

SB236

Measure Title: RELATING TO THE CONTRACTORS LICENSE BOARD.

Report Title: Contractors Licensing Board; Composition

Description: Reconfigures the composition of the contractors licensing board to include exclusive representatives of collective bargaining units, and reduce from 5 to 3 members representatives of both general and speciality contractors.

Companion:

Package: None

Current Referral: CPN

Introducer(s): BAKER (Introduced by request of another party)

Sort by Date		Status Text
1/21/2011	S	Introduced.
1/24/2011	S	Passed First Reading.
1/24/2011	S	Referred to CPN.
12/1/2011	D	Carried over to 2012 Regular Session.
2/22/2012	S	The committee(s) on CPN has scheduled a public hearing on 02-28-12 9:45AM in conference room 229.

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

**TO THE SENATE COMMITTEE ON
COMMERCE AND CONSUMER PROTECTION**

**TWENTY-SIXTH LEGISLATURE
Regular Session of 2012**

**Tuesday, February 28, 2012
9:45 a.m.**

**TESTIMONY ON SENATE BILL NO. 236, RELATING TO THE
CONTRACTORS LICENSE BOARD.**

My name is Denny Sadowski, Chair of the Contractors License Board's ("Board") Legislative Committee. Thank you for the opportunity to present testimony on Senate Bill No. 236, which changes the composition of our Board and requires the appointment of three "exclusive representatives of collective bargaining units". The Board respectfully opposes this measure.

Currently, the Board consists of thirteen members: five general contractors, five specialty contractors, and three noncontractors. This composition has worked well for many years, as industry, business, and consumer interests are all represented. However, this bill decreases the number of contractor members from ten to six, and increases the number of noncontractors (including the three representatives of collective bargaining units) from three to seven. We believe that decreasing the number of contractor members will hamper the Board's ability to effectively carry out its responsibilities.

The Board currently licenses 2 classifications of general contractors and 96 specialty and subspecialty classifications, and it must make decisions

affecting each of these classifications. The Board must determine the skills and experience required for licensure, review applicant's qualifications for licensure, review examination requirements, establish each classification's scope of practice, and determine and enforce the requirements to maintain a license. These decisions must be appropriate for each of the general and specialty classifications of licensure, and if there are fewer contractors on the Board, then there will be fewer members with expertise in these areas.

The purpose of the Board is to protect consumers by licensing and regulating contractors. Whether or not these contractors maintain any union affiliation is not and should not be a consideration of the Board. The noncontractor members should be representing the public's interest, not the interests of any particular union; therefore, we question the need to require representation from collective bargaining units. Furthermore, in the past and currently, individuals representing trade unions have been appointed to the Board as noncontractor members, so the existing statute does not prevent them from sitting on the Board. Also, the bill is not clear on what is meant by an "exclusive representative of a collective bargaining unit".

Finally, while the bill limits the number of contractor members to six, it retains the language of section 444-3(b)(1) which states that ten members shall be contractors.

In summary, we oppose a statutory requirement that three members of the Board be "exclusive representatives of collective bargaining units" as it is unclear

Testimony on S.B. No. 236
February 28, 2012
Page 3

and unjustified, and we oppose decreasing the number of contractor members as it would be detrimental to the Board's ability to effectively carry out its duties and responsibilities.

For these reasons, the Board is strongly opposed to Senate Bill No. 236.

Thank you for the opportunity to testify on this bill.



Hawaii Chapter

February 28, 2012

2012 Executive Committee

Malcolm Barcarse Jr.
A & B Electric Co., Inc.
Chairman

Lee Lewis
Lewis Electric, LLC
Chairman Elect

Joseph Ferrara
Consolidated Painting LLC
Past Chairman

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AB & Associates / HMAA
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Helix Electric, Inc.

