

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: August 8, 2018

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: Bruce Faulkner, Chair / Broker / Maui Commissioner
Aileen Wada, Vice Chair / Broker / Honolulu Commissioner
Scott Arakaki, Public Member / Honolulu Commissioner
John Love, Public Member / Honolulu Commissioner
Laurie A. Lee, Broker / Honolulu Commissioner
Michael Pang, Broker / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner
Sean Ginoza, Broker / Hawaii Island Commissioner
Russell Kyono, Broker/ Kauai 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
Lorie Sides, Condominium Education Specialist
Benedyne Stone, Condominium Specialist
Dathan Choy, Condominium Specialist
Dorothy Aquino, Recording Secretary

Others: Chatney Pacheco, Hawaii Association of REALTORS®
Ethel Keyes, Hawaii Association of REALTORS®
Harold Berman, The Berman Education Company, LLC

Absent: Shari Wong, Deputy Attorney General

Call to Order: The Chair called the meeting to order at 10:00 a.m., at which time quorum was established.

Chair's Report: No reports were presented.

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.

Deputy Attorney General, Shari Wong were excused from the meeting. Prior notification of her non-attendance was received.

Real Estate

Specialist's Report: Minutes of Previous Meeting

Upon a motion by Commissioner Pang, seconded by Commissioner Ginoza, it was voted on and unanimously carried to accept the minutes of the July 11, 2018, Education Review Committee meeting.

Continuing Education: Administrative Issues

2018-2019 Continuing Education Providers and Courses Ratification List

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

<u>Registration/Certification</u>	<u>Effective Date</u>
Course(s)	
Building a Business Plan that Get Results (6 credits) (Hawaii Association of REALTORS/National)	07/16/2018
Creating a Profitable Real Estate Company (6 credits) (Hawaii Association of REALTORS/National)	07/16/2018
The Firm Rules – Policies to Mitigate Risk (6 credits) (Hawaii Association of REALTORS/National)	07/16/2018
Environmental Issues for Real Estate (3 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018
Issues in Fair Housing (3 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018
Recognizing and Avoiding Discrimination (3 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018
Risk Management for Real Estate (3 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018
Investment Real Estate Fundamentals (4 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018

Issues in Real Estate Contract Law (4 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018
Real Estate Supply and Demand Factors (4 credits) (Hawaii CCIM Chapter/ARELLO)	07/25/2018

Applications

**Course(s) – All You Need to Know About the 2017 Tax Cuts and Jobs Act;
Author/Owner: Creative Solution Enterprises Inc.; Provider: The Berman
Education Company LLC; Course Category: Finance; Clock Hours: 3**

Mr. Harold Berman was present to answer any questions or concerns the Commissioners may have.

Mr. Berman commented he has presented several tax seminars which have been very well-received. The new tax law was passed in December 2017 and is very complex and controversial.

Commissioner Lee suggested making changes to the chapter titles to not reflect the first person.

Mr. Berman commented he will make changes to the chapter titles, and adjust his lecture to be more neutral.

Commissioner Faulkner stated the course is timely.

Upon a motion by Commissioner Klein, seconded by Commissioner Pang it was voted on and unanimously carried to approve All You Need to Know About the 2017 Tax Cuts and Jobs Act as a 3-credit hour continuing education course, under the course category, Finance.

CE Online Course Application

The CE Online Course report was distributed to the Commissioners prior to the meeting for their information.

Senior Real Estate Specialist is requesting delegation staff to review CE online course applications to ensure the courses meet the new requirements for online courses.

Senior Real Estate Specialist Fujimura informed the Commission, REB has a new application for CE Online Courses. There were concerns regarding the existing online courses videotaping an individual talking. To create a better educational CE online course experience with required interactivity throughout the course and a timing tracking device, new online CE courses requirements were approved.

All CE online courses will be required to submit the new online course application for the next biennium and amend their courses to comply with the new requirements. The courses need to meet course requirements which include interactivities and a timing function. The new requirements are loosely based on the ARELLO distance education standards. The mainland CE providers who have ARELLO certified courses will meet the new requirements. Some of the local providers are currently working to meet the new requirements. The CE authors will be submitting their live classroom application to be recertified and will have to submit the new online CE course application, if applicable.

Commissioner Lee questioned if the online course will be created before submitting the application.

Senior Real Estate Specialist Fujimura stated the author will provide a link to the online course in the application. Staff will review the course to see if the course meets the requirements, most specifically including interactivity and a timing device.

Commissioner Arakaki questioned if the link will take the full 3 hours to review or will the reviewer be asked to review the course to evaluate the contents of the online CE course without accessing the contents online.

