

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: June 12, 2019

Time: Upon adjournment of the Condominium Review Committee meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convened at 10:30 a.m.

Place: West Hawaii Association of REALTORS®
75-5995 Kuakini Highway, Suite 221
Kailua-Kona, HI 96740

Present: Bruce Faulkner, Chair, Broker / Maui Commissioner
Aileen Wada, Vice Chair, Broker / Honolulu Commissioner
John Love, Public Member / Honolulu Commissioner
Laurie A. Lee, Broker / Honolulu Commissioner
Sean Ginoza, Broker / Hawaii Island Commissioner
Russell Kyono, Broker / Kauai Commissioner

Neil K. Fujitani, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Dathan Choy, Condominium Specialist
Christopher Leong, Deputy Attorney General
Tammy Norton, Recording Secretary

Others: Daryl Nishizawa, Honolulu Board of REALTORS®
Rollie Litteral, American Dream Real Estate School
Scott Alan Bly, Bly School of Real Estate
Anthony Chen, Bly School of Real Estate

Absent: Scott Arakaki, Public Member / Honolulu Commissioner
Michael Pang, Broker / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 10:50 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.

Commissioners Pang, Arakaki and Klein were excused from the meeting. Prior notification of their non-attendance was received.

Real Estate Specialist's Report: Minutes of Previous Meeting

Upon a motion by Commissioner Ginoza, seconded by Commissioner Love, it was voted on and unanimously carried to accept the minutes of the May 8, 2019, Education Review Committee meeting as circulated.

Continuing Education: Administrative Issues

2019-2020 Continuing Education Providers and Courses Ratification List

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

<u>Registration/Certification</u>	<u>Effective Date</u>
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Course(s)

"Managing Online Transactions (Demonstrated with dotloop)" (McKissock, LLC/ARELLO) (3 credits)	05/17/2019
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Applications

Mr. Scott Alan Bly was present to provide information on his applications and answer any questions the committee may have.

Course "Contracts in Depth Including the New 2019 Purchase Contract"; Author/Owner: Scott Alan Bly, Esq.; Provider: Bly School of Real Estate; Course Categories: Contracts; Clock Hours: 6

Mr. Bly stated that this course goes over the new purchase contract line by line and incorporates the laws and rules where they apply within the contract. If approved, the course will be made available in live classroom format on all islands.

Upon a motion by Commissioner Lee, seconded by Commissioner Kyono, it was voted on and unanimously carried to approve "Contracts in Depth Including the New 2019 Purchase Contract" as a six-credit hour continuing education course, under the course category contracts.

Course – "Ethics is Everything"; Author/Owner: Scott Alan Bly, Esq.; Provider: Bly School of Real Estate; Course Categories: Other – Ethics in Real Estate"; Clock Hours: 3

Mr. Bly stated that he was contacted by the Honolulu Board of REALTORS® and asked to create an ethics course that would meet both CE requirements and the Board ethics requirement. He noted that the course goes through each item in the NAR code of ethics and current ethical issues faced by real estate licensees.

Mr. Daryl Nishizawa of the Honolulu Board of REALTORS® commented that he met with Anthony Chen of the Bly School of Real Estate and provided him with the guidelines for an ethics course which would meet the Board requirements.

Upon a motion by Commissioner Ginoza, seconded by Commissioner Kyono, it was voted on and unanimously carried to approve "Ethics is Everything" as a three-credit hour continuing education course, under the course category ethics in real estate.

Course – "Red Flags for the Prelim and Analysis of the Recording System"; Author/Owner: Scott Alan Bly, Esq.; Provider: Bly School of Real Estate; Course Categories: Property Ownership and Development, Risk Management; Clock Hours: 3

Mr. Bly stated that he has incorporated 15 years' worth of red flags for the preliminary title report into this course, including the analysis of the recording system and land court.

