

STAND. COM. REP. NO.

1227

Honolulu, Hawaii

APR 02 2013

RE: S.R. No. 50
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.R. No. 50 entitled:

"SENATE 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,"

begs leave to report as follows:

The purpose and intent of this measure is to request 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.

Your Committee received testimony in support of this measure from the Hawaii Building and Construction Trades Council, AFL-CIO; Subcontractors Association of Hawaii; Master Sheet Metal, Inc.; Plumbing and Mechanical Contractors Association of Hawaii; Roofing Contractors Association of Hawaii; Tile Contractors Association of Hawaii; International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers, Local 625; Painting and Decorating Contractors Association of Hawaii; Ironworkers Stabilization Fund; Pacific Insulation Contractors Association; Hawaii Flooring Association; Sheet Metal Contractors Association; Roofers Union Local 221; Plumbers and Fitters Union, Local 675; and Electrical Contractors Association of Hawaii. Your Committee received testimony in opposition to this measure from the Hawaii Regional Council of Carpenters. Your Committee received comments on this measure from the Contractors License Board; Building

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Industry Association of Hawaii; General Contractors Association of Hawaii; Hawai'i Construction Alliance; Laborers' International Union of North America, Local 368; The Pacific Resource Partnership; Royal Contracting Co., Ltd.; Hawaii Laborers-Employers Cooperation and Education Trust; Masons Union, Local 1 and Local 630; Universal Construction, Inc.; and TJR WORKS! LLC.

Your Committee finds that this measure requires the Contractors License Board to prepare a report that evaluates each automatic "C" specialty license issued to "A" General Engineering Contractors and "B" General Building Contractors. However, your Committee further finds that the Contractors License Board has not recently reviewed the criteria, requirements, and procedures for the three licensing classifications under chapter 444, Hawaii Revised Statutes, including "A" General Engineering Contractor licenses, "B" General Building Contractor licenses, and "C" specialty licenses.

Your Committee therefore concludes that it is reasonable for the Contractors License Board to assess and evaluate all licensing classifications under chapter 444, Hawaii Revised Statutes, rather than focusing solely on the automatic "C" specialty licenses issued to "A" General Engineering Contractors and "B" General Building Contractors. Reviewing all licensing classifications and the corresponding criteria, requirements, and procedures for each classification will ensure that all licensees are fairly and impartially assessed. This will also enable the Contractors License Board to thoroughly approach any necessary amendments to relevant laws or administrative rules.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Contractors License Board to conduct an assessment and prepare a report that evaluates each licensing classification under chapter 444, Hawaii Revised Statutes, rather than requiring a report that focuses only on the automatic specialty licenses issued to "A" General Engineering Contractors and "B" General Building Contractors;
- (2) Clarifying the contents of the report to be prepared by the Contractors License Board;
- (3) Requesting the Contractors License Board to look beyond the membership of the Board and actively engage other



interested industry stakeholders and union representatives when preparing the assessment and report;

- (4) Requesting the Contractors License Board to transmit a draft report to the Legislative Reference Bureau no later than November 1, 2013;
- (5) Requesting the Legislative Reference Bureau to submit a final report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014;
- (6) Amending the organizations receiving a certified copy of this measure;
- (7) Clarifying the findings to reflect the amended purpose of this measure; and
- (8) Amending the title for accuracy.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 50, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 50, S.D. 1.

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



ROSALYN H. BAKER, Chair