Senior Executive Officer Fujitani questioned if the reviewer will be able to skip or move forward through the course?

Senior Real Estate Specialist Fujimura stated that, usually, the person taking a CE online course will not be allowed to skip or move forward through the course.

Commissioner Klein asked if a review of a course can be a partial review?

Commissioner Arakaki asked if two of the modules are okay, but the subsequent modules are not, is there a paper hardcopy to reference?

Senior Real Estate Specialist Fujimura commented the author will provide a hardcopy of the online course. There must be a time mechanism to check if the student is present and did not walk away from the course and let the time run.

Commissioner Pang questioned who will be delegated to review the online courses? Will additional staff be hired to review?

Commissioner Klein asked if REB has any administrative resources? It will take hours to review the CE online courses. Is there a way to access the education fund for this purpose?

Executive Officer Ino commented the fees are set in Chapter 53.

Senior Executive Officer Fujitani asked if most of the online courses also include a live version of the course? ERC receives the hard copy, then the Commission would review and approve the course. ERC rarely receives an online only course. The online only courses need to be reviewed and evaluated if they meet the new requirements

Commissioner Arakaki stated he's more concerned about the contents of the online courses, and if they meet all the requirements on the checklist.

Senior Executive Officer Fujitani commented the online course will be submitted as a hardcopy, as it would appear to the online user.

Senior Real Estate Specialist Fujimura stated the author will submit the screenshots of the online version.

Commissioner Lee suggested delegating to staff the review of the online course and the Commission will review the hardcopy contents.

Commissioner Pang asked if the author can submit the CE online course prior to approval in the form of the hardcopy which will indicate interactivity and timing function.

Senior Real Estate Specialist Fujimura said a complete packet including the hardcopy materials and the online link should be submitted for review and approval.

Commissioner Klein commented the live CE course should be like a book when converting the course to an online class. There should be a checklist to check the contents of the course.

Commissioner Arakaki questioned item #10 regarding "ADA information", "Technology support services available to students", and "Completion/Course Completion Certificates", on the CE online course application.

Senior Real Estate Specialist Fujimura explained these boxes should be checked as it indicates the information the student manual or orientation area of the course. The course completion certificate is delivered from our online system.

Commissioner Pang suggested the author of the course will submit a CE online course application, the Commission approves the contents of the course and the course is subject to audit. Once approved, one of the Commissioners will review the online course.

Executive Officer Ino stated the ERC may review and approve the contents subject to staff confirming the online features are built into the course.

Commissioner Arakaki moved to delegate to the staff the review of online CE course applications. Commissioner Klein seconded the motion. The motion was voted on and unanimously carried.

Prelicense Education: Administrative Issues

Application(s)

Guest Lecturer – Liana L. Bratland, Coldwell Banker Real Estate School, Trudy Nishihara, Principal; Salesperson Curriculum

Upon a motion by Commissioner Arakaki, seconded by Commissioner Wada, it was voted on and unanimously carried to approve Liana L. Bratland as a guest lecturer.

Administration of Examinations:

PSI

Licensing Examination Statistics – July 2018

Examination statistics for July 2018 were distributed to the Commissioners for their information.

School Pass/Fail Rates – July 2018

School pass/fail rate statistics for July 2018 were distributed to the Commissioners for their information.

School Summary by Test Category – July 2018

Copies of the July 2018 test category summary reports, by school, were distributed to the Commissioners for their information.

Program of Work: Annual Report, Quarterly Bulletin, and School Files

Senior Specialist Fujimura reported that the August 2018 *Bulletin* has been distributed and a copy made available on the Commission's website: www.hawaii.gov/hirec.

Neighbor Island Outreach and Real Estate Specialist Office of the Day

The September committee meetings will be held on Wednesday, September 12, 2018 at the Grove Farm Building Conference Room in Lihue. The Specialists' Office for the Day will be held in conjunction with the meeting.

ARELLO, REEA and Other Organizations: A report of the 2018 Annual REEA Conference held in San Diego, CA on June 21 – 25, 2018 was distributed to the Commissioners prior to the meeting for their information.

Next Meeting: Wednesday, September 12, 2018
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.
Grove Farm Building Conference Room
3-1850 Kaumuali'i Highway
Lihue, Kauai

Adjournment: With no further business to discuss, Chair Faulkner adjourned the meeting at 10:44 a.m.

Reviewed and approved by:

/s/Diane Choy Fujimura

Diane Choy Fujimura
Senior Real Estate Specialist

August 14, 2018

Date

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