Upon a motion by Commissioner Kyono, seconded by Commissioner Lee, it was voted on and unanimously carried to approve "Red Flags for the prelim and Analysis of the Recording Systems" as a three-credit hour continuing education course, under the course categories: property ownership and development, risk management.

Course – "Fair Housing"; Author/Owner: Scott Alan Bly, Esq., Dearborn Real Estate Education – "Fair Housing"; Provider: Bly School of Real Estate; Course Categories: Real Estate Law, Risk Management; Clock Hours: 6

Mr. Bly commented that he will be using the Dearborn Fair Housing manual coupled with his own information which includes Hawaii law, discrimination, and service and support animals.

Chair Faulkner questioned if medical marijuana will be included.

Mr. Bly responded that although it was not listed in the course outline, the information is included within the content. He commented that he will include the subject in the course outline.

Upon a motion by Commissioner Kyono, seconded by Commissioner Love, it was voted on and unanimously carried to approve "Fair Housing" as a six-credit hour continuing education course, under the course categories: real estate law, risk management.

Course – "All About Titles, Tenancies & Deeds"; Author/Owner: Scott Alan Bly, Esq.; Provider: Bly School of Real Estate; Course Categories: Real Estate Law, Property Ownership and Development; Clock Hours: 3

Mr. Bly stated that the course will go over the different ways to hold title, the conveyance document, and the difference in tenancies.

Upon a motion by Commissioner Ginoza, seconded by Commissioner Kyono, it was voted on and unanimously carried to approve "All About Titles, Tenancies & Deeds" as a three- credit hour continuing education course, under the course categories: real estate law, property ownership and development.

Prelicensure Education: Administrative Issues

Prelicensure Instructor – Michelle Del Rosario; School: Hawaii Real Estate Academy, Maui, HI, Lisa Teichner – Principal; Salesperson curriculum

Specialist Fujimura reported that in 2017 Ms. Del Rosario initiated her prelicensure instructor certification application. Due to her non-response to a deficiency, staff ceased processing her application in January 2018. Ms. Del Rosario subsequently submitted a new application which is now complete. She has disclosed her two prior RICO complaints for which she received warning letters.

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

Administration of
Examinations:

PSI

Licensing Examination Statistics – May 2019

Examination statistics for May 2019 were distributed to the Commissioners for their information.

School Pass/Fail Rates – May 2019

School pass/fail rate statistics for May 2019 were distributed to the Commissioners for their information.

School Summary by Test Category – May 2019

Copies of the May 2019 test category summary reports, by school, were distributed to the Commissioners for their information.

Exam Monitoring

The test center monitoring evaluation form completed by Real Estate Specialist Endo for the Honokaa – Big Island test site was distributed for informational purposes.

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

Senior Specialist Fujimura reported that the May 2019 REC Bulletin has been mailed to all current licensees and is available on the Commission's website at www.hawaii.gov/hirec.

Instructor's Development Workshop ("IDW")

Solicitation for REC Instructor Development Workshop, Bid from Hawaii Association of REALTORS®

Specialist Fujimura reported that the solicitation was put out through the State's HlePRO system. One response was received from the Hawaii Association of REALTORS® ("HAR"). HAR proposes to bring back Theresa Barnabei who exceeded the attendees' expectations last year. The proposed IDW will amplify the prior IDW offered.

The total estimated cost is \$18,580 for the development, delivery, and administration of the full day workshops.

Specialist Fujimura clarified that although HARs IDWs are meant for prelicense and continuing education instructors to meet their IDW requirement, it may be open to its membership.

Upon a motion by Commissioner Wada, seconded by Commissioner Kyono, it was voted on and unanimously carried to approve the Hawaii Association of REALTORS® response to the request for quote to assist the Hawaii Real Estate Commission in producing and delivering instructor development workshops (IDWs) on various islands during the 2019-2020 license biennium in the amount of \$18,580.00.

