

MAR 07 2013

SENATE CONCURRENT RESOLUTION

REQUESTING THE CONTRACTORS LICENSE BOARD TO PREPARE A REPORT
THAT EVALUATES EACH AUTOMATIC SPECIALTY LICENSE ISSUED TO
"A" GENERAL ENGINEERING CONTRACTORS AND "B" GENERAL
BUILDING CONTRACTORS.

1 WHEREAS, Hawaii's contractor licensing law, codified as
2 chapter 444, Hawaii Revised Statutes, is a consumer protection
3 statute intended to protect the public's health, safety, and
4 welfare when dealing with persons engaged in the construction
5 industry, and therefore requires a licensee to show experience
6 for each license obtained; and
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8 WHEREAS, the Contractors License Board is the governing
9 board for contractors licensed in Hawaii; and
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11 WHEREAS, the Contractors License Board issues "A" general
12 engineering contractor licenses, "B" general building contractor
13 licenses, and "C" specialty licenses; and
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15 WHEREAS, the Contractors License Board has adopted
16 administrative rules that include various "C" specialty license
17 classifications with categories and descriptions of each
18 specialty license classification; and
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20 WHEREAS, although payment of application, testing, and
21 license fees are required as part of the regulatory system for
22 contractors, the Contractors License Board automatically grants
23 seventeen additional "C" specialty licenses to licensed "A"
24 general engineering contractors and ten additional "C" specialty
25 licenses to licensed "B" general building contractors without
26 the need for further examination or additional payment of fees;
27 and
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29 WHEREAS, S.B. No. 347, introduced during the Regular
30 Session of 2013, proposed to require licensed "A" general
31 engineering contractors and licensed "B" general building



1 contractors to pay additional fees and undergo further
2 examination prior to the issuance of additional "C" specialty
3 licenses; and

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5 WHEREAS, a public hearing on S.B. No. 347 (2013) brought
6 forth groups opposing and supporting the measure; and

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8 WHEREAS, testimony in opposition to S.B. No. 347 (2013)
9 cited the long-standing licensing process and potential negative
10 effects on licensed "A" and "B" general contractors; and

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12 WHEREAS, testimony in support of S.B. No. 347 (2013)
13 questioned why a total of twenty-seven "C" specialty licenses
14 are issued without further examination and the payment of fees;
15 and

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17 WHEREAS, past interpretations from the Contractors License
18 Board have determined that a "B" licensee may perform painting,
19 ceramic tile, and other specialty licensed work required on a
20 project without possession of those specific licenses; and

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22 WHEREAS, in addition, the C-5 Cabinet, Millwork, and
23 Carpentry Remodeling and Repairs specialty classification is
24 automatically granted to "B" general building contractors; and

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26 WHEREAS, subcontractors who have qualified for "C"
27 specialty licenses by demonstrating four years of supervisory
28 experience in the specific "C" specialty license categories are
29 frustrated that licensed "B" general building contractors
30 automatically qualify for the same "C" specialty license
31 classification without additional examinations and fees; and

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33 WHEREAS, the Contractors License Board has not recently
34 reviewed the scope of the automatic "C" specialty licenses given
35 to "A" general engineering contractor licensees and "B" general
36 building contractor licensees; now, therefore,

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38 BE IT RESOLVED by the Senate of the Twenty-seventh
39 Legislature of the State of Hawaii, Regular Session of 2013, the
40 House of Representatives concurring, that the Contractors
41 License Board is requested to prepare a report that evaluates
42 each automatic specialty license issued to "A" general
43 engineering contractors and "B" general building contractors;
44 and



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BE IT FURTHER RESOLVED that the Contractors License Board is requested to include the following in the report:

- (1) An identification of each specialty license that is automatically granted to "A" general engineering contractors and "B" general building contractors;
- (2) A specific evaluation of the definition of a C-5 contractor, including whether this definition is too broad, whether this definition includes an appropriate balance between the work that is performed and the experience necessary for a license, and a determination of whether this definition should be modified;
- (3) An explanation and justification of why each specialty license is automatically granted to "A" general engineering contractors and "B" general building contractors;
- (4) Suggested amendments or modifications to the practice of issuing specialty licenses, if appropriate; and
- (5) A brief description of the process the Board used when making its findings and recommendations in the report; and

BE IT FURTHER RESOLVED that the Contractors License Board is requested to submit its report, including any recommendations for amendments to chapter 444, Hawaii Revised Statutes, and chapter 77, Hawaii Administrative Rules, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to Director of Commerce and Consumer Affairs and the Contractors License Board.

Will Ezer OFFERED BY: *Ronald H. Bob*

[Signature]

S.C.R. NO. 84

Shiranne Chun Oskland

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