

JAN 26 2011

A BILL FOR AN ACT

RELATING TO CONTRACTORS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 444-9.1, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§444-9.1 Issuance of building permits; owner-builder**
4 **registration.** (a) Each county or other local subdivision of
5 the State [~~which~~] that requires the issuance of a permit as a
6 condition precedent to the construction, alteration,
7 improvement, demolition, or repair of any building or structure
8 shall also require that each applicant for such a permit file as
9 a condition to the issuance of a permit [~~a~~]:

10 (1) A statement that the applicant and all specialty
11 contractors and subcontractors are licensed in
12 accordance with this chapter, giving the license
13 numbers and stating that the licenses are in full
14 force and effect[~~r~~]; and

15 (2) A copy of the design to which shall be affixed the
16 stamp of the engineer or architect licensed under
17 chapter 464 who is responsible for the design and a
18 list of all specialty contractors and subcontractors



1 licensed under this chapter who will be performing
2 work for the applicant; or~~[, if]~~

3 (3) If the applicant is exempt from this chapter, the
4 basis for the claimed exemption; provided that if the
5 applicant claims an exemption under section 444-2.5,
6 the applicant shall certify that the building or
7 structure is for the applicant's personal use and not
8 for use or occupancy by the general public.

9 (b) Each county or local subdivision of the State shall
10 maintain an owner-builder registration list which shall contain
11 the following information:

12 (1) The name of any owner or lessee who claims an
13 exemption from this chapter as provided in section
14 444-2.5;

15 (2) The address of the property where exempt building or
16 improvement activity is to occur;

17 (3) A description of the type of building or improvement
18 activity to occur;

19 (4) The approximate dates of construction activity; and

20 (5) Whether any electrical or plumbing work is to be
21 performed and if so, the name and license number of
22 the person or entity who will do the work.



1 The absence of such registration is prima facie evidence that
2 the exemption in section 444-2.5 does not apply.

3 ~~[(b)]~~ (c) The county shall verify the license against a
4 list of licensed contractors provided by the state contractors
5 licensing board, which list shall be updated at least quarterly.
6 The county shall also verify that the applicant is in fact the
7 contractor so licensed or the contractor's duly authorized
8 agent.

9 ~~[(e)]~~ (d) The county shall provide applicants for the
10 exemption under section 444-A with a disclosure statement in
11 substantially the following form:

12 "Disclosure Statement

13 State law requires construction to be done by licensed
14 contractors. You have applied for a permit under an
15 exemption to that law. The exemption provided in section
16 444-2.5, Hawaii Revised Statutes, allows you, as the owner
17 or lessee of your property, to act as your own general
18 contractor even though you do not have a license. You must
19 supervise the construction yourself. You must also hire
20 licensed subcontractors. The building must be for your own
21 use and occupancy. It may not be built for sale or lease.

22 If you sell or lease a building you have built yourself



1 within one year after the construction is complete, the law
2 will presume that you built it for sale or lease, which is
3 a violation of the exemption, and you may be prosecuted for
4 this. It is your responsibility to make sure that
5 subcontractors hired by you have licenses required by state
6 law and by county licensing ordinances. Electrical or
7 plumbing work must be performed by contractors licensed
8 under chapters 448E and 444, Hawaii Revised Statutes. Any
9 person working on your building who is not licensed must be
10 your employee which means that you must deduct F.I.C.A. and
11 withholding taxes and provide workers' compensation for
12 that employee, all as prescribed by law. Your construction
13 must comply with all applicable laws, ordinances, building
14 codes, and zoning regulations. If you violate section 444-
15 2.5 or fail to comply with the requirements set forth in
16 this disclosure statement, you may be fined \$5,000 or forty
17 per cent of the appraised value of the building as
18 determined by the county tax appraiser, whichever is
19 greater, for the first offense; and \$10,000 or fifty per
20 cent of the appraised value of the building as determined
21 by the county tax appraiser, whichever is greater, for any
22 subsequent offense."



1 The county shall not issue a building permit to the owner-
2 applicant until the applicant signs a statement that the
3 applicant has read and understands the disclosure form.

4 ~~[(d)]~~ (e) A county building inspector or other building
5 official shall report to the regulated industries complaints
6 office the name and address of any person, who, in the opinion
7 of the building inspector or official, has violated this chapter
8 by accepting or contracting to accomplish work which would
9 classify the person as a contractor under this chapter."

10 SECTION 2. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect on July 1, 2011, and
13 apply to any permit issued after its effective date.

14

INTRODUCED BY: Michelle Kadani (kr)



Report Title:

Contractors

Description:

Requires contractors to submit a copy of the design affixed by the stamp of an architect or an engineer and other information as a condition to receiving a building permit.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

