

LAWS AND RULES REVIEW COMMITTEE
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 10, 2006

Time: 9:30 a.m.

Place: Conference Rooms 306/307
Campus Center
University of Hawaii at Hilo
200 West Kawili Street
Hilo, Hawaii

Present: Louis Abrams, Chair, Broker/Kauai Commissioner
Carol Ball, Broker/Maui Commissioner
Michele Sunahara Loudermilk, Public/Honolulu Commissioner
Trudy Nishihara, Broker/Honolulu Commissioner
Vern Yamanaka, Broker/Hawaii Island Commissioner

Calvin Kimura, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
David Grupen, Condominium Specialist
Cheryl Leong, Condominium Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Others: Dayle Reed, Realty Executives
Mike Schrieber
Kevin Miyashiro
Harrison Klein, Re/Max Properties
Yukio Takeya
Annette Aiona
Charles Aki
Michele Robles

Absent: Kathleen Kagawa, Vice Chair, Broker/Honolulu Commissioner
Stanley Kuriyama, Broker/Honolulu Commissioner
Iris Okawa, Public/Honolulu Commissioner

Order: The Chair called the meeting to order at 9:41 a.m., at which time quorum was established.

Chair's Report: No Chair's report was presented.

The Chair recognized former Commissioners Takeya and Aki and incoming Commissioner Aiona in the audience.

SEO's Report:

Announcements, Introduction, Correspondence, Additional Distribution

The SEO announced that we will be holding three meetings today beginning with this meeting, followed by the Education Review Committee meeting and concluding with the Condominium Review Committee meeting.

The SEO announced that there is a New Condominium Law Seminar being held here today at 1:30 p.m. The seminar will cover the new condominium law which takes effect in July 2006. Everyone is welcome and it is free of charge.

Minutes of Previous Meetings

Upon a motion by Commissioner Yamanaka, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the April 12, 2006 Laws and Rules Review Committee meeting.

Program of Work
FY06:

Licensing, Registration, and Certification Administration

A copy of the pertinent sections of the Geographic Report, dated April 10, 2006, was distributed to the Commissioners for their information.

**Subcommittee on Agency and other Related Issues
Ad Hoc Committee on Consumer-Broker Relationships**

The following materials were distributed to the Commissioners for their information:

1. ALQ/Real Estate Intelligence Report: Agency Disclosures Not Being Made
2. ALQ/Real Estate Intelligence Report: Court Cases on Disclosure, Conflicts of Interest, Listing
3. ALQ/Real Estate Intelligence Report: Alliance Forms to Defend Alternative Brokerage Practice

Subcommittee on Applicants with Criminal/Financial/Legal Background Issues; Criminal History Record Checks

The following information was distributed to the Commissioners for their information:

1. Florida's Fingerprinting and Criminal History Records
2. California's Fingerprinting and Criminal Background Review

Florida has signed an agreement with Promissor to complete an electronic fingerprint check. The fingerprint is electronically scanned and submitted to the Florida Department of Law Enforcement and the Federal Bureau of Investigation. The cost is \$47, regardless of

submission method, to process the fingerprints with the Florida Department of Law Enforcement and the Federal Bureau of Investigation, with an additional \$14 processing charge to have the fingerprints scanned and submitted electronically by Promissor.

California has a form you fill out and your fingerprint is electronically scanned and processed with the California Department of Justice and the Federal Bureau of Investigation.

Commissioner Abrams noted that the difference between Florida and California is that Florida requires the fingerprint check prior to taking the exam, whereas California allows you to take the exam, but requires the fingerprint check prior to getting licensed.

The Hawaii Criminal Justice Data Center (HCJDC) charges \$13 per check with no exemption of fees. Their records are only for the State of Hawaii and goes back to 1987. There are currently a lot of applicants from out of state so the information supplied from HCJDC would not be sufficient.

The SEO added that requiring a background check would require approval of PVL, DCCA, and the Attorney General's Office and statutory changes, which would require passage by the legislature and support from the industry.

Program of Work

The SEO requested that recommendations be forwarded to staff as soon as possible in order to finalize, determine any budget figures, and approve the Program of Work and Budget for FY07 at the May 26, 2006 REC Meeting or the June 14, 2006 Committee meetings.

ARELLO, Other Organizations and Jurisdictions:

ARELLO Midyear, District Meeting, Annual Meeting and Reports

No report was presented.

Special Issues:

None.

Open Forum:

None.

Budget and Finance Report:

Upon a motion by Commissioner Ball seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the financial report of the Real Estate Recovery Fund as of March 31, 2006.

Next Meeting:

Wednesday, June 14, 2006
Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, the Chair adjourned the meeting at 10:14 a.m.

Reviewed and approved by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

June 14, 2006
Date

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

CK/kt