

JAN 19 2007

A BILL FOR AN ACT

RELATING TO CONTRACTORS.

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

1 SECTION 1. Chapter 444, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§444- Registration required; handyman. (a) No person
5 shall perform work, described under the definition of
6 "contractor" under section 444-1, as a contractor who is exempt
7 from this chapter for any project or operation under section
8 444-2(4), without registering with the contractors license board
9 in lieu of obtaining a license under section 444-9.

10 (b) Registration under this section shall be on a form
11 provided by the board, and shall include, at a minimum, the
12 following information, which shall be updated from time to time
13 to reflect changes:

14 (1) Name, address, and telephone number of the individual
15 and the individual's company; and

16 (2) Proof of a state general excise tax license.



1 (c) The registration under subsection (a) shall be
2 renewable at periods as determined by the board."

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

5 "§444-2 Exemptions. This chapter shall not apply to:

6 (1) Officers and employees of the United States, the
7 State, or any county while in the performance of their
8 governmental duties;

9 (2) Any person acting as a receiver, trustee in
10 bankruptcy, personal representative, or any other
11 person acting under any order or authorization of any
12 court;

13 (3) A person who sells or installs any finished products,
14 materials, or articles of merchandise that are not
15 actually fabricated into and do not become a permanent
16 fixed part of the structure, or to the construction,
17 alteration, improvement, or repair of personal
18 property;

19 (4) Any project or operation for which the aggregate
20 contract price for labor, materials, taxes, and all
21 other items is not more than [~~\$1,000.~~] \$ _____.

22 This exemption shall not apply in any case where [a]:



- 1 (A) A building permit is required regardless of the
2 aggregate contract price [~~nor where the~~];
- 3 (B) The undertaking is only a part of a larger or
4 major project or operation, whether undertaken by
5 the same or a different contractor [~~or in which~~
6 a]; or
- 7 (C) A division of the project or operation is made in
8 contracts of amounts not more than [~~\$1,000~~
9 \$3,500 for the purpose of evading this chapter or
10 otherwise;
- 11 (5) A registered architect or professional engineer acting
12 solely in the person's professional capacity;
- 13 (6) Any person who engages in the activities regulated in
14 this chapter as an employee with wages as the person's
15 sole compensation;
- 16 (7) Owners or lessees of property who build or improve
17 residential, farm, industrial, or commercial buildings
18 or structures on property for their own use, or for
19 use by their grandparents, parents, siblings, or
20 children and who do not offer the buildings or
21 structures for sale or lease; provided that this
22 exemption shall not apply to electrical or plumbing



1 work that must be performed only by persons or
2 entities licensed under this chapter, or to the owner
3 or lessee of the property if the owner or lessee is
4 licensed under chapter 448E. In all actions brought
5 under this paragraph, proof of the sale or lease, or
6 offering for sale or lease, of the structure not more
7 than one year after completion is prima facie evidence
8 that the construction or improvement of the structure
9 was undertaken for the purpose of sale or lease;
10 provided that this provision shall not apply to
11 residential properties sold or leased to employees of
12 the owner or lessee; provided further that in order to
13 qualify for this exemption the owner or lessee must
14 register for the exemptions as provided in section
15 444-9.1. Any owner or lessee of property found to
16 have violated this paragraph shall not be permitted to
17 engage in any activities pursuant to this paragraph or
18 to register under section 444-9.1 for a period of
19 three years. There is a presumption that an owner or
20 lessee has violated this section, when the owner or
21 lessee obtains an exemption from the licensing



1 requirements of section 444-9 more than once in two
2 years;

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

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

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

14 SECTION 3. Section 444-4, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "§444-4 Powers and duties of board. In addition to any
17 other powers and duties authorized by law, the board shall:

18 (1) Grant licenses, including conditional licenses, to
19 contractors, and provide for registration of handymen,
20 pursuant to this chapter and rules;

21 (2) Adopt, amend, or repeal such rules as the board may
22 deem proper fully to effectuate this chapter and carry



1 out the purpose thereof, which is the protection of
2 the general public. All rules shall be approved by
3 the governor and the director, and when adopted
4 pursuant to chapter 91, shall have the force and
5 effect of law. The rules may forbid acts or practices
6 deemed by the board to be detrimental to the
7 accomplishment of the purpose of this chapter. The
8 rules may require contractors to make reports to the
9 board containing any items of information as will
10 better enable the board to enforce this chapter and
11 rules, or as will better enable the board from time to
12 time to amend the rules more fully to effectuate the
13 purposes of this chapter. The rules may require
14 contractors to furnish reports to owners containing
15 any matters of information as the board deems
16 necessary to promote the purpose of this chapter. The
17 enumeration of specific matters which may properly be
18 made the subject of rules shall not be construed to
19 limit the board's general power to make all rules
20 necessary fully to effectuate the purpose of this
21 chapter;



- 1 (3) Adopt rules pursuant to chapter 91 necessary to
2 implement the provisions of this chapter relating to
3 CFCs, including, but not limited to, procedures for
4 the disposal of air conditioning units utilizing CFCs
5 that include mandatory recovery and recycling of CFCs;
- 6 (4) Enforce this chapter and rules adopted pursuant
7 thereto;
- 8 (5) Suspend or revoke any license for any cause prescribed
9 by this chapter, or for any violation of the rules,
10 and refuse to grant, renew, restore, or reinstate any
11 license for any cause which would be grounds for
12 revocation or suspension of a license;
- 13 (6) Publish and distribute pamphlets and circulars
14 containing any information as the board deems proper
15 to further the accomplishment of the purpose of this
16 chapter;
- 17 (7) Contract for professional testing services to prepare,
18 administer, and grade the examinations for applicants
19 as may be required for the purposes of this chapter.
20 The board shall determine the scope and length of the
21 examinations, whether the examinations shall be oral,



1 written, or both, and the score that shall be deemed a
2 passing score;

3 (8) Order summary suspension of a license; provided that
4 summary suspensions may be delegated in accordance
5 with section 436B-23;

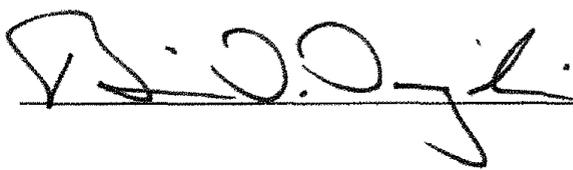
6 (9) Issue informal nonbinding interpretations or
7 declaratory rulings, and conduct contested case
8 proceedings pursuant to chapter 91; and

9 (10) Subpoena witnesses and documents, administer oaths,
10 receive affidavits and oral testimony, including
11 telephonic communications."

12 SECTION 4. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 5. This Act shall take effect on July 1, 2007.

15

INTRODUCED BY: 



Report Title:

Contractors; Handyman

Description:

Amends the handyman's exemption. Requires registration of handyman and general excise tax license.

