

Honolulu, Hawaii

February 16, 2018

RE: H.B. No. 1877  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 1877 entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTORS,"

begs leave to report as follows:

The purpose of this measure is to increase the "handyman" exemption for unlicensed contracting work from a total project or operation cost of \$1,000 to \$5,000.

Cornerstone Properties, Property Profiles Inc., Hawaii Association of REALTORS, Marie Hansen Properties, Oahu Chapter of the National Association of Residential Property Managers, and numerous individuals testified in support of this measure. The Hawaii Laborers-Employers Cooperation and Education Trust; Plumbing & Mechanical Contractors Association of Hawaii; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers; Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund; Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund; International Union of Painters and Allied Trades, District Council 50; Subcontractors Association of Hawaii; Building Industry Association of Hawaii; Pacific Resource Partnership; and an individual opposed this measure. The Department of Commerce and Consumer Affairs and Contractors License Board commented on this measure.



Your Committee notes that the handyman exemption amount has not increased since 1992 and, as such, your Committee recognizes the importance of facilitating meaningful dialogue on this measure. Your Committee further notes that while the points raised in the purpose section of this measure are persuasive to support an increase to the handyman exemption, the \$5,000 exemption amount merits further consideration.

Your Committee has amended this measure by:

- (1) Making the increased threshold exemption amount an unspecified amount; and
- (2) Changing its effective date to January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1877, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1877, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



AARON LING JOHANSON, Chair



