
HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO
ESTABLISH A TASK FORCE TO WORK COLLABORATIVELY TO FIND WAYS
TO MORE EFFECTIVELY ENFORCE THE STATE'S CIVIL AND CRIMINAL
LAWS THAT MAY APPLY TO UNLICENSED CONTRACTORS.

1 WHEREAS, unlicensed contractors often do not possess the
2 necessary training and experience to obtain a license and rarely
3 maintain workers' compensation and liability insurance; and
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5 WHEREAS, many unlicensed contractors receive or pay wages
6 in cash, thereby avoiding unemployment, payroll, and personal
7 tax obligations; and
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9 WHEREAS, unlicensed contractors often operate without
10 regard to worker and workplace safety requirements; and
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12 WHEREAS, violations of current licensing, employment, and
13 tax laws by an unlicensed contractor may subject the unlicensed
14 contractor to civil and criminal penalties; and
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16 WHEREAS, unlicensed contractors continue to engage in
17 illegal contracting despite prior judgments, consumer
18 restitution orders, and injunctions that prohibit continued
19 unlicensed activity; and
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21 WHEREAS, criminal prosecutions and forfeiture actions are
22 underutilized as a means of enforcing laws against unlicensed
23 activity and deterring unlicensed activity; and
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25 WHEREAS, unlicensed contractors place consumers at serious
26 risk of faulty construction and financial harm and adversely
27 impact the legitimate and licensed business operations within
28 the contracting industry; and
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30 WHEREAS, the Regulated Industries Complaints Office of the
31 Department of Commerce and Consumer Affairs is charged with the
32 enforcement of the contractor licensing laws; and
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1 WHEREAS, the Department of Labor and Industrial Relations
2 enforces the employment laws, including the workers'
3 compensation insurance laws, the unemployment insurance laws,
4 and workplace safety laws; and

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6 WHEREAS, the Department of Taxation enforces state tax
7 laws; and

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9 WHEREAS, the Department of the Attorney General is the
10 chief law enforcement agency of the State and, among other
11 things, enforces laws; and

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13 WHEREAS, the Department or Office of the Prosecuting
14 Attorneys for each county is authorized to enforce the
15 respective county's laws; and

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17 WHEREAS, effective and collaborative civil and criminal
18 enforcement of licensing, employment, and tax laws that may
19 apply to unlicensed contractors promotes consumer protection and
20 a healthy state economy; now, therefore,

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22 BE IT RESOLVED by the House of Representatives of the
23 Twenty-sixth Legislature of the State of Hawaii, Regular Session
24 of 2011, that the Director of Commerce and Consumer Affairs is
25 requested to establish a task force consisting of
26 representatives from the following state and county agencies:

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28 (1) Regulated Industries Complaint Office of the
29 Department of Commerce and Consumer Affairs;
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31 (2) Department of Labor and Industrial Relations;
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33 (3) Department of Taxation;
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35 (4) Department of the Attorney General; and
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37 (5) Department or Office of the Prosecuting Attorney of
38 each of the counties;

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40 to work collaboratively to more effectively enforce the State's
41 civil and criminal laws that may apply to unlicensed
42 contractors; and
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1 BE IT FURTHER RESOLVED that the task force is specifically
2 requested to:


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4 (1) Develop a cohesive and collaborative enforcement
5 strategy among the various civil, administrative, and
6 criminal enforcement agencies; and
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8 (2) Evaluate existing laws and, where appropriate, propose
9 new laws or revisions to existing laws that would
10 facilitate more effective enforcement; and
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12 BE IT FURTHER RESOLVED that the Director of Commerce and
13 Consumer Affairs is requested to report the task force's
14 findings and recommendations, together with any proposed
15 legislation, to the Legislature not later than twenty days prior
16 to the convening of the Regular Session of 2012; and
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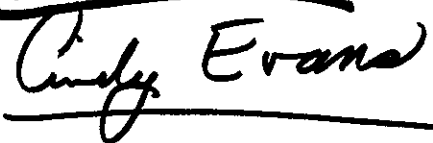
18 BE IT FURTHER RESOLVED that certified copies of this
19 Resolution be transmitted to the Director of Commerce and
20 Consumer Affairs, Director of Labor and Industrial Relations,
21 Director of Taxation, the Attorney General, and the Prosecuting
22 Attorney of each respective county.
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