

**yamashita1-Kristine**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 06, 2014 3:35 PM  
**To:** LABtestimony  
**Cc:** glennida@gmail.com  
**Subject:** Submitted testimony for HB2164 on Feb 7, 2014 09:00AM

**HB2164**

Submitted on: 2/6/2014

Testimony for LAB on Feb 7, 2014 09:00AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Glenn Ida	Plumbers and Fitters UA Local 675	Support	No

Comments: Language clarifies Specialty Contractors.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**PRESENTATION OF THE  
CONTRACTORS LICENSE BOARD**

**LATE**

TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

TWENTY-SEVENTH LEGISLATURE  
Regular Session of 2014

Friday, February 7, 2014  
9:00 a.m.

**TESTIMONY ON HOUSE BILL NO. 2164, RELATING TO SPECIALTY  
CONTRACTORS.**

TO THE HONORABLE MARK M. NAKASHIMA, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Peter H.M. Lee, Chairperson of the Contractors License Board's ("Board") Legislative Committee. Thank you for the opportunity to testify on House Bill No. 2164 relating to specialty contractors. This bill proposes to amend the definition of a "specialty contractor" in Hawaii Revised Statutes section 444-7(d).

Although the Board has not had the opportunity to meet and establish an official position on this measure, the proposed amendments may adversely affect general engineering and general building contractors by prohibiting them from performing specialty contracting work because their "primary operations" are not that of a specialty contractor. This would be detrimental to the general contractors and the public because general contractors are automatically given specialty contractor's licenses when they qualify for their general contractor's licenses. In addition, general contractors are able to obtain specialty contractor's licenses on their own. Thus, general contractors are already qualified and authorized to perform specialty contracting work. Because the proposed language may cause confusion and conflict with existing custom, practice, and usage in the construction industry, this bill appears to be unnecessary.

In addition, the Board does not favor amendments that affect the scope of the various contractor classifications because the Board is currently discussing and proposing substantive amendments to these classifications. The Board requests that it be allowed to continue its thorough review and evaluation before any legislative changes are made.

This matter will be placed on the agenda of the Board's next meeting, which is scheduled for February 21, 2014. At this meeting, the Board will take an official position on the bill.

Thank you for allowing us to testify on this bill.

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# GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.



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February 7, 2014

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE KYLE YAMASHITA,  
VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND  
EMPLOYMENT

SUBJECT: **OPPOSITION OF H.B. 2164. RELATING TO SPECIALTY CONTRACTORS.**  
Clarifies the principal contracting business for the specialty contractor  
classification and the limited exception given to specialty contractors to take and  
execute contracts involving two or more unrelated crafts or trades.

HEARING

DATE: Friday, February 6, 2014  
TIME: 9:00 a.m.  
PLACE: Conference Room 414

Dear Chair Nakashima, Vice Chair Yamashita and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over six hundred general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

H.B. 2164, Relating to Specialty Contractors proposes to amend Section 444-7, HRS, to redefine the term "specialty contractor" as one whose principal contracting business involves use of specialized building trades or crafts and whose **primary** operations are construction work requiring special skills . . ."

The GCA is **opposed** to H.B. 2164 because it is unclear why this bill has been proposed as GCA is not aware of any problem with the current definition of specialty contractor.

GCA generally opposes any changes to law that provide no basis as to the requested change and without more information regarding any current problems with the statute. HRS Section 444-7 was initially passed in 1957 and was only amended once in 1989; therefore, such changes to this section of the law are unnecessary as there appears to be no apparent issue at hand.

For these reasons GCA opposes H.B. 2164 and respectfully requests that your Committee hold this measure.



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**Testimony to the House Committee on Labor & Public Employment**

**Friday, February 7, 2014**

**9:00 a.m.**

**State Capitol - Room 309**

**SUBJECT: H.B. 2164 RELATING TO SPECIALTY CONTRACTORS**

Dear Chair Nakashima, Vice-Chair Yamashita, and members of the Committee:

My name is Gladys Marrone, Government Relations Director for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-Hawaii is **opposed** to H.B. 2164, which proposes to amend §444-7(d), the definition of a specialty contractor.

S.B. 2164 conflicts with existing customs, practices, and usage in the construction industry. This bill would negatively impact the work of general engineering and general building contractors by prohibiting them from performing specialty contracting work because their "primary operations" are not that of a specialty contractor. However, general contractors are automatically given specialty contractor's licenses when they qualify for their general contractor's licenses. In addition, general contractors are able to obtain specialty contractor's licenses on their own. Thus, general contractors are already qualified and authorized to perform specialty contracting work.

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