
A BILL FOR AN ACT

RELATING TO CONTRACTORS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that high housing costs
2 are a main reason why Hawaii is the most expensive place to live
3 in the country. Chapter 444, Hawaii Revised Statutes, requires
4 that a licensed contractor be hired for any construction work
5 that costs more than \$1,000 or that requires a building permit.
6 However, the "handyman exemption" to chapter 444, Hawaii Revised
7 Statutes, allows the hiring of a person not licensed as a
8 contractor if the total cost of the project, including labor,
9 materials, and all other costs, is equal to or less than \$1,000.

10 The legislature also finds that as housing costs have
11 increased in Hawaii, the cost of housing materials has also
12 increased. As a result, small home repair projects may easily
13 exceed \$1,000. Additionally, due to an increase in construction
14 in the State, residents who wish to remodel their homes or
15 complete small home repair projects may wait months before a
16 licensed contractor is available to perform the work. Despite
17 an increase in costs and a shortage of licensed contractors, the



1 handyman exemption amount has not been increased since 1992.
2 Accordingly, the legislature finds that in order to combat high
3 housing costs, the "handyman exemption" should be expanded to
4 provide faster, easier access to construction services for
5 smaller projects.

6 The purpose of this Act is to raise the threshold under the
7 contractor licensing law's "handyman exemption" from \$1,000 to
8 \$5,000.

9 SECTION 2. Section 444-2, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "**§444-2 Exemptions.** This chapter shall not apply to:

12 (1) Officers and employees of the United States, the
13 State, or any county while in the performance of their
14 governmental duties;

15 (2) Any person acting as a receiver, trustee in
16 bankruptcy, personal representative, or any other
17 person acting under any order or authorization of any
18 court;

19 (3) A person who sells or installs any finished products,
20 materials, or articles of merchandise that are not
21 actually fabricated into and do not become a permanent



- 1 fixed part of the structure, or to the construction,
2 alteration, improvement, or repair of personal
3 property;
- 4 (4) Any project or operation for which the aggregate
5 contract price for labor, materials, taxes, and all
6 other items is not more than [~~\$1,000.~~] \$5,000. This
7 exemption shall not apply in any case where a building
8 permit is required regardless of the aggregate
9 contract price, nor where the undertaking is only a
10 part of a larger or major project or operation,
11 whether undertaken by the same or a different
12 contractor or in which a division of the project or
13 operation is made in contracts of amounts not more
14 than [~~\$1,000~~] \$5,000 for the purpose of evading this
15 chapter or otherwise;
- 16 (5) A registered architect or professional engineer acting
17 solely in the person's professional capacity;
- 18 (6) Any person who engages in the activities regulated in
19 this chapter as an employee with wages as the person's
20 sole compensation;
- 21 (7) Owner-builders exempted under section 444-2.5;



H.B. NO. 103

1 (8) Any joint venture if all members thereof hold licenses
2 issued under this chapter;

3 (9) Any project or operation where it is determined by the
4 board that less than ten persons are qualified to
5 perform the work in question and that the work does
6 not pose a potential danger to public health, safety,
7 and welfare; or

8 (10) Any public works project that requires additional
9 qualifications beyond those established by the
10 licensing law and which is deemed necessary and in the
11 public interest by the contracting agency."

12 SECTION 3. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.

15

INTRODUCED BY:



JAN 21 2015



H.B. NO. 103

Report Title:

Contractors; Exemption

Description:

Raises the threshold under the contractor licensing law's "handyman exemption" from \$1,000 to \$5,000.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

