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Testimony of Clyde T. Hayashi
Director
Hawaii LECET
1617 Palama Street
Honolulu, HI 96817

SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Wednesday, March 27, 2013
10:00 a.m., Conference Room 229

SCR 84/SR 50 - 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

Aloha Chair Baker, Vice Chair Galuteria, and Members of the Committee:

My name is Clyde Hayashi and I am the director of Hawaii LECET (Laborers-Employers Cooperation and Education Trust). Hawaii LECET is a partnership between the Hawaii Laborers' Union, Local 368 and our union contractors.

I am submitting this testimony to share our **comments** regarding SCR 84/SR 50.

SCR 84/SR 50 proposes to require the Contractor License Board (CLB) to prepare a report that evaluates each automatic specialty license issued to the "A" General Engineering Contractors and "B" General Building Contractors.

Contrary to testimony offered by proponents of SB 347 and HB 78 which stated that only "A" General Engineering Contractors and "B" General Building Contractors receive automatic licenses, there are at least twenty-two (22) "C" specialty licenses which grants automatic licenses. The CLB can easily confirm this.

In addition, testimony offered by proponents of SB347 and HB 78 suggest that there are major construction quality problems with our "A" General Engineering Contractors and "B" General Building Contractors. During the deliberations, we did not hear a specific example cited, so we are not aware of what "problem" is being "fixed." We are not aware of any major construction quality/defect problem relating to any "A" General Engineering Contractors and "B" General Building Contractors.

As currently drafted, the Resolution is biased and clearly targets the "A" and "B" General Contractors. We respectfully request that SCR 84/ SC 50 be amended to have all "C" specialty licenses to be included in the CLB study. Any study should look at all licenses.

Thank you for the opportunity to offer these comments regarding SCR 84/SR 50.

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
Senator Rosalyn Baker, Chair
Senator Brickwood Galuteria, Vice-Chair

Wednesday, Mar. 27, 2013
10:00 AM, Conference Room 229

Re: In Strong Support of SCR 84/50

Aloha Chair Baker, Vice-Chair Galuteria 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, strongly supports SCR 84/50, 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.

Local 675 is looking forward to the resulting report that will identify each of specialty licenses that is automatically granted to "A" general engineering and "B" general building contractors. Evaluate the definition of the C-5 contractor and determine whether the definition should be modified. Provide an explanation and justification why each specialty license is automatically granted to "A" and "B" Contractors and suggest amendments or modifications to the current practice of issuing specialty licenses.

Therefore Local 675 is in strong support of SCR 84/50.

Thank you for this opportunity to testify.

Mahalo,

Glenn Ida



MASONS UNION

Local #1 of Hawaii, IUBAC • Local #630, OP & CMIA, AFL-CIO

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Via E-mail: CPNTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6091

March 27, 2013

TO: Honorable Rosalynn Baker, Chair, Honorable Brickwood Galuteria, Vice Chair
and Members of the Senate Committee on Commerce & Consumer Protection

SUBJECT: Comments & Suggested Amendments to SCR84/SR50 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.

HEARING: DATE: Wednesday, March 27, 2013
TIME: 10:00 a.m.
PLACE: Capitol Room 229

Dear Chair Baker, Vice Chair Galuteria and Members of the Committee,

The Masons Union requests amendments being proposed by the General Contractors Association of Hawaii to SCR 84/SR 50 to include a review of all classifications of licensing, including the "C" licenses, which also has automatic licenses issued under the "C" classification. In order to fairly assess the granting of automatic licenses, a thorough review of all licenses should be conducted, and not a piecemeal approach in order to adequately address any amendments to Chapter 444, Hawaii Revised Statutes and administrative rules. As currently drafted, the Resolution is biased and against the "A" and "B" general contractors.

SCR 84/SR 50 proposes to require the Contractors License Board to prepare a report that evaluates each automatic specialty license issued to the "A" General Engineering Contractors and "B" General Building Contractors.

We REQUEST that all "C" licenses be included in the study.

The Masons Union Local 1 & 630 represents 1800 members of the following construction trades, Bricklayers, Stone Masons, Ceramic Tile Setters, Marble Masons, Pointer Caulker, Cement Finishers and Plasterers.

Thank you for the opportunity to present our views on these Resolutions.



ELECTRICAL CONTRACTOR'S ASSOCIATION OF HAWAII

NECA Hawai'i Chapter
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March 25, 2013

To: Senate Committee on Commerce and Consumer Protection
The Honorable Senator Rosalyn Baker, Chair

From: Al Itamoto, Executive Director
Electrical Contractors Association of Hawaii
National Electrical Contractors Association, Hawaii Chapter

Subject: SRC 84, 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.

