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PRESENTATION OF
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
REGULATED INDUSTRIES COMPLAINTS OFFICE

TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE

TWENTY-FIFTH STATE LEGISLATURE
REGULAR SESSION, 2009

MONDAY, MARCH 16, 2009
2:15 P.M.

TESTIMONY ON SENATE BILL NO. 203 S.D.2 – RELATING TO CONTRACTORS

TO THE HONORABLE ROBERT N. HERKES, CHAIR,
AND TO THE HONORABLE GLENN WAKAI, VICE-CHAIR,
AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on Senate Bill No. 203 S.D.2, Relating to Contractors. My name is Jo Ann Uchida, Complaints and Enforcement Officer for the Department's Regulated Industries Complaints Office ("RICO").

Senate Bill No. 203 S.D.2 increases monetary sanctions for unlicensed activity. The Department participated in discussions with members of the industry and Senate Bill No. 203 S.D.2 is the product of those discussions. The

Testimony on Senate Bill No. 203 S.D.2
March 16, 2009
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Department supports Senate Bill No. 203 S.D.2 because the increase in monetary sanctions should deter unlicensed contracting activity.

Thank you for the opportunity to submit testimony on Senate Bill No. 203 S.D.2. I will be happy to answer any questions that the members of the Committee may have.

SAH - Subcontractors Association of Hawaii
820 Mililani Street, Suite 810, Honolulu, Hawaii 96813-2938
Phone: (808) 537-5619 ✦ Fax: (808) 533-2739

March 16, 2009

Testimony To: House Committee on Consumer Protection and Commerce
Representative Robert N. Herkes, Chair

Presented By: Tim Lyons, President

Subject: S.B. 203, SD 2 – RELATING TO CONTRACTORS

Chair Herkes and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii and we support this bill.

The Subcontractors Association represents the following eight separate and distinct contracting associations who have combined their testimony in the interest of saving time and resources.

HAWAII FLOORING ASSOCIATION

ROOFING CONTRACTORS ASSOCIATION OF HAWAII

HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION

TILE CONTRACTORS PROMOTIONAL PROGRAM

PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII

PAINTING AND DECORATING CONTRACTORS ASSOCIATION

PACIFIC INSULATION CONTRACTORS ASSOCIATION

The bill has now been amended to a notably acceptable form but also one that we endorse. Please pass this bill.

Thank you.

IRON WORKERS STABILIZATION FUND

Fax : 586-6221 – Vice Chair Glenn Wakai

March 13, 2009

Hon. Robert N. Herkes, Chair
House Consumer Protection & Commerce
State Capitol – Room 320
Honolulu, HI 96813

Iron Workers Stabilization Fund – T. George Paris, Executive Managing Director

Hearing date – March 16, 2009, 2:15 p.m., Conference Room 325

Support of SB 203, SD 2, Relating to Contractors

We are pleased to inform you that the stakeholders who are affected by this measure have reached an agreement. We believe that SB 203, as amended by SD 2, will provide RICO the necessary tool to quickly remove (from the marketplace) a contractor who does not possess any contracting license. Such has not been the case under the present law where the general public has not been accorded the protection that it should be entitled to.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

March 16, 2009

Honorable Robert Herkes, Chair
Committee on Consumer Protection and Commerce
State Capitol, Room 325
Honolulu, HI 96813

RE: SB 203, SD2 "Relating to Contractors"

Chair Herkes and Members of the Committee on Consumer Protection and Commerce:

I am Karen Nakamura, Chief Executive Officer of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii offers our **strong support for the passage of SB203, SD2** "Relating to Contractors" unamended. BIA-Hawaii is one of the construction industry organizations that has participated in discussions with DCCA on the issue in the original bill (mandatory cease and desist orders). We have always supported the ability of RICO/DCCA to have the discretion to act in the appropriate manner when a complaint of a violation is made. RICO has procedures and policies to deal with each reported incident in an expeditious manner.

BIA-Hawaii is supportive of the current draft of SB203, which raises the fines for violations of Section 444-23, HRS. We also support the effective date of the law.

BIA-Hawaii requests your approval of SB 203, SD2.

Thank you for the opportunity to share our views with you.



Chief Executive Officer
BIA-Hawaii

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

March 13, 2009

TO: THE HONORABLE REPRESENTATIVE ROBERT N. HERKES, CHAIRS
AND MEMBERS OF THE COMMITTEE ON CONSUMER PROTECTION
AND COMMERCE

SUBJECT: S.B. 203, SD2, RELATING TO CONTRACTORS

AMENDED NOTICE OF HEARING

DATE: Monday, March 16, 2009
TIME: 2:15 p.m.
PLACE: Conference Room 325

Dear Chair Herkes and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and sixty (560) general contractors, subcontractors, and construction related firms,) supports the passage of S.B. 203, SD2, Relating To Contractors.

This amended measure represents the combined efforts of the construction industry and the Regulated Industries Complaints Office to address the problem of regulation of unlicensed contractors. The amended measure will substantially increase the penalties for contractors who are cited for unlicensed contractors. The GCA believes that increased penalties are warranted to attempt to address this ongoing problem.

The GCA supports the passage of S.B.203, SD2, and recommends that this bill be passes.

Thank you for the opportunity to provide our views on this issue.

Testimony in **SUPPORT** of
SB203, SD2 Relating to Contractors

By Alfred Lardizabal, Director of
Government Relations
Laborers' International Union of North America, Local 368

To the
Committee on Consumer Protection and Commerce
Monday, March 16, 2009, 2:15 p. m.
Room 325, State Capitol

Honorable Robert N. Herkes, Chair; Honorable Glenn Wakai, Vice Chair
and Members of the Committee:

The Laborers' Union **supports** this measure that increases the fines for each violation under HRS 444-9 for unlicensed activities.

We also encourage the related departments to increase their vigil now that hundreds of projects will be coming on-line through the American Recovery and Reinvestment Act of 2009 and through the State and Counties CIP programs. Enforcement is the key to curbing violations and unfair actions.

Thank you for the opportunity to submit this testimony in support of SB 203 SD2.