

HCR 29

**REQUESTING THE CONTRACTORS
LICENSE BOARD TO EITHER
ELIMINATE OR RECLASSIFY INTERIM
SPECIALTY LICENSE.**

LAB, FIN

HCR29



Submit Testimony

Measure Title: REQUESTING THE CONTRACTORS LICENSE BOARD TO EITHER ELIMINATE OR RECLASSIFY INTERIM SPECIALTY LICENSE.

Report Title: Requests the Contractors License Board to review all C-68 classified specialist classification definitions per the Hawaii Revised Statutes to provide the opportunity for public review and input.

Description:

Companion:

Package: None

Current Referral: LAB, FIN

Introducer(s): NISHIMOTO

| <u>Sort by Date</u> | | Status Text |
|---------------------|---|--|
| 1/30/2017 | H | To be offered. |
| 1/31/2017 | H | Offered |
| 2/10/2017 | H | Referred to LAB, FIN, referral sheet 16 |
| 3/17/2017 | H | Resolution scheduled to be heard by LAB on Tuesday, 03-21-17 10:40AM in conference room 309. |

HOUSE CONCURRENT RESOLUTION

REQUESTING THE CONTRACTORS LICENSE BOARD TO EITHER ELIMINATE OR
RECLASSIFY INTERIM SPECIALTY LICENSE.

1 WHEREAS, the Contractors License Board (Board) has the
2 authority to create and maintain contractor licenses for the
3 State of Hawaii; and
4

5 WHEREAS, the Board is required to follow the Hawaii Revised
6 Statutes to change any rules; and
7

8 WHEREAS, classifications under the C-68 classified
9 specialist license may be issued before the work to be performed
10 is defined and a hearing is held to establish the proper
11 classification; and
12

13 WHEREAS, the construction industry considers a C-68
14 classified specialist license to be an interim specialty license
15 until the license has been reviewed and defined through the
16 process of a public hearing by the Board; and
17

18 WHEREAS, the Board, after a hearing and based on
19 established usage in the construction industry, may create,
20 modify, or delete existing classifications; and
21

22 WHEREAS, classifications under the C-68 classified
23 specialist license have not been defined in definitions that
24 have undergone the public hearing process, which would have
25 provided the general public or other interested parties with the
26 opportunity to review and comment on the definitions; now,
27 therefore,
28

29 BE IT RESOLVED by the House of Representatives of the
30 Twenty-ninth Legislature of the State of Hawaii, Regular Session



H.C.R. NO. 29

1 of 2017, the Senate concurring, that the Board is requested to
2 review all C-68 classified specialist licenses per Hawaii
3 Revised Statutes and provide the opportunity for public review
4 of classification definitions; and
5

6 BE IT FURTHER RESOLVED that the Board is requested to
7 complete the review, modification, or incorporation of any or
8 all of the C-68 classified specialist licenses or propose and
9 adopt a new specialty license; and
10

11 BE IT FURTHER RESOLVED that the Board is requested to
12 complete this review prior to the next Regular Session of 2018;
13 and
14

15 BE IT FURTHER RESOLVED that the Board is requested to
16 transmit a report of its actions to the Legislature no later
17 than twenty days prior to the convening of the Regular Session
18 of 2018; and
19

20 BE IT FURTHER RESOLVED that certified copies of this
21 Concurrent Resolution be transmitted to the Governor, Director
22 of Commerce and Consumer Affairs, Chairperson of the Board of
23 Electricians and Plumbers, and the Chairperson of the
24 Contractors License Board.
25
26
27

OFFERED BY: _____



JAN 30 2017



**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

TWENTY-NINTH LEGISLATURE
Regular Session of 2017

Tuesday, March 21, 2017
10:40 a.m.

TO THE HONORABLE AARON LING JOHANSON, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Candace Ito, Executive Officer of the Contractors License Board ("Board"). Thank you for the opportunity to testify on House Concurrent Resolution No. 29, which requests the Board to conduct a review of the C-68 classified specialist license classification, modify or incorporate in the existing specialty classifications, or propose and adopt a new specialty license classifications to replace the existing C-68 classification.

The Board opposes this Resolution for the following reasons.

The proposed Resolution is unnecessary because the Board is already in the process of amending its administrative rules to establish new "C" specialty contractor classifications to encompass and reflect the various C-68 classifications. The Board has reviewed the existing C-68 Classified specialist classifications and is currently drafting descriptions for these classifications. The Board is incorporating the C-68 classifications into existing "C" specialty classifications or establishing new "C" specialty contractor classifications to close out the existing C-68 classifications.

Accordingly, the Board respectfully requests that this resolution be held as the concerns specified in the Resolution are already being addressed by the Board.

Testimony on H.C.R. No. 29
Tuesday, March 21, 2017
Page 2

Thank you for the opportunity to testify in opposition to House Concurrent
Resolution No. 29.

