JAN 1 9 2024

A BILL FOR AN ACT

RELATING TO CONSTRUCTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

| 1 | SECT | ION 1. Section 672E-3, Hawaii Revised Statutes, is |
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| 2 | amended to read as follows: | |
| 3 | "[+] | §672E-3[+] Notice of claim of construction defect. |
| 4 | (a) A cl | aimant, no later than ninety days before filing an |
| 5 | action ag | ainst a contractor, shall serve the contractor with a |
| 6 | written n | otice of claim. The notice of claim shall [describe]: |
| 7 | (1) | State that the claimant is asserting a claim against |
| 8 | | the contractor for a defect in the design, |
| 9 | | construction, or remodeling of a dwelling or premises; |
| 10 | | and |
| 11 | (2) | <pre>Describe the claim in detail [and include the results</pre> |
| 12 | | of any testing done.] and with sufficient |
| 13 | | particularity and specificity to determine the |
| 14 | | circumstances constituting the alleged construction |
| 15 | | defect and damages resulting from the construction |
| 16 | | defect; provided that a general statement that a |

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| 1 | construction defect may exist shall be deemed to be | | |
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| 2 | insufficient for purposes of this paragraph. | | |
| 3 | The notice of claim shall not constitute a claim under any | | |
| 4 | applicable insurance policy and shall not give rise to a duty of | | |
| 5 | any insurer to provide a defense under any applicable insurance | | |
| 6 | policy unless and until the process set forth in section 672E-5 | | |
| 7 | is completed. Nothing in this chapter shall in any way | | |
| 8 | interfere with or alter the rights and obligations of the | | |
| 9 | parties under any liability policy. | | |
| 10 | (b) The claimant shall provide to the contractor the | | |
| 11 | notice of claim and evidence depicting the nature and cause of | | |
| 12 | the construction defect and the nature and extent of the repairs | | |
| 13 | necessary to correct the defect, including expert-generated | | |
| 14 | reports, photographs, videos, and the results of any testing | | |
| 15 | performed. | | |
| 16 | (c) Each claimant or class member shall comply with this | | |
| 17 | chapter, including allowing for inspection of each dwelling or | | |
| 18 | premise that is the subject of the claim in accordance with | | |
| 19 | section 672E-4. | | |
| 20 | [(b)] <u>(c)</u> A contractor served with a written notice of | | |
| 21 | claim shall serve any other appropriate subcontractor with | | |

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- 1 notice of the claim. The contractor's notice shall include the
- 2 claimant's written notice of claim.
- 3 [(c)] (d) After serving the notice of claim, a claimant
- 4 shall give to the contractor reasonable prior notice and an
- 5 opportunity to observe if any testing is [done.] performed."
- 6 SECTION 2. This Act does not affect rights and duties that
- 7 matured, penalties that were incurred, and proceedings that were
- 8 begun before its effective date.
- 9 SECTION 3. Statutory material to be repealed is bracketed
- 10 and stricken. New statutory material is underscored.
- 11 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:



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Report Title:

Housing; Construction Defects; Notices of Claims; Resolution Process; Claimant Requirements

Description:

Establishes additional requirements for notices of claims of construction defects.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

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