

STAND. COM. REP. NO.

849

Honolulu, Hawaii

March 1

, 2013

RE: H.B. No. 846

H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 846, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE OWNER-BUILDER EXEMPTION,"

begs leave to report as follows:

The purpose of this measure is to provide better regulatory oversight for owner-builders by:

- (1) Limiting the exemption to residential or farm construction;
- (2) Clarifying owner-builder responsibilities for compliance with construction and labor law;
- (3) Imposing a filing fee for owner-builder permits; and
- (4) Adding requirements for contractor disclosures to owner-builders.

The Department of Commerce and Consumer Affairs; the Contractors License Board; the Pacific Resource Partnership; Building Industry Association of Hawaii; Complete Construction Services, Corp.; Subcontractors Association of Hawaii; Hawaii Island Contractors' Association; BKA Builders, Inc.; Loeffler Construction; Alan Shintani, Inc.; Honua Landscaping, Inc.; and two individuals testified in support of this measure. General

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Contractors Association of Hawaii supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Removing provisions implementing a filing fee to fund the processing of applications and the field investigation process;
- (2) Requiring disclosures by licensed contractors at the time a homeowner signs a contract regardless of the homeowner's owner-builder status; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 846, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 846, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



