

Honolulu, Hawaii

Feb 6, 2012

RE: H.B. No. 1295
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Economic Revitalization & Business, to which was referred H.B. No. 1295 entitled:

"A BILL FOR AN ACT RELATING TO BUSINESS,"

begs leave to report as follows:

The purpose of this short form bill is to amend the laws relating to business.

H.B. No. 1295 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

The purpose of the amended measure is to:

- (1) Establish unlicensed contracting activity as a misdemeanor offense;
- (2) Establish habitual unlicensed contracting activity and unlicensed contractor fraud as felony offenses; and
- (3) Require that each day of unlicensed contracting activity be deemed a separate offense.



The measure describes the offense of:

- (1) "Unlicensed contracting activity" as an act committed by a person who:
 - (A) Engages in any activity for which a contractor's license is required under chapter 444, Hawaii Revised Statutes, and who is not a contractor licensed under that chapter when engaging in that activity; or
 - (B) Uses any word, title, or representation to induce the false belief that the person is licensed under chapter 444, Hawaii Revised Statutes, to engage in contracting activity;
- (2) "Habitual unlicensed contracting activity" as engaging in unlicensed contracting activity after two or more convictions within the preceding ten years for an unlicensed contracting activity offense under this measure or under section 436B-27, Hawaii Revised Statutes; and
- (3) "Unlicensed contractor fraud" as an act committed by an unlicensed contractor who, with the intent to defraud, engages in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the action to report out H.B. No. 1295, as amended herein, and recommends that it be recommitted to the Committee on Economic Revitalization & Business, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 1295, H.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization & Business,



ANGUS L.K. MCKELVEY, Chair