Steve Nelson
Jacobsen Construction Company

Douglas Luiz
Diversified Plumbing & Air Conditioning

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Committee on Commerce and Consumer Protection
Sen. Rosalyn H. Baker, Chair
Sen. Brian T. Taniguchi, Vice Chair

Testimony in **Strong Opposition** of Associated Builders and
Contractors Hawaii Chapter regarding SB 236

Chair Baker, Vice Chair Taniguchi, and members of the
Committee; thank you for the opportunity to testify on this matter. My
name is Malcolm Barcarse, Jr. I am the 2012 Board Chair and the
Legislative Committee Chair of Associated Builders and Contractors
Hawaii Chapter. We are an association of over 150 members
representing the merit shop contracting industry in Hawaii.

We are **strongly opposed** to this bill as it excludes a large
section of the construction industry from the contractors licensing
board. The only legitimate reason for including representatives of
collective bargaining units on the board is because of the role they serve
in training apprentices. Associated Builders and Contractors Hawaii
Chapter provides apprenticeship programs in a variety of trades that are
approved by the Hawaii Department of Labor. We serve the two-thirds
of the construction industry that is not represented by organized labor.

Therefore if the intent of this bill is recognize the value of
apprenticeship on the Board we then ask that this bill be amended to
include three representatives of approved apprenticeship programs
instead of representatives of collective bargaining units. Otherwise we
respectfully request that this bill be held.

Thank you for the opportunity to testify.

America's Best Contractors

1375 Dillingham Blvd. Suite 200 Honolulu, HI 96817-4438 Phone (808) 845-4887 Fax (808) 847-7876 www.abchawaii.org



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GENERAL CONTRACTOR

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Honolulu, Hawaii 96819

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License No. ABC-457
Founded In 1962

Via E-mail: CPNTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6070

February 28, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR, BRIAN TANIGUCHI,
VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION

SUBJECT: **STRONG OPPOSITION TO S.B.236, RELATING TO CONTRACTORS
LICENSE BOARD.** Reconfigures the composition of the contractors licensing
board to include exclusive representatives of collective bargaining units, and
reduce from 5 to 3 members representatives of both general and specialty
contractors.

HEARING

DATE: Tuesday, February 28, 2012
TIME: 9:45 A.M.
PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee

My name is Lance Inouye and I am President of Ralph S. Inouye Co., Ltd. (RSI), General Contractor and a member of the General Contractors Association of Hawaii (GCA). RSI **strongly opposes** the passage of S.B. 236, Relating to Contractors License Board because it could potentially jeopardize the fairness and integrity of the Contractors License Board (CLB).

S.B. 236 proposes to change the composition of the CLB, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors, adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. The current makeup of CLB members of general contractors, specialty contractors and public members, with representation from each county, appears to be working reasonably well. The bill proposing to put members on the board solely based on their collective bargaining status has no stated reasonable basis and may lead to unintended consequences contrary to the public purpose behind HRS Chapter 444.

Accordingly, RSI strongly opposes S.B. 236 and recommends that the bill be held in the committee.

Thank you for the opportunity to present our views on this bill.

Lindemann Construction In.

Via E-mail: CPNTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6070

February 28, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR, BRIAN TANIGUCHI,
VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON COMMERCE
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reduce from 5 to 3 members representatives of both general and specialty
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HEARING

DATE: Tuesday, February 28, 2012
TIME: 9:45 A.M.
PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee

Lindemann Construction Inc. **strongly opposes** the passage of S.B. 236, Relating to Contractors License Board because it could potentially jeopardize the fairness and integrity of the Contractors License Board.

S.B. 236 proposes to change the composition of the Contractors License Board, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

The current balance of general contractors, specialty contractors and public members required under the current statutes has worked well and upholds a balanced composition from each island. This balance insures a penumbra of ideas, varied viewpoints and experience to properly evaluate each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and workman like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also responsible for large and small contractors in both commercial and residential sectors and the influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

Honorable Rosalyn Baker, Chair
Senate Committee on Commerce and Consumer Protection
February 28, 2012
Page 2 of 2

Accordingly, Lindemann Construction Inc. strongly opposes S.B. 236 and recommends that the bill be held in the committee.

