherley seconded the motion. The motion was voted on and unanimously carried.

Course – “Understanding Investment Property;” Deferred from 6/8/16 ERC. Author/Owner: David Catanzaro; Provider: REMI School of Real Estate; Course Categories: Contracts, Investment, Finance, Property Ownership and Development; Clock Hours: 6

The course was previously deferred based on inaccurate time frames totaling eight hours instead of six hours as requested.

Commissioner Sherley moved to approve “Understanding Investment Property” as a 6 credit hour continuing education elective course, under the course categories Contracts, Investment, Finance, Property Ownership and Development, subject to changing the title to “Fundamentals of Understanding Investment Property”. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Continuing Education Core Course – Core 2017-2018 hours and availability – Deferred from ERC 6/8/16

Commissioners and staff continued the discussion from the previous ERC meeting on topics and credit hours for future core courses.

Commissioner Klein commented that the 2017-2018 core course should be in two 3 hour parts.

Commissioner Pang stated that those who taught the core course at 4 hours felt the course was too long and attention spans of the attendees were compromised.

Commissioner Wada questioned the reason the core course changed to 4 hours. Commissioner Sherley responded that the condominium course materials needed the 4 hours. Commissioner Sherley also commented that most licensees prefer 3 hours for continuing education courses.

Commissioner Arakaki expressed concern that if the core course is 3-3, licensees may end up taking 21 hours of continuing education. Specialist Grupen said there are many courses available with varying course hours and licensees can easily select a course with enough hours to total 20 hours.

Commissioner Sherley suggested a topic for the core 2017-2018 course should be on technology and how it affects real estate licensees.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Lee it was unanimously agreed to refer further discussion to ACE.

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:

- Abe Lee Seminars (97)
- Continuing Ed Express (1)

Administration of
Examinations:

PSI

Licensing Examination Statistics – June 2016

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

School Pass/Fail Rates – June 2016

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

School Summary by Test Category – June 2016

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

Educator's Forum:

Hawaii Association of REALTORS® -

Public and Private Institutions of Higher Education – No report presented

Program of Work:

Instructors Development Workshop –

“Become the Instructor of Change: Secrets of the Experts”, Karel Murray, July 27, 2016, Best Western Plaza Hotel, 9:00 a.m. – 12:30 p.m.

A copy of the IDW flyer was distributed to the commissioners for their information. This is the last IDW for the biennium sponsored by the commission.

Facilitator Training Program, Servpro Industries, Inc.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve Facilitator Training Program, Servpro Industries, Inc. as an Instructor Development Workshop for Servpro Industries Inc. instructors as an alternative to the commission – sponsored IDW.

ARELLO, REEA,
and other Organizations

Report REEA 2016 Annual Conference –

Specialist Gruppen reported the conference was informational with many interesting group sessions.

Commissioner Senter commented the information on “Millenials” was very useful.

Budget and Finance
Report:

Real Estate Education Fund

Upon a motion by Commissioner Sherley, seconded by Commissioner Wada, it was voted on and unanimously carried to accept the Real Estate Education Fund report for the fiscal year ending March 31, 2016.

Next Meeting:

Wednesday, August 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 10:59 a.m.

Reviewed and approved by:

/s/Diane Choy Fuhimura

Diane Choy Fujimura
Senior Real Estate Specialist

August 10, 2016

Date

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