

Honolulu, Hawaii

MAR 0 1 2007

RE: S.B. No. 1697

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred S.B. No. 1697 entitled:

"A BILL FOR AN ACT RELATING TO THE DEFINITION OF "CONTRACTOR" UNDER THE CONTRACTOR REPAIR ACT,"

begs leave to report as follows:

The purpose of this measure is to amend the definition of "contractor" under the Contractor Repair Act.

Testimony in support of this measure was submitted by the Real Estate Commission, the Building Industry Association of Hawaii, and the Hawaii Association of Realtors. Comments were received from the Subcontractors Association of Hawaii.

Your Committee finds that this measure clarifies the definition of "contractor" to delete the reference to a person who sells a dwelling. Your Committee notes that the testimony from the Subcontractors Association of Hawaii raised the concern as to whether consumers who buy a home from an owner-builder would have protection under the Contractor Repair Act, as they are not specifically referenced in the definition of a "contractor".

Your Committee is in agreement that the original intent of the Contractor Repair Act was not to include the "selling a dwelling" in the definition of "contractor" but to include an owner-builder, as provided in section 444-2(7), Hawaii Revised Statutes, who shall not offer to sell or lease the subject

building or structure within one year after construction is complete.

Your Committee, upon the recommendation of the Hawaii Association of Realtors, has amended this measure by adding a purpose section.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1697, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1697, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Affordable Housing,

BRIAN T. TANIGUCHI, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Commerce, Consumer Protection and Affordable Housing CPH

Bill / Resolution No.:* SB 1697	Committee Referral:		Date: 2-8-07		
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)					
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TOTAL		5	0	д	/
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee					

^{*}Only one measure per Record of Votes