

JAN 24 2024

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# A BILL FOR AN ACT

RELATING TO UNLICENSED CONTRACTORS.

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

1           SECTION 1. The legislature finds that the August 2023  
2 wildfires on Maui caused significant property loss, including  
3 the destruction of Lahaina town. In connection with those  
4 property losses, former Lahaina homeowners and business owners  
5 will be seeking building and repair services for damaged and  
6 destroyed property, and some may receive offers to perform these  
7 services from persons without the appropriate licensure required  
8 by state law.

9           The legislature further finds that work performed by  
10 unlicensed contractors unfairly exposes Hawaii property owners  
11 to liability for poor workmanship and jobsite injuries and  
12 increases the likelihood of unlicensed contractor fraud in which  
13 an unlicensed contractor obtains payment and provides no work or  
14 incomplete work. The legislature finds that to prevent these  
15 harms from occurring during the repairs and new construction in  
16 connection with the August 2023 Maui wildfires, or any future  
17 natural disasters, it is necessary to provide enhanced civil and



1 criminal penalties for violating Hawaii's contractor licensing  
2 law.

3 Accordingly, the purpose of this Act is to:

4 (1) Make it unlawful for an unlicensed contractor to offer  
5 or perform repairs or improvements to a residential or  
6 nonresidential structure or property, or add to or  
7 subtract from grounds in connection with the structure  
8 or property, for damage or destruction caused by a  
9 natural disaster for which a state of emergency or  
10 disaster is proclaimed by the governor; and

11 (2) Require violations to be punished by a fine of not  
12 more than \$10,000, imprisonment up to one year, or  
13 both, in addition to all other remedies or penalties.

14 SECTION 2. Section 444-10.6, Hawaii Revised Statutes, is  
15 amended by amending subsection (e) to read as follows:

16 "(e) Any person who violates section 444-9, in connection  
17 with the offer or performance of repairs or improvements to a  
18 residential or nonresidential structure or property, or by  
19 adding to or subtracting from grounds in connection with the  
20 structure or property, for damage or destruction caused by a  
21 natural disaster [~~in a political subdivision~~] for which a state



1 of emergency or disaster is proclaimed by the governor, [may]  
2 shall be punished by a fine of [~~up to~~] not more than \$10,000,  
3 imprisonment up to one year, or both, in addition to all other  
4 remedies or penalties."

5 SECTION 3. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

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

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INTRODUCED BY: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'J. [unclear]', written over a horizontal line.

# S.B. NO. 2977

**Report Title:**

Unlicensed Contractors; State of Emergency; Penalties

**Description:**

Makes it unlawful for an unlicensed contractor to offer or perform repairs or improvements to a residential or nonresidential structure or property, or add to or subtract from grounds in connection with the structure or property, for damage or destruction caused by a natural disaster for which a state of emergency or disaster is proclaimed by the Governor. Requires violations to be punished by a fine of not more than \$10,000, imprisonment up to one year, or both, in addition to all other remedies or penalties.

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

