

STAND. COM. REP. NO.

3362

Honolulu, Hawaii

APR - 5 2006

RE: S.R. No. 23
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing,
to which was referred S.R. No. 23 entitled:

"SENATE RESOLUTION REQUESTING THE DEPARTMENT OF COMMERCE AND
CONSUMER AFFAIRS TO ESTABLISH A TASK FORCE ON SUPPLY OF
CONTRACTORS AND TRADESMEN IN TIMES OF NATURAL DISASTER TO
STUDY THE EXPEDITED LICENSING OR LICENSING EXEMPTIONS FOR
CONTRACTORS AND TRADESMEN AND THE ESTABLISHMENT OF PRICE
CONTROLS ON BUILDING MATERIALS,"

begs leave to report as follows:

The purpose of this measure is to request the Department of
Commerce and Consumer Affairs to establish a task force to study
the issue of supply of contractors and tradesmen in time of
natural disaster.

Specifically, this measure requests that the task force study
the advisability and feasibility of expedited licensing and
licensing exemptions for contractors and tradesmen, as well as the
establishment of price controls on building materials and supplies
in the event of a natural disaster.

Testimony in support of this measure was submitted by State
Farm Insurance Companies; the Subcontractors Association of
Hawaii; Associated Builders and Contractors, Inc. - Hawaii
Chapter; the Hawaii Association of Realtors; and the Building
Industry Association - Hawaii. Comments were submitted by the
Department of Commerce and Consumer Affairs and the Contractors
License Board.

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Your Committee finds that the after-effects of Hurricanes Katrina and Rita in the Gulf region, and Hurricanes Iwa and Iniki in this State, have provided valuable lessons to states facing natural disasters. Your Committee further finds that the proposed task force provides a mechanism to discuss important issues that will enable the State to be properly prepared in the event of a natural disaster.

Upon further consideration, your Committee has adopted the proposed draft of this measure submitted by State Farm Insurance Companies. This measure has been amended by:

- (1) Eliminating references to the establishment of price controls on building materials and supplies as suggested by the Building Industry Association - Hawaii;
- (2) Reconstituting the task force by removing from the task force the Comptroller, the Vice Director of Civil Defense, the representative of an insurer that writes less than twenty per cent of the Hawaii homeowners insurance market, the representative of the Property and Casualty Insurance Association of America, the Executive Director of the Office of Consumer Protection, and the three representatives of construction materials supply houses; and
- (3) Further reconstituting the task force by including in its membership one representative each from the Subcontractors Association of Hawaii, the Building Industry Association - Hawaii, the General Contractors Association of Hawaii, the Associated Builders and Contractors Inc. - Hawaii Chapter, and the Hawaii Association of Realtors.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 23, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 23, S.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Housing,



RON MENOR, Chair



