THE SENATE TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

S.C.R. NO. 205

MAR 1 0 2010

SENATE CONCURRENT RESOLUTION

REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO MAKE RECOMMENDATIONS REGARDING SIMPLIFICATION OF SPECIALTY LICENSE CLASSIFICATIONS FOR CONTRACTORS.

WHEREAS, the purpose of the Contractors License Board as 1 stated in section 444-4(2), Hawaii Revised Statutes, is the 2 protection of the general public; and 3 4 WHEREAS, the number of specialty license classifications 5 currently exceeds one hundred ten; and 6 7 WHEREAS, each time a new specialty license classification 8 is created it potentially precludes persons who had been hired 9 to do that type of work under another classification from 10 continuing to do that work; and 11 12 WHEREAS, complaints from the public against contractors 13 often take months if not years to resolve because of technical 14 issues relating to the scope of work each licensed contractor is 15 licensed to do or which licenses are needed to enter into a 16 17 construction contract; and 18 19 WHEREAS, the public, procurement agencies, and contractors themselves often do not know for certain which contractor can 20 legally do a specific item of work; and 21 22 WHEREAS, technical errors relating to which specialty 23 contractor can do specific items of work on public works 24 projects is delaying the award of public works; and 25 26 WHEREAS, technical and clerical errors relating to the 27 listing of specialty subcontractors on construction bid 28 proposals for public works projects submitted pursuant to 29 chapter 103D-302, Hawaii Revised Statutes, cost the public 30 31 millions of dollars due to disgualifications of otherwise low and responsible bids; and 32



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1 2 WHEREAS, protests of bid proposals due to allegations of 3 improper listing of specialty contractors on public works projects is resulting in delaying the awards of public works 4 projects and is jeopardizing Hawaii's receipt of American 5 Recovery and Reinvestment Act funding; and 6 7 8 WHEREAS, there are many provisions in chapter 444, Hawaii Revised Statutes, that are highly restrictive without providing 9 any increase in the protection of the general public; and 10 11 12 WHEREAS, every year there are numerous proposals to modify chapter 444, Hawaii Revised Statutes, indicating that many 13 14 groups have concerns with chapter 444; now, therefore, 15 BE IT RESOLVED by the Senate of the Twenty-fifth 16 Legislature of the State of Hawaii, Regular Session of 2010, the 17 House of Representatives concurring, that the Director of 18 19 Commerce and Consumer affairs is requested to establish a task force to be named the Contractors Licensure Review Task Force 20 (Task Force); and 21 22 BE IT FURTHER RESOLVED that the Task Force consist of the 23 following members to be appointed by the Director of Commerce 24 and Consumer Affairs: 25 26 27 (1) Three representatives from the General Contractors Association of Hawaii; 28 29 (2) Three representatives from the Building Industry 30 Association of Hawaii; 31 32 33 (3) Two representatives of specialty contractors; 34 (4)One representative of the specialty trades; 35 36 37 (5) One representative of the basic trades; 38 (6) One representative of the Contractors License Board; 39 40 41 (7) One representative from the Department of Commerce and Consumer Affairs; and 42 43



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One representative from the State Procurement Office; 1 (8) 2 and 3 BE IT FURTHER RESOLVED that the purpose of the Task Force 4 is to review chapter 444, Hawaii Revised Statutes, title 16, 5 chapter 77, Hawaii Administrative Rules, and the contractor 6 licensing laws of other states with the intent of significantly 7 reducing the number of contractor classifications and providing 8 a simpler contractor licensing structure. The goal of the Task 9 Force is to protect the public and taxpayers of this State and 10 not the special interests of the contracting community; and 11 12 BE IT FURTHER RESOLVED that the members of the Task Force 13 select a chairperson from among themselves, and the chairperson 14 is requested to convene meetings of the Task Force; and 15 16 BE IT FURTHER RESOLVED that the members of the Task Force 17 serve without compensation or reimbursement for expenses; and 18 19 BE IT FURTHER RESOLVED that the Task Force be situated in 20 the Department of Commerce and Consumer Affairs for 21 administrative purposes; and 22 23 BE IT FURTHER RESOLVED that the Legislative Reference 24 Bureau is requested to assist the Task Force in drafting its 25 recommendations and proposed legislation; and 26 27 BE IT FURTHER RESOLVED that the Task Force is requested to 28 submit a report of its findings and recommendations, including 29 any implementing legislation, to the Legislature no later than 30 twenty days before the convening of the Regular Session of 2011; 31 32 and 33 BE IT FURTHER RESOLVED that the Task Force cease to exist 34 35 after June 30, 2011; and 36 37



BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Director of Commerce and Consumer Affairs, the Contractors License Board, the General Contractors Association of Hawaii, the Building Industry Association of Hawaii, the Legislative Reference Bureau, and the State Procurement Office.

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