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## PRESENTATION OF DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS REGULATED INDUSTRIES COMPLAINTS OFFICE

TO THE HOUSE COMMITTEE ON JUDICIARY

TWENTY-FIFTH STATE LEGISLATURE REGULAR SESSION, 2009

FRIDAY, MARCH 27, 2009 2:00 P.M.

TESTIMONY ON SENATE BILL NO. 203 S.D.2 - RELATING TO CONTRACTORS

TO THE HONORABLE JON RIKI KARAMATSU, CHAIR, AND TO THE HONORABLE KEN ITO, VICE-CHAIR, AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on Senate Bill No. 203 S.D.2, Relating to Contractors. My name is Jo Ann Uchida, Complaints and Enforcement Officer for the Department's Regulated Industries Complaints Office ("RICO").

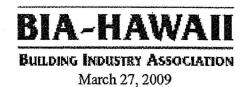
Senate Bill No. 203 S.D.2 increases monetary sanctions for unlicensed activity. The Department participated in discussions with members of the industry and Senate Bill No. 203 S.D.2 is the product of those discussions. The Department supports Senate Bill No. 203 S.D.2 because the increase in monetary sanctions should deter unlicensed contracting activity.

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Thank you for the opportunity to submit testimony on Senate Bill No. 203

S.D.2. I will be happy to answer any questions that the members of the

Committee may have.



Honorable Jon Riki Karamatsu, Chair Committee on Judiciary State Capitol, Room 325 Honolulu, HI 96813

RE: SB203, SD2 "Relating to Contractors"

Chair Karamatsu and Members of the Committee on Judiciary:

I am Karen Nakamura, Chief Executive Officer of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-Hawaii strongly supports the passage of SB203, SD2 "Relating to Contractors" unamended. BIA-Hawaii is one of the construction industry organizations that has participated in discussions with DCCA on the issue in the original bill (mandatory cease and desist orders). We have always supported the ability of RICO/DCCA to have the discretion to act in the appropriate manner when a complaint of a violation is made. RICO has procedures and policies to deal with each reported incident in an expeditious manner.

BIA-Hawaii is supportive of the current draft of SB203, which raises the fines for violations of Section 444-23, HRS. We also support the effective date of the law.

Thank you for the opportunity to share our views with you.

Faren J. Makamura

Chief Executive Officer

BIA-Hawaii

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March 27, 2009

TO:

THE HONORABLE REPRESENTATIVE JON RIKI KARAMATSU, CHAIR

AND MEMBERS OF THE COMMITTEE ON JUDICIARY

SUBJECT:

S.B. 203, SD2, RELATING TO CONTRACTORS

## **NOTICE OF HEARING**

DATE:

Friday, March 27, 2009

TIME:

2:00 p.m.

PLACE: Conference Room 325

Dear Chair Karamatsu and Members of the Committee:

The General Contractors Association (GCA), an organization comprised of over five hundred and sixty (560) general contractors, subcontractors, and construction related firms, ) supports the passage of S.B. 203, SD2, Relating To Contractors.

This amended measure represents the combined efforts of the construction industry and the Regulated Industries Complaints Office to address the problem of regulation of unlicensed contractors. The amended measure will substantially increase the penalties for contractors who are cited for unlicensed contractors. The GCA believes that increased penalties are warranted to attempt to address this ongoing problem.

The GCA supports the passage of S.B.203, SD2, and recommends that this bill be passes.

Thank you for the opportunity to provide our views on this issue.

## SAH - Subcontractors Association of Hawaii

820 Mililani Street, Suite 810, Honolulu, Hawaii 96813-2938 Phone: (808) 537-5619 ≠ Fax: (808) 533-2739

March 27, 2009

Testimony To:

House Committee on Judiciary

Representative Jon Riki Karamatsu, Chair

Presented By:

Tim Lyons, President

Subject:

S.B. 203, SD 2 - RELATING TO CONTRACTORS

Chair Karamatsu and Members of the Committee:

I am Tim Lyons, President of the Subcontractors Association of Hawaii and we strongly support this bill.

The Subcontractors Association represents the following eight separate and distinct contracting associations who have combined their testimony in the interest of saving time and resources.

HAWAII FLOORING ASSOCIATION

ROOFING CONTRACTORS ASSOCIATION OF HAWAII

HAWAII WALL AND CEILING INDUSTRIES ASSOCIATION

TILE CONTRACTORS PROMOTIONAL PROGRAM

PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII

SHEETMETAL CONTRACTORS ASSOCIATION OF HAWAII

PAINTING AND DECORATING CONTRACTORS ASSOCIATION

PACIFIC INSULATION CONTRACTORS ASSOCIATION

We have worked with the parties to arrive at this draft. It addresses what is consistently ranked as the number 1 problem for subs-illegal, unlicensed subs.

We support this bill.

Thank you