

SAH - Subcontractors Association of Hawaii

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LATE

April 18, 2013

Testimony To: House Committee on Consumer Protection & Commerce
Representative Angus L.K. McKelvey, Chair

Presented By: Tim Lyons
President

Subject: SCR 84, SD 1 - REQUESTING THE CONTRACTORS LICENSE BOARD TO
CONDUCT AN ASSESSMENT AND PREPARE A REPORT THAT EVALUATES EACH
LICENSING CLASSIFICATION UNDER CHAPTER 444, HAWAII REVISED
STATUTES.

Chair McKelvey and Members of the Commttee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii. We support this Resolution.

Although this Resolution has been expanded to include more than what was originally intended, we never the less support it because we believe the underlying concept is the same: most of these classifications were created many years ago and have not been reviewed in order to determine if they are still suitable in today's construction economy and in accordance with today's construction practices.

Based on the above, we support this Resolution and request your favorable consideration.

Thank you.

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, April 17, 2013 1:01 PM
To: CPCtestimony
Cc: info@hawaiibuildingtrades.org
Subject: Submitted testimony for SCR84 on Apr 18, 2013 10:30AM
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SCR84

Submitted on: 4/17/2013

Testimony for CPC on Apr 18, 2013 10:30AM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
KIKA BUKOSKI	HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL	Support	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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SENATE CONCURRENT RESOLUTION

REQUESTING THE CONTRACTORS LICENSE BOARD TO CONDUCT AN
ASSESSMENT AND PREPARE A REPORT THAT EVALUATES EACH
LICENSING CLASSIFICATION UNDER CHAPTER 444, HAWAII REVISED
STATUTES.

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
7

8 WHEREAS, the Contractors License Board is the governing
9 board for contractors licensed in Hawaii; and
10

11 WHEREAS, the Contractors License Board issues "A" general
12 engineering contractor licenses, "B" general building contractor
13 licenses, and "C" specialty licenses; and
14

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
28

29 WHEREAS, past interpretations from the Contractors License
30 Board have determined that a "B" licensee may perform painting,



1 ceramic tile, and other specialty licensed work required on a
2 project without possession of those specific licenses; and

3
4 WHEREAS, in addition, the C-5 Cabinet, Millwork, and
5 Carpentry Remodeling and Repairs specialty classification is
6 automatically granted to "B" general building contractors; and

7
8 WHEREAS, the Contractors License Board has not recently
9 reviewed the criteria, requirements, and procedures for "A"
10 general engineering contractor licenses, "B" general building
11 contractor licenses, and "C" specialty licenses; and

12
13 WHEREAS, a comprehensive evaluation of each licensing
14 classification under chapter 444, Hawaii Revised Statutes, is
15 necessary to instill confidence in the construction industry and
16 ensure that all criteria, requirements, and procedures for the
17 three licensing classifications are up to date; now, therefore,

18
19 BE IT RESOLVED by the Senate of the Twenty-seventh
20 Legislature of the State of Hawaii, Regular Session of 2013, the
21 House of Representatives concurring, that the Contractors
22 License Board is requested to conduct an assessment and prepare
23 a report that evaluates each licensing classification under
24 chapter 444, Hawaii Revised Statutes; and

25
26 BE IT FURTHER RESOLVED that the Contractors License Board
27 is requested to include the following in the report:

- 28
29 (1) A comprehensive assessment and review of all licenses
30 issued pursuant to chapter 444, Hawaii Revised
31 Statutes, including the criteria, requirements, and
32 procedures needed for "A" general engineering
33 contractor licenses, "B" general building contractor
34 licenses, and "C" specialty licenses, including all
35 "C" specialty licenses that are automatically granted;
36
37 (2) An assessment of whether the state licensing
38 requirements are in line with similar licensing
39 requirements in other jurisdictions and meet general
40 construction industry standards and practices;
41
42 (3) A specific evaluation of the definition of a C-5
43 contractor, including whether this definition is too
44 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;

- (4) A determination of whether chapter 77, Hawaii Administrative Rules, appropriately reflects the intent of the Legislature, with a specific focus on the scope of work that corresponds to each contractor classification;
- (5) Suggested amendments or modifications to the practice of issuing licenses for each license classification, as appropriate; and
- (6) A brief description of the process the Board used in making its findings and recommendations in the report; and

BE IT FURTHER RESOLVED that the Contractors License Board is requested to look beyond the membership of the Contractors License Board and actively engage other interested industry stakeholders and union representatives when preparing its assessment and report; and

BE IT FURTHER RESOLVED that the Contractors License Board is requested to transmit a draft report, including any recommendations for amendments to chapter 444, Hawaii Revised Statutes, and chapter 77, Hawaii Administrative Rules, to the Legislative Reference Bureau no later than November 1, 2013; and

BE IT FURTHER RESOLVED that the Legislative Reference Bureau is requested to submit a final 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 the Director of Commerce and Consumer Affairs, Interim Director of the Legislative Reference Bureau, and Contractors License Board.



LATE

Testimony of Glenn Ida
Representing,
The Plumbers and Fitters Union, Local 675
1109 Bethel St., Lower Level
Honolulu, Hi. 96813

Committee on Commerce and Consumer Protection
Representative Angus McKelvey, Chair
Representative Derek Kawakami, Vice Chair
Thursday, April 18, 2013
10:30 AM, Conference Room 016

Re: In Support of SCR 84, SD1

Aloha Chair McKelvey, Vice Chair Kawakami and Members of the Committee,

My name is Glenn Ida representing the active and retired members of the Plumbers and Fitters Local 675.

Local 675, supports SCR 84, SD1, requesting the Contractors' License Board to prepare a report that evaluates each licensing classification under Chapter 444, Hawaii Revised Statutes.

Local 675 believes a comprehensive assessment and review of the licenses issued pursuant to chapter 444 of the HRS, will conclude whether the state licensing requirements are in line with other jurisdictions and meet general construction industry standards and practices. It will also determine whether chapter 77, Hawaii Administrative Rules appropriately reflects the intent of the Legislature, with a specific focus on scope of work that corresponds to each contractor classification and recommend any changes or amendments to the practice of issuing licenses for each license classification.

Therefore Local 675 supports SCR 84, SD1.

Thank you for this opportunity to testify.

Mahalo,

Glenn Ida



LATE

Testimony of Cindy McMillan
The Pacific Resource Partnership

House Committee on Consumer Protection & Commerce
Representative Angus L.K. McKelvey, Chair
Representative Derek S.K. Kawakami, Vice Chair

SCR 84, SD1 - REQUESTING THE CONTRACTORS LICENSE BOARD TO CONDUCT AN
ASSESSMENT AND PREPARE A REPORT THAT EVALUATES EACH LICENSING
CLASSIFICATION UNDER CHAPTER 444, HAWAII REVISED STATUTES.

Thursday, April 18, 2013
10:30 am
Conference Room 016

Aloha Chair McKelvey, Vice Chair Kawakami, and members of the Committee:

The Pacific Resource Partnership (PRP) is a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters.

PRP requests amendments being proposed by the General Contractors Association of Hawaii to SCR 84, SD1 to delete all references to any particular licenses. A thorough review of all licenses should be conducted absent any narrow focus on a particular license. This concurrent resolution will address any proposed amendments to Chapter 444, Hawaii Revised Statutes and administrative rules.

PRP respectfully requests that the amendments proposed by the General Contractors Association of Hawaii be adopted. Thank you for the opportunity to present our views on this measure.