Proposal for Instructor Development Workshop, Honolulu Board of REALTORS®

Mr. Daryl Nishizawa of the Honolulu Board of REALTORS® was present. He stated that HBR's course is intended to act as an IDW for real estate instructors. HBR's intent is to increase the quality of teaching for its membership by focusing on the teaching process and not by creating teachers. The course is intended to take an idea from justification to application and back to justification. By increasing the quality of teachers, they will increase the level of professionalism by licensees.

Specialist Fujimura commented the IDWs proposed by HAR and HBR are vastly different from each other. Those instructors who are truly interested in being a better instructor may just take both.

Mr. Nishizawa was asked if the IDW could also be offered on the neighbor islands and whether he could work with the other boards. Mr. Nishizawa responded in the affirmative.

Upon a motion by Commissioner Lee, seconded by Commissioner Wada, it was voted on and unanimously carried to approve as an Instructor Development Workshop for the 2019-2020 biennium, the course "The Art of Teaching" proposed by the Honolulu Board of REALTORS®.

Real Estate Specialist Office for the Day – West Hawaii Association of REALTORS®

The real estate specialist will be available to meet with interested parties at the end of the Education Review Committee meeting.

Ad Hoc Committee on Education ("ACE")

Specialist Fujimura reported that the final version of the Core A 2019-2020 course was received on June 7, 2019. The online version of the course will be developed within the next week. Draft 2 includes many case scenarios and focuses on the most common violations included in the Real Estate Bulletin. The train the trainer session is scheduled for June 20, 2019 at the Honolulu Board of REALTORS®. Train the trainer is required for all instructors interested in teaching the Commission's Core A course entitled "Protect Your License." The course will also include real estate related legislation.

Upon a motion by Commissioner Lee, seconded by Commissioner Wada, it was voted on and unanimously carried to approve draft 2 of Core A 2019-2020 course entitled "Protect Your License."

Program of Work, FY 20-21

Upon a motion by Commissioner Ginoza, seconded by Commissioner Lee, it was voted on and unanimously carried to approve the Education Review Committee's Program of Work and Budget, FY 20–21 as circulated.

Budget and Finance
Report:

After reviewing the real estate education fund budget report for the period ending March 31, 2019, Commissioner Wada questioned the type of expenditures that fall under "machinery and equipment."

SEO Fujitani responded that the Commission's copy and fax machines are examples of machinery and equipment related to the Real Estate Commission's operations.

Staff was also questioned on the ERC program titled "Real Estate Education Fund (REEF)" with a zero balance.

SEO Fujitani responded that it is a program for staff that oversee and manage the real estate education fund.

Upon a motion by Commissioner Lee, seconded by Commissioner Kyono, it was voted on and unanimously carried to accept the Real Estate Education Fund Financial Report for the period ending March 31, 2019.

Prelicense Education: Administrative Issues

Prelicense Instructor – Michelle Del Rosario; School: Hawaii Real Estate Academy, Maui, HI, Lisa Teichner – Principal; Salesperson curriculum

Executive Session: Upon a motion by Commissioner Lee, seconded by Commissioner Kyono, 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 Love, seconded by Commissioner Lee, it was voted on and unanimously carried to move out of executive session.

Upon a motion by Commissioner Ginoza, seconded by Commissioner Kyono, it was voted and unanimously carried to defer the prelicense instructor application for the salesperson curriculum of Michelle Del Rosario and request the submission of a resume including any educational experience.

Next Meeting: Wednesday, July 10, 2019
Upon adjournment of the Condominium Review Committee meeting, which is upon adjournment of the Laws and Rules Review Committee meeting, which convenes at 9 a.m.
King Kalakaua Building
Queen Liliuokalani Conference Room
335 Merchant Street, First Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Faulkner adjourned the meeting at 11:49 a.m.

Reviewed and approved by:

/s/Diane Choy Fujimura

Diane Choy Fujimura
Senior Real Estate Specialist

June 19, 2019

Date

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