

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, May 9, 2018

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
Michael Pang, Vice Chair, Broker / Honolulu Commissioner
Laurie Lee, Broker / Honolulu Commissioner
Rowena Cobb, Broker / Kauai Commissioner
Nikki Senter, Public / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner
Sean Ginoza, Broker / Hilo Commissioner

Miles Ino, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
David Grupen, Real Estate Specialist
Dathan Choy, Condominium Specialist
Shari Wong, Deputy Attorney General
Dorothy Aquino, Recording Secretary

Others: Kamalani Rodrigues, Honolulu Board of REALTORS®
Jan Kaeo, Dale Carnegie Training
Marsha Shimizu, Hawaii Association of REALTORS®

Absent: Bruce Faulkner, Broker / Maui Commissioner
Aileen Wada, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:00 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.

Commissioners Faulkner and Wada were excused from today's meeting. Prior notice of their non-attendance was received.

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

Upon a motion by Commissioner Lee, seconded by Commissioner Klein, it was voted on and unanimously carried to accept the minutes of the April 11, 2018, Laws and Rules Review Committee meeting as circulated.

Program of Work: **Legislative and Government Participation Report**

House Bill No. 2330, HD1, SD2 Relating to Housing - Extends exemption from general excise tax for development costs of affordable rental housing certified by HHFDC. Removes limits on costs eligible for exemption and authorizes exemption for substantially renovated projects. Prohibits discrimination against tenants based solely on receipt of Section 8 housing assistance.

Commissioner Arakaki informed the Commission that he had asked that these two bills be placed on the agenda because this is the 50th Anniversary of the Fair Housing Act.

Commissioner Arakaki reported House Bill No. 2330, HD1, SD2 did not make it out of committee.

Senate Bill No. 2461, SD1, HD1 Relating to Service Animals – Establishes a civil penalty for knowingly misrepresenting an animal as a service animal. Conforms Hawaii law with the definition of "service animal" under the Americans with Disabilities Act of 1990.

Commissioner Arakaki commented civil penalties for misrepresenting service animals will be fined \$100 - \$250 for first violation and minimum \$500 for each additional violation. Civil fines are difficult to enforce and hoping to discourage fake service dogs and certificates. People who use service animals testified in favor, but the Civil Rights Commission thought it could have a "chilling effect" on the use of service animals and opposed the bill. The Bill has been passed and goes to the Governor for signature.

Commissioner Klein commented how a group of people would think it would have a "chilling effect" on service animals who are being attacked by people and other animals.

Commissioner Arakaki commented that at the last ARELLO meeting, a national speaker spoke in favor of the bill. The people who abuse the system, make it difficult for the people who use service animals

Commissioner Klein questioned how a bill became a law, how the law will be enforced and who do we call for reinforcement and violations?

Deputy Attorney General Wong commented it depends on the logistics of enforcement.

It was noted no agency has been assigned.

Commissioner Pang commented the preferred reference is service dogs only and not service animals.

Commissioner Klein commented they omitted miniature horses which are service animals.

Executive Officer Ino noted part of the bill creates a Class C felony for anyone who causes injury or death to a service animal. It will help with those who have a legitimate service animal.

ARELLO, Other
Organizations And
Jurisdictions:

Federal Trade Commission (FTC) and Department of Justice (DOJ)

Information from the Federal Trade Commission on its upcoming "What's New in Residential Real Estate Brokerage Competition – An FTC-DOJ Workshop" to be held on June 5, 2018 in Washington, DC was distributed for informational purposes.

Commissioner Arakaki noted that an ARELLO speaker will attend the workshop and that MLS services may come under scrutiny.

Executive Officer Ino commented that a collateral concern might be the Federal government proposing national licensing of real estate agents similar to that of securities brokers.

Next Meeting: Wednesday, June 13, 2018
9:30 a.m.
Hawaii Island REALTORS®
1321 Kino'ole Street
Hilo, Hawaii

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 9:18 a.m.

Reviewed and approved by:

/s/ Miles Ino

Miles Ino
Executive Officer

May 11, 2018

Date

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

MI:da