Thank you for the opportunity to present our views on this bill.



S & M SAKAMOTO, INC.
GENERAL CONTRACTORS

Via E-mail: CPNTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6070

February 28, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR, BRIAN TANIGUCHI,
VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION

SUBJECT: **STRONG OPPOSITION TO S.B.236, RELATING TO CONTRACTORS
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contractors.

HEARING

DATE: Tuesday, February 28, 2012
TIME: 9:45 A.M.
PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee

S&M Sakamoto, Inc. strongly opposes the passage of S.B. 236, Relating to Contractors License Board because it could potentially jeopardize the fairness and integrity of the Contractors License Board.

S.B. 236 proposes to change the composition of the Contractors License Board, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

The current balance of general contractors, specialty contractors and public members required under the current statutes has worked well and upholds a balanced composition from each island. This balance insures a penumbra of ideas, varied viewpoints and experience to properly evaluate each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and workman like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also

Honorable Rosalyn Baker, Chair
Senate Committee on Commerce and Consumer Protection
February 28, 2012
Page 2 of 2

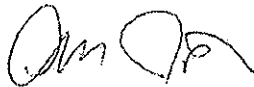
responsible for large and small contractors in both commercial and residential sectors and the influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

Accordingly, S&M Sakamoto, Inc. strongly opposes S.B. 236 and recommends that the bill be held in the committee.

Thank you for the opportunity to present our views on this bill.

Sincerely,

S&M Sakamoto, Inc.

A handwritten signature in black ink, appearing to read "Dennis M. Ideta". The signature is stylized and cursive.

Dennis M. Ideta
Senior Vice President

February 28, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR, BRIAN TANIGUCHI, VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

SUBJECT: **STRONG OPPOSITION TO S.B.236, RELATING TO CONTRACTORS LICENSE BOARD.**
Reconfigures the composition of the contractors licensing board to include exclusive representatives of collective bargaining units, and reduce from 5 to 3 members representatives of both general and specialty contractors.

HEARING



DATE: Tuesday, February 28, 2012
TIME: 9:45 A.M.
PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee

Royal Contracting Co., Ltd. strongly opposes the passage of S.B. 236, Relating to Contractors License Board because it could potentially jeopardize the fairness and integrity of the Contractors License Board.

S.B. 236 proposes to change the composition of the Contractors License Board, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

The current balance of general contractors, specialty contractors and public members required under the current statutes has worked well and upholds a balanced composition from each island. This balance insures a penumbra of ideas, varied viewpoints and experience to properly evaluate each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and workman like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also responsible for large and small contractors in both commercial and residential sectors and the influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

Accordingly, Royal Contracting Co., Ltd. strongly opposes S.B. 236 and recommends that the bill be held in the committee.

Thank you for the opportunity to present our views on this bill.

IRONWORKERS STABILIZATION FUND

February 27, 2012

Honorable Rosalyn H. Baker, Chair
Committee on Commerce & Consumer Protection
Room 230 – State Capitol
Honolulu, HI 96813

Re: SUPPORT SB236 Relating to the Contractors License board

Dear Chair Baker and Members of the Committee:

As it presently stands, the composition of the Contractors License Board is heavily weighed in favor of the general contractors. It does not include other segments of the contracting industry and the general public which is most affected by work performed by contractors.

We propose that the present 12-member board be re-constituted as follows:

- 3 – General contractors
- 3 – Specialty contractors
- 3 – Members from the general public
- 3 – Members from construction labor unions

With this re-composition, all stakeholders and the general public will be represented which we believe will increase public safety and better serve all homeowners and businesses who hire contractors.

Thank you for this opportunity to provide testimony on this measure.

