

Honolulu, Hawaii

A-104 , 2008

RE: S.B. No. 2896
S.D. 2
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and
Judiciary, to which was referred S.B. No. 2896, S.D. 2, H.D. 1,
entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTORS,"

beg leave to report as follows:

The purpose of this bill is to address unlicensed contractor
activity by, among other things:

- (1) Requiring investigators to issue citations and cease and
desist orders to persons engaging in unlicensed
contractor activity;
- (2) Prohibiting the resumption of work by any contractor
issued a citation for operating without a license until
the contractor obtains the licenses necessary to perform
the work;
- (3) Providing that in addition to each day a contractor
violates or fails to comply with a cease and desist
order, each day's violation or failure to comply with
the license requirements for contractors is deemed a
separate offense; and
- (4) Increasing the fines for working without a license.



The Hawaii Building and Construction Trades Council, AFL-CIO testified in support of this bill. The Department of Commerce and Consumer Affairs, Building Industry Association of Hawaii, General Contractors Association of Hawaii, and Ralph S. Inouye Co., Ltd., opposed this measure. The Subcontractors Association of Hawaii provided comments.

While increasing the amounts of fines would help deter unlicensed contractor activity, there are concerns that the penalties provided by this bill are excessive.


Accordingly, your Committees have amended this bill by:

- (1) Making the following amendments to encourage further discussion:
 - (A) Changing the amounts of the fines to unspecified sums; and
 - (B) Changing the effective date to January 1, 2020;and
- (2) Clarifying that citations and cease and desist orders are to be issued to contractors working without a license in good standing.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2896, S.D. 2, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2896, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committees on Consumer
Protection & Commerce and
Judiciary,


for TOMMY WATERS, Chair


ROBERT N. HERKES, Chair



