

STAND. COM. REP. NO.

1022

Honolulu, Hawaii

March 19, 2013

RE: S.B. No. 633

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 S.B. No. 633 entitled:

"A BILL FOR AN ACT RELATING TO UNLICENSED CONTRACTING
ACTIVITIES,"

begs leave to report as follows:

The purpose of this measure is to clarify that the value of
any work done by an unlicensed contractor shall not be used as an
offset in calculating the value of the property in unlicensed
contractor fraud cases.

The Regulated Industries Complaints Office of the Department
of Commerce and Consumer Affairs, County of Maui Department of the
Prosecuting Attorney, County of Maui Police Department, Building
Industry Association of Hawaii, Complete Construction Services
Corporation, Contractors Association of Kauai, and The Pacific
Resource Partnership submitted testimony in support of the
measure. The General Contractors Association of Hawaii submitted
comments on the measure.

Your Committee finds that the determination of whether
conduct is unlicensed contractor fraud in the first or second
degree is based upon the total value of property over which the
unlicensed contractor obtains control. By permitting an offset of
the value of work done by an unlicensed contractor from the total
value of the property, the total value of the property is less
likely to meet the threshold necessary to constitute the offense.
This measure clarifies that no offset for the value of work done

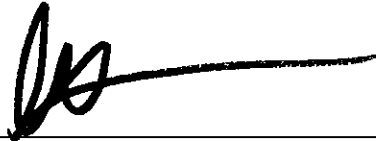
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by an unlicensed contractor should be permitted when calculating the total property value for these offenses.

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 S.B. No. 633 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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



ANGUS L.K. MCKELVEY, Chair



