

Honolulu, Hawaii

March 23, 2007

RE: S.B. No. 1697  
S.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 1697, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEFINITION OF "CONTRACTOR" UNDER THE CONTRACTOR REPAIR ACT,"

begs leave to report as follows:

The purpose of this bill is to implement the original intent of the Contractor Repair Act (Act) by clarifying that persons engaged in the business of selling a dwelling are not subject to the Act.

The Real Estate Commission, Hawaii Association of REALTORS, Subcontractors Association of Hawaii, and Building Industry Association of Hawaii testified in support of this bill.

The Act under Chapter 672E, Hawaii Revised Statutes (HRS), requires notice of and an opportunity to repair a construction defect of a dwelling as a condition precedent to legal action against a contractor. Your Committee finds that the Act currently defines "contractors" subject to the Act to include persons that sell dwellings, which may be interpreted to include real estate brokers and salespersons who are only involved in the sale of a dwelling and not in the business of designing, manufacturing, supplying products for, developing, or constructing a dwelling. This bill amends the definition of "contractor" in Chapter 672E, HRS, to exclude persons solely involved in the sale of a dwelling.



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1697, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

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



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ROBERT N. HERKES, Chair



