

A'ohe hana nui ka alu'ia "No Task Is Too Big When Done Together By All"

HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO

735 Bishop Street, Suite 412 * Honolulu, Hawaii 96813 (808) 524-2249 - FAX (808) 524-6893

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February 19, 2014

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Honolulu, HI 96813

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COMMENTS ON SB2613 RELATING TO CONTRACTORS

MARC YAMANE

Hearing: Thursday, February 20, 2014, 10:00 a.m. Conference Room 229

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VAUGHN CHONG Ropfers, Waterproofers & Allied Workers United Union of Roofer Local 221

The Hawaii Building & Construction Trades Council, AFL-CIO is a chartered member of the Building and Construction Trades Department, AFL-CIO first organized in 1908 and comprised of 16 out of 17 construction trade unions with 386 state, local and provincial councils in the United States and Canada and an estimated 15,000 members locally. Our primary mission is to provide employment opportunities and living wages for many of Hawaii's working men and women in the construction industry.

The Council Supports the Intent of SB2613, which defines "incidental and supplemental" work for the purposes of determining licensing requirements for general engineering and general building contractors.

SB2613 attempts to address ongoing concerns that have been exacerbated as a result of a recent Final Order Upon Remand issued by the Contractor's Licensing Board in response to an opinion issued by the Hawaii Supreme Court, See, District Council 50 v. Lopez, (2013) which determined that the Board's interpretation of "incidental and supplemental" was plainly erroneous under HRS section 444-8(c) as it pertains to the excessively expansive application of the C-5 specialty contractor's license.

Questions as to consideration given to the cost and extent of the work involved when determining "incidental and supplemental" work as well as the interpretation of current related laws and how they are applied give cause for further discussion and clarity in this specific area of contractor licensing law.

For purposes of such further discussion and clarity, we humbly request your continued consideration of SB2613.

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LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL 368



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LEUMA L. LEATUMAUGA Surgeant-At-Arms Honorable Rosalyn Baker, Chair

Honorable Brian Taniguchi, Vice Chair

Members of the Senate Committee on Commerce and Consumer Protection

RE: SB2613 Relating to Contractors

Date: February 20, 2014 Time: 10:00 A.M. Place: Room 229 Position: Oppose

Dear Chair Baker, Vice Chair Taniguchi and members of the Commerce and Consumer Protection Committee:

The Hawaii Laborers' Union OPPOSES SB 2613. This measure RELATING TO CONTRACTORS, defines "incidental and supplemental work" for the purposes of determining licensing requirements for general engineering and general building contractors based on ... "costs to perform the work as a percentage of the total contract price or the time involved to perform the work as a percentage of the total time involved not to exceed a contract price of \$10,000,000 and not to exceed up to 1% of the total contract price.

The Contractors Licensing Board (CLB) which is composed of general contractors, specialty contractors and non-contractors was established under HRS444 to administer the law. All rules developed by the Contractors Licensing Board (CLB) are subject to Chapter 91 (administrative rules). We believe that the CLB as it currently exists is balanced.

We humbly request that the CLB be allowed to perform its work under HRS444.

Thank you for the opportunity to submit this testimony.

Sincerely,

Al Lardizabal

Government Relations



SB2613

Submitted on: 2/20/2014

Testimony for CPN on Feb 20, 2014 10:00AM in Conference Room 229

| Submitted By | Organization | Testifier Position | Present at Hearing |
|----------------------|--|--------------------|-----------------------|
| Tashanna L.K. Cortez | The Hawaii Island Contractors Association | Oppose | No. |

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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