Sincerely,

Arnold Wong /s/
Government Affairs

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BIA-HAWAII
BUILDING INDUSTRY ASSOCIATION

Testimony to Senate Committee on Commerce & Consumer Protection

Tuesday, February 28, 2012

9:45 a.m.

Capitol Room 229

RE: S.B. 236, Relating to the Contractors License Board

Good morning Chair Baker, Vice-Chair Taniguchi, and members of the Committee:

My name is Gladys Quinto Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, BIA-Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii is **strongly opposed** to SB 236, which proposes to reconfigure the composition of the Contractors License Board to include exclusive representatives of collective bargaining units, and reduce from 5 to 3 members representatives of both general and specialty contractors.

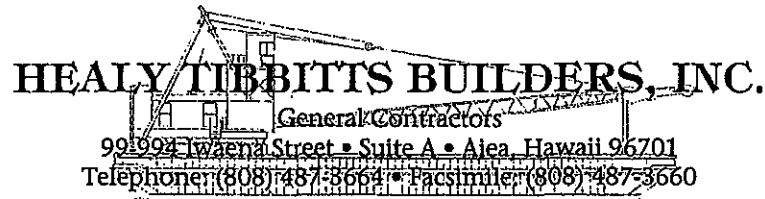
The current composition of the Contractors License Board (CLB) has been in existence for decades and exists to protect consumers from unqualified and/or unscrupulous people who do contracting work. Changing the composition of the CLB is dangerous, at best. The CLB evaluates over 100 license applications per month to see if the applicant is qualified to take the test to be licensed in one of our 100 plus license categories. We need as many qualified contractor eyes looking at these as possible. Not less.

Furthermore, reducing specialty trades from this board will further weaken the need for specialty contractors that share incredible amount of experience to the CLB. The ability of the CLB to carry out its duty pertaining to licensure, and reviewing disputes in licensing law, will also be weakened.

This proposal does nothing to enhance the operation of the CLB, but instead does just the opposite.

We are **strongly opposed** to SB 236 and respectfully request that the measure be held.

Thank you for the opportunity to share with you our views.



Via E-mail: CPNTestimony@capitol.hawaii.gov
Via Fax: (808) 588-6070

February 28, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR, BRIAN TANIGUCHI,
VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION

SUBJECT: **STRONG OPPOSITION TO S.B.236, RELATING TO CONTRACTORS
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board to include exclusive representatives of collective bargaining units, and
reduce from 5 to 3 members representatives of both general and specialty
contractors.

HEARING

DATE: Tuesday, February 28, 2012
TIME: 9:45 A.M.
PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee

Healy Tibbitts Builders, Inc. **strongly opposes** the passage of S.B. 236, Relating to Contractors License Board because it could potentially jeopardize the fairness and integrity of the Contractors License Board.

S.B. 236 proposes to change the composition of the Contractors License Board, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

The current balance of general contractors, specialty contractors and public members required under the current statutes has worked well and upholds a balanced composition from each island. This balance insures a penumbra of ideas, varied viewpoints and experience to properly evaluate each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and

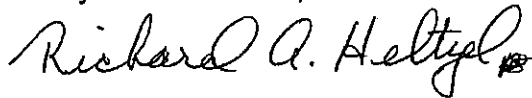
Honorable Rosalyn Baker, Chair
Senate Committee on Commerce and Consumer Protection
February 28, 2012
Page 2 of 2

workman like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also responsible for large and small contractors in both commercial and residential sectors and the influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

Accordingly, Healy Tibbitts Builders, Inc. strongly opposes S.B. 236 and recommends that the bill be held in the committee.

Thank you for the opportunity to present our views on this bill.

Very truly yours,
Healy Tibbitts Builders, Inc.

A handwritten signature in black ink that reads "Richard A. Heltzel" with a small circular mark at the end of the signature.

Richard A. Heltzel
President

KING & NEEL, INC.

