STAND. COM. REP. NO. 3088

Honolulu, Hawaii

APR - 8 2010

RE: S.R. No. 104 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.R. No. 104 entitled:

"SENATE RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO MAKE RECOMMENDATIONS REGARDING SIMPLIFICATION OF SPECIALTY LICENSE CLASSIFICATIONS FOR CONTRACTORS,"

begs leave to report as follows:

The purpose of this measure is to request the Director of Commerce and Consumer Affairs to establish a task force to examine the contractor licensing laws of other states and to review chapter 444 of the Hawaii Revised Statutes with the intent of simplifying the contractor licensing structure and significantly reducing the number of contractor classifications in Hawaii.

Your Committee received testimony in support of this measure from the General Contractors Association of Hawaii and The Pacific Resource Partnership. Testimony in opposition to this measure was submitted by Martin Pacific, Inc., Integrated Construction Inc., the American Electric Co., LLC., Ron's Electric, Inc., PAC Electric Co., Inc., Kokami Electrical Service, Inc., Leleiwi Electric, Inc., QN Electric, Inc., TG Electric LLC, Jack Endo Electric, Inc., S & S Taylan Electric, Inc., Electricians, Inc., the Electrical Contractor's Association of Hawaii, and one individual. Testimony in support of the intent of this measure with amendments was submitted by the Subcontractors Association of Hawaii. Testimony with comments on this measure was submitted by the Contractors License Board. Written testimony presented to the Committee may be reviewed on the Legislature's website.

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Your Committee finds that the complexity and copious number of contractor specialty licenses is causing confusion and costly delays for individuals, businesses, and state and county agencies. Your Committee further finds that, if the system is needlessly convoluted, it is in the interest of consumers, the State, and commerce in general to simplify the contractor licensing structure.

Your Committee has amended this measure by:

- (1) Condensing the language of several WHEREAS and BE IT RESOLVED clauses for clarity and conciseness; and
- (2) Changing the makeup of the task force to consist of:
 - (A) Five representatives selected by the General Contractors Association of Hawaii and the Building Industry Association of Hawaii;
 - (B) Five representatives selected by the Subcontractors Association of Hawaii;
 - (C) The Executive Officer of the Contractors License Board;
 - (D) One appointed member of the Contractors License Board representing general contractors and one appointed member of the Contractors License Board representing subcontractors; and
 - (E) The Administrator of the State Procurement Office or the Administrator's designee.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 104, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 104, S.D. 1.

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

ROSALYN H. \mathcal{G} AKER, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Commerce and Consumer Protection CPN

	Committee Referral:		Date: カ/カ1/10	
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)				
IGE, David Y. (VC)				
ESPERO, Will				
GREEN, M.D., Josh				
IHARA, Jr., Les				√
SAKAMOTO, Norman				
HEMMINGS, Fred				
		Brandi Jake 17		
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TOTAL	1 4			3
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				