IRON WORKERS STABILIZATION FUND

March 20, 2017

Aaron Ling Johanson, Chair
Committee on Labor & Public Employment
House of Representatives
State Capitol
Honolulu, Hawai'i 96813

Re: HCR29 - REQUESTING THE CONTRACTORS LICENSE BOARD TO EITHER
ELIMINATE OR RECLASSIFY INTERIM SPECIALTY LICENSE

Aloha Chair Johanson and Members:

We **SUPPORT** this concurrent resolution.

HCR 29 requests that the contractors license board either eliminate or reclassify interim specialty licenses.

According to HAR §16-77-68(d), “Classifications under C-68 classified specialist may be established by the board ***until the work performed is defined and a hearing is held to establish the proper classification***. A C-68 classified specialist shall be subject to the same requirements as other contractor classifications” (emphasis added). The Contractors License Board is empowered to create C-68 classifications *until* the work is both (1) defined and (2) a public hearing is held to establish a proper classification. As far as we know, there has never been a C-68 specialty classification that has gone through a public hearing to establish a proper classification. The establishment of proper classifications for all existing C-68 licenses are long overdue and needed to ensure public safety and a level playing field for contractors. In 2013, the Contractors License Board provided a report to the legislature where it recommends the consolidation and codification of five (5) C-68 classifications. Currently, there are fourteen (14) C-68 classifications that we know of. The Board has started this important work in 2013, and we believe a legislative request would help the Board continue this work and bring it to completion.

Mahalo.

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

March 21, 2017

TO: HONORABLE AARON LING JOHANSON, CHAIR, HONORABLE DANIEL HOLT,
VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND
PUBLIC EMPLOYMENT

SUBJECT: **COMMENTS REGARDING H.C.R 29 Requests the Contractors License Board to review all C-68 classified specialist classification definitions per the Hawaii Revised Statutes to provide the opportunity for public review and input.**

Committee Meeting
DATE: March 21, 2017
TIME: 10:40 AM
PLACE: Capitol Room 309

Dear Chair Johanson, Vice Chair Holt and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

GCA has **comments** regarding House Concurrent Resolution 29 (HCR 29) which requests that the Contractors License Board (Board) conduct a review of the C-68 classified specialist license classification, modify the existing classification, and adopt a new specialty license classification to replace the existing C-68 classification. While we appreciate this Resolution regarding the C-68 license, the Contractors License Board has made an effort to roll C-68 specialty classifications into other existing specialty license classifications

In 2013 when the Contractors License Board did a comprehensive review of the licensing statute and regulations they issued a report in 2014 which suggested some adjustments to the C-68 classifications. In 2013 GCA proposed an amendment that would protect an existing contractor performing specialized work which could be closely related to a newly adopted C-68 specialty license and would not be cited for unlicensed activity, however the amendment was not adopted. GCA's amendment proposed that because the C-68 category of license does not go through the conventional approval and testing process, it should not exclude other existing licensees from performing the work until it is incorporated into a permanent license category. In California such specialty classifications are developed by staff and approved by the Board as policy. Currently, applicants for a C-68 license (18 current C-68 licenses) are required to meet all applications requirements, including four years supervisory experience in particular trade and pass the business law exam. There are no examinations for any of the 18 C-68 licenses.

Thank you for the opportunity to express our comments on this measure.

HCR 29

Late Testimony



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST
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**TESTIMONY OF HAWAII LECET
CLYDE T. HAYASHI - DIRECTOR**

LATE

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Rep. Aaron Ling Johanson, Chair
Rep. Daniel Holt, Vice Chair

LATE

NOTICE OF HEARING

DATE: Tuesday, March 21, 2017
TIME: 10:40 AM
PLACE: Conference Room 309

LATE

TESTIMONY ON HOUSE CONCURRENT RESOLUTION NO. 29, REQUESTING THE CONTRACTORS LICENSE BOARD TO EITHER ELIMINATE OR RECLASSIFY INTERIM SPECIALTY LICENSE.

ALOHA COMMITTEE CHAIR JOHANSON, COMMITTEE VICE CHAIR HOLT, AND HOUSE COMMITTEE MEMBERS ON LABOR AND PUBLIC EMPLOYMENT:

My name is Clyde T. Hayashi, and I am the Director of Hawaii LECET. Hawaii LECET is a labor-management partnership between the Hawaii Laborers Union, Local 368, and its unionized contractors.

Mahalo for the opportunity to testify in **OPPOSITION to House Concurrent Resolution No. 29**. This resolution urges the Contractor License Board (CLB) to conduct a review of the C-68 classified specialist license classification and modify the existing classification or propose and adopt a new specialty license classification to replace the existing C-68 license classification.

The CLB has already begun the process to update its Administrative Rules for Specialty Licenses which includes reviewing, categorizing, and defining the C-68 Classified Specialist licenses. The CLB will also be updating licenses held by the General Engineering "A" Contractor, General Building "B" Contractors, and providing clarity to "incidental and supplemental" based on the CLB's Final Order in the District Council 50 v. Lopez case.

For this reason, we believe **House Concurrent Resolution No. 29 is not necessary** and thus, requests that it be deferred.