

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION
& COMMERCE

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Wednesday, February 20, 2013
3:00 p.m.

TESTIMONY ON HOUSE BILL NO. 339, RELATING TO CONTRACTORS.

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Peter Lee, and I am the Chair of the Contractors License Board's Legislation Committee. Thank you for this opportunity to testify in opposition to House Bill No. 339, Relating to Contractors, which proposes to add a new section to Chapter 444, HRS, authorizing the Contractors License Board ("Board") to accept reasonably equivalent experience in lieu of a specific experience requirement for licensure.

The Board is not clear on the intent of this measure, as its current rules already include similar language, as follows:

§16-77-20 Power of board to accept equivalent knowledge. The board in its discretion may accept any reasonably equivalent knowledge, training, or experience of the applicant in lieu of a specific experience requirement if upon investigation it makes a detailed finding to that effect.

Therefore, the Board currently has the authority to accept equivalent knowledge, and creating a new section in the statute for that purpose is unwarranted.

If the purpose of this bill is to make written findings available for public inspection, please note that the Board makes all of its information available to the public in

compliance with the Uniform Information Practices Act, Chapter 92F, HRS.

Furthermore, we would have serious concerns about providing detailed findings regarding an applicant's experience to the public. Section 92F-14, HRS, states that applicants for licensure have a significant privacy interest in the information they submit for consideration by the Board. Therefore, pursuant to the statute, divulging details regarding an applicant's knowledge, training, and experience may constitute a clearly unwarranted invasion of personal privacy.

In summary, amending our statute to accept equivalent knowledge, training, and experience is unnecessary, as the Board already has this authority, and requiring disclosure of detailed information regarding an applicant's qualifications may violate Chapter 92F, HRS. For these reasons, the Board is opposed to House Bill No. 339 and respectfully requests that it be held.

Thank you for the opportunity to testify on this bill.

IRON WORKERS STABILIZATION FUND

Fax No. – 586-8437

February 20, 2013

Angus L.K. McKelvey, Chair
Consumer Protection & Commerce
House of Representatives
State Capitol
Honolulu, HI 96813

Re: **H.B. No. 339, Relating to Contractors**
Hearing date – Wednesday, February 20, 2013, 3:00 p.m
Conference Room 325

Chair McKelvey and Members:

Thank you for giving us the opportunity to testify on this measure.

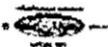
Under the present rules and regulations that supplement the statutory provisions established in HRS Chapter 444, Relating to Contractors, the Contractors License Board has the broad authority to grant specialty “C” subcraft licenses to individuals even if they do not meet the requirements of Section 16-77-18 of the rules and regulations pertaining to this chapter.

Section 16-77-18 provides: **“Experience requirement. (a) Every individual applicant or RME shall have had, within the past ten years immediately preceding the filing of an application, not less than four years of supervisory experience as a foreman, supervising employee, or contractor in the particular classification in which the applicant intends to engage as a contractor.**

(b) Self-employed or unlicensed experience may be acceptable experience in the discretion of the board.”

Section 16-77-19 provides: **“Power of board to approve training as experience. The board in its discretion may approve certain technical training or business administration training as acceptable experience, but in no case shall the training count as more than one year of experience.”**

Section 16-77-20 provides: **“Power of board to accept equivalent knowledge. The board in its discretion may accept any reasonably equivalent knowledge, training, or experience of the applicant in lieu of a specific knowledge if upon investigation it makes a detailed finding to that effect.”**



Chair McKelvey and Members
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For emphasis, an individual is not be required to possess the requisite experience (in terms of the minimum number of years) to be licensed for a specialty "C" sub craft license as set forth in Section 16-77-18, if the Contractors License Board, in its discretion, determines that the applicant possesses said experience through other means.

Although the board, under its present practices, must make a detailed finding as to why the applicant, despite not meeting the minimum number of years of experience for a specialty "C" subcontractor license is being granted such a license, it need not make its findings public.

H.B. No. 339 mandates the Contractors License Board to make its findings public.

For safety reasons and transparency, we respectfully submit that the public has a right to know why such an exemption is being granted.

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

February 20, 2013

TO: HONORABLE ANGUS MCKELVEY, CHAIR, HONORABLE DEREK KAWAKAMI,
VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON CONSUMER
PROTECTION & COMMERCE

SUBJECT: **OPPOSITION TO H.B. 339, RELATING TO CONTRACTORS.** Allows the
contractors license board to accept in lieu of a specific experience requirement for
licensure, equivalent knowledge, training, or experience, including self-employed
or unlicensed experience, if the board investigates and makes a detailed written
finding to that effect and the finding is made available for public inspection.

HEARING

DATE: Wednesday, February 20, 2013
TIME: 3:00 p.m.
PLACE: Conference Room 325

Dear Chair McKelvey, Vice Chair Kawakami 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 the largest construction association in the State of Hawaii. The mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

H.B. 339, Relating to Contractors proposes to add a new section to Chapter 444, Hawaii Revised Statutes (HRS) to further expand the Contractors License Board authority to accept equivalent knowledge, training, or experience in lieu of specific experience requirement, including self-employed or unlicensed experience and making those findings available for public inspection.

The GCA is **opposed** to this measure because existing statute already allows the Contractors License Board (CLB) to accept equivalent knowledge, training or experience in lieu of specific experience under Section 444-11(a)(2), HRS, which may include self-employed or unlicensed experience, as long as such can be verified. The difference between existing statute and the proposed measure is that this bill would require the CLB to declare in writing how and what their findings were when using in lieu experience. Such declarations in writing by CLB would subject CLB and its' staff to more administrative burden and increased exposure to private applicant information.

The current application process is rigid and involves close scrutiny by the Applications Committee of the CLB and final approval by the entire membership of CLB. The process is currently working and should not be changed.

The GCA respectfully requests that this bill be deferred. GCA appreciates the opportunity to provide comments in opposition to H.B. 339.