1164 Bishop Street • Suite 1710 • Honolulu, Hawaii 96813

Telephone: (808) 521-8311

Fax: (808) 526-3893



February 25, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR, BRIAN TANIGUCHI,
VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION

SUBJECT: **STRONG OPPOSITION TO S.B.236, RELATING TO CONTRACTORS
LICENSE BOARD.** Reconfigures the composition of the contractors licensing
board to include exclusive representatives of collective bargaining units, and
reduce from 5 to 3 members representatives of both general and specialty
contractors.

HEARING

DATE: Tuesday, February 28, 2012

TIME: 9:45 A.M.

PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee

King & Neel, Inc. strongly opposes the passage of S.B. 236, Relating to Contractors License Board because it could potentially jeopardize the fairness and integrity of the Contractors License Board.

S.B. 236 proposes to change the composition of the Contractors License Board, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

The current balance of general contractors, specialty contractors and public members required under the current statutes has worked well and upholds a balanced composition from each island. This balance insures a penumbra of ideas, varied viewpoints and experience to properly evaluate each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and workman like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also responsible for large and small contractors in both commercial and residential sectors and the

Honorable Rosalyn Baker, Chair
Senate Committee on Commerce and Consumer Protection
February 28, 2012
Page 2 of 2

influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

Accordingly, King & Neel, Inc. strongly opposes S.B. 236 and recommends that the bill be held in the committee.

Thank you for the opportunity to present our views on this bill.

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Honolulu, HI 96819
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Email: info@gcahawaii.org
Website: www.gcahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

February 28, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR,
BRIAN TANIGUCHI, VICE CHAIR AND MEMBERS OF THE SENATE
COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

SUBJECT: **OPPOSITION TO S.B. 236, RELATING TO CONTRACTORS LICENSE BOARD.** Reconfigures the composition of the contractors licensing board to include exclusive representatives of collective bargaining units, and reduce from 5 to 3 members representatives of both general and specialty contractors.

HEARING

DATE: Tuesday, February 28, 2012
TIME: 9:45 A.M.
PLACE: Conference Room 229

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee:

The General Contractors Association (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80th anniversary this year; GCA remains the largest construction association in the State of Hawaii. **GCA is in opposition** to S.B. 236, Relating to Contractors License Board.

S.B. 236 proposes to change the composition of the Contractors License Board (Board) established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written absent a preamble, it is difficult to understand the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

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each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and work-related like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also responsible for large and small contractors in both commercial and residential sectors and the influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

The GCA strongly believes that mandating that 10 of the 13 members are contractors is important because they have the background and expertise to determine if a candidate for a particular license is qualified. The public representation insures that the interests of general public are protected.

In comparison, the Board of Electricians and Plumbers established under Chapter 448-E, HRS, is charged with reviewing and granting licenses to electricians and plumbers, required to perform work in the state of Hawaii. This seven member board is composed of two licensed electricians, two licensed plumbers and three public members, no specialty or general contractor is represented on the board.

There is no requirement for representatives of collective bargaining units to be on the Board of Electricians & Plumbers, which we feel is proper. Similarly, there should not be a requirement for representatives of collective bargaining units to be appointed to the Contractors License Board.

Both boards are charged with the responsibility of granting licenses and their composition of experience and knowledge represented insures only qualified applicants are granted licenses.

The GCA urges the committee to retain the current statute for appointing members to the Contractors License Board and that Senate Bill S.B. 236 be held in Committee.

Thank you for this opportunity to present our views on this very important measure.

February 27, 2012

TO: HONORABLE SENATORS ROSALYN BAKER, CHAIR,
BRIAN TANIGUCHI, VICE CHAIR AND MEMBERS OF THE
SENATE COMMITTEE ON COMMERCE AND CONSUMER
PROTECTION

SUBJECT: **STRONG OPPOSITION TO S.B. 236, RELATING TO
CONTRACTORS LICENSING BOARD.** Reconfigures the
composition of the contractors licensing board to include exclusive
representatives of collective bargaining units, and reduce from 5 to 3
members representatives of both general and speciality contractors.

