

MARTIN PACIFIC, INC.

**LATE**

March 23, 2010

To: The Honorable Senator Rosalyn Baker, Chair  
And the Members of the Committee on Commerce and Consumer Protection

Subject: S.C.R. No. 205 - Relating to the Establishment of a Task Force to Make Recommendations  
Regarding Simplification of Specialty License Classifications for Contractors.

Notice of Hearing

Date: Wednesday, March 24, 2010  
Time: 10:00 AM  
Place: Conference Room 229  
State Capitol  
415 South Beretania Street

Dear Chair Baker and Committee members:

I **strongly oppose** the intent and purpose of Senate Concurrent Resolution No. 205 requesting for the establishment of a task force to make recommendations regarding the simplification of specialty license classifications for contractors without the following changes:

First, giving the Director of Commerce and Consumer Affairs unilateral power to appoint members to the Contractors Licensure Review Task Force is not a democratic method to resolve the problems currently experienced as outlined in the resolution. I suggest that the Director make recommendations to fill the 13 member board to be decided by this committee after hearing testimony by all concerned. Under the proposed resolution, the electrical contractors have an opportunity to have a representative on only three possible seats of the Task Force, two as a specialty contractor and one through a specialty trade. The electricians, plumbers and elevator mechanics are unique in that they are the only licensed crafts of the construction industry. This is further evidence by the existence of the Electricians and Plumbers Board. The electrical contractors should have a representative on the proposed Task Force. It is for the protection of the general public as stated in the resolution.

Secondly, the electrical construction industry is concerned that the simplification and subsequent consolidation of specialty licenses will cause greater confusion of the work boundaries of each craft's jurisdiction. The electrical construction industry is unique and requires extensive training as contractors and electricians. The apprenticeship training to become a journeyman electrician is a demanding five year program that requires 10,000 hours of supervised work experience. Through SB 2837, SD1, HD1, the legislature is seeking to raise the minimum requirements to become an applicant for an electrical specialty license with the addition of an educational component in the University of Hawaii Community College System. This is further evidence that this legislature recognizes the uniqueness of our trade. In addition, electrical contractors and electricians must

comply with the National Electrical Code. This distinguishes our contractors from all other contractors and requires a separate and exclusive C-13 license.

The simplification and consolidation of an electrical C-13 license with other licenses would simply compromise public safety.

The management of Martin Pacific, Inc. strongly opposes the establishment of the task force as requested in S.C.R No. 205 unless these changes are included.

Thank you for the opportunity to provide testimony on this issue.

Sincerely,

*Danette Mettler*

Danette Mettler

President

**LATE**

The Pacific Resource  
**PARTNERSHIP**



Testimony of C. Mike Kido  
External Affairs  
The Pacific Resource Partnership

Senate Committee on Commerce and Consumer Protection  
Senator Rosalyn Baker, Chair  
Senator David Ige, Vice Chair

SCR 205/SR 104 – Requesting a Taskforce to Help Simplify Specialty Contractor  
Licensing  
Wednesday, March 24, 2010  
10:00 A.M.  
Conference Room 229

Chair Baker, Vice Chair Ige and members of the committee:

My name is C. Mike Kido, External Affairs for the Pacific Resource Partnership (PRP), a labor-management consortium representing over 240 signatory contractors and the Hawaii Carpenters Union.

PRP **supports** the intent and purpose of SCR 205/SR 104 – Requesting the Establishment of a Task Force to Make Recommendations Regarding Simplifications of Specialty License Classifications for Contractors.

Technical issues relating to the scope of each licensed contractor is licensed to do or which licenses are needed to enter into a construction contract, and clerical errors relating to the listing of specialty subcontractors on construction bid proposals delay awarding of public works projects and cost the public millions of dollars due to disqualifications. Protest of bid proposals is jeopardizing Hawaii's receipt of American Recovery and Reinvestment Act (ARRA) funding.

PRP **supports** the establishment of a task force to reduce the number of contractor classifications and providing a simpler contractor licensing structure.

Thank you for the opportunity to share our opinion and we kindly ask for your support of SCR 205/SR 104.

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

**LATE**

March 23, 2010

TO: THE HONORABLE SENATOR ROSALYN H. BAKER, CHAIR AND MEMBERS OF  
THE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

SUBJECT: SCR205, SR104 REQUESTING THE ESTABLISHMENT OF A TASK FORCE  
TO MAKE RECOMMENDATIONS REGARDING SIMPLIFICATION OF  
SPECIALTY LICENSE CLASSIFICATIONS FOR CONTRACTORS.

NOTICE OF HEARING

DATE: Wednesday, March 24, 2010  
TIME: 10:00 a.m.  
PLACE: Conference Room 229

Dear Chair and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and seventy (570) general contractors, subcontractors, and construction related firms **strongly support** the adoption of SCR 205 and SR 104.

The GCA believes that a comprehensive review of Chapter 444, HRS and Chapter 103D, HRS, by a Taskforce such as proposed in SCR 205 and SR104 with the goal of creating a simpler contractor licensing structure and reducing the number of contractor classification is necessary and prudent at this time.

Chapter 444 specifically mentions General Engineering, General Building and nine specialty classifications: Electrical, Drywall, Painting & Decorating, Landscaping, Flooring, Carpet Laying, Plumbing, Roofing, Asbestos

Over the years this list has grown to over 110. The development of new material and changes in construction techniques has led to the establishment of additional contractor licenses which in turn has resulted in a rash of protests. The protests have added cost and delayed awarding state and county public works contracts. This combined with the subcontractor listing requirements of Chapter 103D is making it increasingly difficult to submit a competitive sealed bid that is not subject to a bid protest. The public is paying more for its public works projects and awards of public works projects are delayed because of differences in interpretation of the subcontractor listing requirements and the increasingly restrictive manner in which the listing law is interpreted.

The GCA strongly recommends that SCR 205 and SR 104 be passed by the committee and adopted by Senate.

Thank you for the opportunity to testify on this important matter.