

JAN 22 2015

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 under current law,
2 licensed general contractors are permitted to act as specialty
3 licensed contractors without also being licensed as specialty
4 contractors. Specialty contractor licenses are intended to
5 ensure that the work meets industry standards for each
6 specialty. The legislature further finds that allowing general
7 contractors to perform specialty work without being specifically
8 licensed to do so poses a risk to public safety.

9 The purpose of this Act is to require general engineering
10 contractors and general building contractors to engage
11 subcontractors with appropriate specialty licenses to perform
12 incidental work.

13 SECTION 2. Section 444-1, Hawaii Revised Statutes, is
14 amended by adding a new definition to be appropriately inserted
15 and to read as follows:

16 "Incidental work" means any work directly related to a
17 larger or major project or operation that requires a specialty



1 contractor license held by a general engineering contractor,
2 general building contractor, or specialty contractor and for
3 which the aggregate subcontract price for labor, materials,
4 taxes, and all other items is not more than the lesser of one
5 per cent of the total contract or \$100,000."

6 SECTION 3. Section 444-7, Hawaii Revised Statutes, is
7 amended by amending subsections (b) and (c) to read as follows:
8 "(b) A general engineering contractor is a contractor
9 whose principal contracting business is in connection with fixed
10 works requiring specialized engineering knowledge and skill,
11 including the following divisions or subjects: irrigation,
12 drainage, water power, water supply, flood control, inland
13 waterways, harbors, docks and wharves, shipyards and ports, dams
14 and hydroelectric projects, levees, river control and
15 reclamation works, railroads, highways, streets and roads,
16 tunnels, airports and airways, sewers and sewage disposal plants
17 and systems, waste reduction plants, bridges, overpasses,
18 underpasses and other similar works, pipelines and other systems
19 for the transmission of petroleum and other liquid or gaseous
20 substances, parks, playgrounds and other recreational works,
21 refineries, chemical plants and similar industrial plants



1 requiring specialized engineering knowledge and skill,
2 powerhouses, power plants and other utility plants and
3 installations, mines and metallurgical plants, land [levelling]
4 leveling and earth-moving projects, excavating, grading,
5 trenching, paving and surfacing work and cement and concrete
6 works in connection with the above mentioned fixed works.

7 A general engineering contractor shall engage
8 subcontractors that hold appropriate specialty licenses to
9 perform incidental work.

10 (c) A general building contractor is a contractor whose
11 principal contracting business is in connection with any
12 structure built, being built, or to be built, for the support,
13 shelter, and enclosure of persons, animals, chattels, or movable
14 property of any kind, requiring in its construction the use of
15 more than two unrelated building trades or crafts, or to do or
16 superintend the whole or any part thereof.

17 A general building contractor shall engage subcontractors
18 that hold appropriate specialty licenses to perform incidental
19 work."

20 SECTION 4. Section 444-9, Hawaii Revised Statutes, is
21 amended to read as follows:



S.B. NO. 164

Report Title:

Contractors; Licensing; Specialty Contractors; Incidental Work

Description:

Prohibits general engineering contractors and general building contractors from performing incidental or supplemental work. Requires general engineering contractors and general building contractors to engage an appropriate specialty contractor to perform incidental work. Defines incidental work.

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