Dear Chair Baker, Vice Chair Taniguchi and Members of the Committee:

I am writing to you to express my strong opposition to S.B. 236 relating to Contractors Licensing Board.

S.B. 236 proposes to change the composition of the Contractors License Board, established under Chapter 444, Hawaii Revised Statute (HRS), by reducing the number of general and specialty contractors and adding three collective bargaining representatives and increasing the number of noncontractors.

As the bill is written and absent a preamble to the bill, it is difficult to grasp the intent and purpose behind such legislation. However, one could decipher that the parties pushing such legislation may not have the best interest of the public in mind; mainly because a board such as the Contractors License Board should include members who are familiar and work within the industry and that would make fair, sound and thoughtful decisions based on the facts presented, and not the affiliations they represent. This bill is proposing to put individuals on the board solely based on their collective bargaining status, which may have possible ramifications with regards to fair and proper representation.

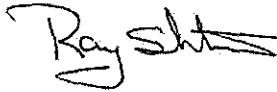
The current balance of general contractors, specialty contractors and public members required under the current statutes has worked well and upholds a balanced composition from each island. This balance insures a penumbra of ideas, varied viewpoints and experience to properly evaluate each applicant's request for a contractors license. This evaluation insures that the applicant has the education, work experience, and background to provide the work in a safe and workman like manner if granted a license. Licenses are granted without regard to whether the petitioner is or has been a member of any collective bargaining unit. The Board is also responsible for large and small contractors in both commercial and residential sectors and the influence of collective bargaining units on the Board will create a severe disadvantage to the smaller contractors – especially those who only work in the private residential sector.

Honorable Rosalyn Baker, Chair
Committee on Commerce and Consumer Protection
February 28, 2012
Page 2 of 2

Accordingly, I strongly oppose S.B. 236 and recommend that the bill be held in the committee.

Thank you for the opportunity to present my views on this bill.

Kind Regards,

A handwritten signature in black ink, appearing to read "Ray Skelton". The signature is stylized with a large initial "R" and a long, sweeping underline.

Ray Skelton
25 Kaapeha Pl.
Pukalani, HI 96768

To: Chair Baker, Vice Chair Taniguchi and members of the Senate Committee on Commerce and Consumer Protection

Re: SB236, Tue Feb 28, 9:45am, Room 229

As a former member of the Contractors License Board (CLB), and a former Chair of that Board, I strongly oppose this measure before you today.

The CLB is first and foremost a consumer protection agency. This bill does absolutely nothing to enhance the Board and the work it does. If anything, by removing three contractors from the CLB, SB236 would weaken the CLB's ability to evaluate the experience of applicants for licensing and the CLB's ability to solve difficult jurisdictional disputes regarding licensing.

The CLB does not involve itself in union/non-union issues. The CLB is only interested in qualifications of applicants, quality of work and business practices, and the scope of a licensee's work.

I wish to have been at today's hearing but business conflicts prevent this, but I asked this Committee to not pass this bill.

Thank for this opportunity to present my views.

F.M. Scotty Anderson
2435 Aha Aina Place
Honolulu, Hi 96821
306-5697

Testimony for CPN 2/28/2012 9:45:00 AM SB236

Conference room: 229

Testifier position: Oppose

Testifier will be present: Yes

Submitted by: Al Lardizabal

Organization: Hawaii Laborers' Union

E-mail: Lardizabal@local368.org

Submitted on: 2/26/2012

Comments:

Chair Baker; Vice Chair Taniguchi and Members of the Committee:

The Hawaii Laborers' Union opposes SB236. The reduction of general engineering and building contractors from the Contractor License Board diminishes the level of expertise and know how of general construction and therefore is not in the best interest of the public and the construction industry.

Thank you for the opportunity to submit this testimony.

Al Lardizabal
Government Relations
Hawaii Laborers' Union