Notice of Hearing

Date: Wednesday, March 27, 2013
Time: 10:00 AM
Place: Conference Room 229
State Capitol
415 South Beretania Street

Dear Chair Baker and Committee members:

The Electrical Contractors Association of Hawaii (ECAH) is a non-profit association consisting of electrical contractors doing business in the State of Hawaii. ECAH **strongly supports** the intent and purpose of SCR84.

The intent and purpose of SCR84 corrects the inequities currently in place that governs the procedures and process the Contractors License Board (CLB) approves applications for "A" General Engineering Contractors and "B" General Building Contractors. Currently, the CLB automatically grants 17 specialty contractors licenses to the "A" General Engineering Contractor and 10 specialty licenses to the "B" General Building Contractor without further proof of supervisory experience in any of the specialty classifications automatically granted and without any additional fees. An individual specialty contractors license is only granted with proof of four years of supervisory experience and fees for each individual specialty license classifications applied for. The overall rationale is to assure that the contractor has the experience to contract with and perform the work for those that depend on the contractor to complete the work correctly. Why then is it required to have a specialty contractor to provide proof of experience as well as the associated fees in each classification but the "A" and "B" contractor is automatically granted a total of 27 specialty licenses and not required to provide any proof of experience in each specialty license granted. It doesn't make common sense that a C-9 cesspool contractor or a C-37a sewer and drain line contractor or a C-61 solar energy system contractor must

provide proof of supervisory experience when an "A" General Engineer Contractor is granted those licenses automatically without the supervisory experience for each specific classification.

One common argument in opposition will be that there are fifty or so years under the current process and that is no need to make any changes to what has worked all along. You must recognize that the current rules were adopted when the General contractors ruled the CLB with the majority of its members. It is easy to understand why the present process is in place. It also does not make for an equitable process when you single out one class of contractors, specifically, Specialty Contractors, with more stringent and demanding rules. Presently, there is no assurance that the "A" and "B" contractors have the expertise in every automatic specialty license.

It is the burden of the CLB to insure to the public that each contractor granted a license to contract and perform work in Hawaii has the required qualifications and experience for public safety and welfare as well as workers' safety. Knowledge and experience must be insured for each classification of specialty work.

Based on the above, ECAH **strongly supports** the passage of SCR84 and urge the committee to move this Resolution forward.

Thank you for the opportunity to provide testimony on this issue.

UNIVERSAL CONSTRUCTION, INC.

1038 PU'UWAI STREET
HONOLULU, HAWAII 96819
Phone: (808) 845-3986 Fax: (808) 842-3881



March 26, 2013

Testimony to the Senate Committee on Commerce & Consumer Protection
Wednesday, March 27, 2013
10:00 a.m.
Capitol, Room 229

RE: SCR 84/SR 50 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.

Dear Chair Baker, Vice Chair Galuteria, and members of the Committee:

We are Dean Asahina, President and Gene Asahina, Secretary/Treasurer of Universal Construction, Inc. We are members of both BIA-Hawaii and the General Contractors Association of Hawaii.

Universal Construction, Inc. offers comments on SCR 84/SR/50, which requests 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.

While we defer to the Contractors License Board with regards to their expertise in determining and applying licensing requirements and criteria, we strongly recommend that a comprehensive review of all licenses under Chapter 444 be conducted, not just limited to "A" and "B" licenses. Including all licenses will ensure a fairer evaluation.

Thank you for the opportunity to express our views.

Very truly yours,

UNIVERSAL CONSTRUCTION, INC.

Handwritten signature of Dean I. Asahina in black ink.

Dean I. Asahina
President

Handwritten signature of Gene T. Asahina in black ink.

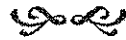
Gene T. Asahina, AIA
Secretary/Treasurer

DA/GA/gta



TJR WORKS!

We help folks appreciate their homes!



**Testimony to the Senate Committee on Commerce & Consumer Protection
Wednesday, March 27, 2013
10:00 a.m.
Capitol, Room 229**

**RE: SCR 84/SR 50 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.**

Dear Chair Baker, Vice Chair Galuteria, and members of the Committee:

TJR WORKS! LLC offers comments on SCR 84/SR/50, which requests the contractor's license board to prepare a report that evaluates each automatic specialty license issued to "A" general engineering contractors and "B" general building contractors.

While we defer to the contractor's license board with regards to their expertise in determining and applying licensing requirements and criteria, we strongly recommend that a comprehensive review of all licenses under Chapter 444 be conducted, not just limited to "A" and "B" licenses. Including all licenses will ensure a fairer evaluation.

Thank you for the opportunity to express our views.

Maria Aguon
Executive Secretary
For

Tadd J. Rienstra
President/ Owner
TJR WORKS! LLC