STAND. COM. REP. NO.

344

Honolulu, Hawaii

FEB 1 5 2007

RE: S.B. No. 1650

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. 1650 entitled:

"A BILL FOR AN ACT RELATING TO DESIGN PROFESSIONALS,"

begs leave to report as follows:

The purpose of this measure is to require the filing of a certificate of merit with any complaint filed against a design professional for the failure to meet the standard of care. This measure also requires the filing of a preliminary expert opinion affidavit.

Testimony in support of this measure was received from ECS, Inc.; the Coalition of Hawaii Engineering and Architectural Professionals; Sam O. Hirota, Inc.; Fukunaga & Associates, Inc.; Engineering Concepts, Inc.; Masa Fujioka & Associates; KAI Hawaii, Inc.; Consulting Structural Hawaii, Inc.; Gray, Hong, Nojima & Associates, Inc.; and the American Council of Engineering Companies. Testimony in opposition to this measure was submitted by the Department of Accounting and General Services and the Consumer Lawyers of Hawaii.

Your Committee finds that the intent of this measure is to reduce the number of frivolous lawsuits against design professionals by requiring a plaintiff or their attorney to hire a qualified professional to certify that the case being brought has merit and that there is evidence of errors, omissions, or negligence on the part of the defendant. Your Committee notes,

based upon some of the testimony received, that several other jurisdictions have adopted similar requirements.

Your Committee has amended this measure to change the effective date from upon approval to July 1, 2050, to promote further discussion.

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. 1650, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1650, S.D. 1, and be referred to the Committee on Judiciary and Labor.

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.:* 9B 1650	CPH, JPL		Da	Date: / 2/2007	
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)		V		·	
IGE, David Y. (VC)					
ESPERO, Will		<u> </u>			
IHARA, Jr., Les					V
SAKAMOTO, Norman					
SLOM, Sam		7			
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	71 115 P.				
TOTAL		5			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

Revised: 12/18/06

^{*}Only one measure per Record of Votes