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
2	amended to	o 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)	Describe the claim in detail [and include the results
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

7	construction defect may exist shall be deemed to be
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, if available to the
14	claimant, expert-generated reports, photographs, videos, and the
15	results of any testing 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>(d)</u> A contractor served with a written notice of
21	claim shall serve any other appropriate subcontractor with

- 1 notice of the claim. The contractor's notice shall include the
- 2 claimant's written notice of claim.
- 3 [(c)] (e) 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 on July 1, 2040.

Report Title:

Housing; Construction Defects; Notices of Claims; Resolution

Process; Claimant Requirements

Description:

Establishes additional requirements for notices of claims of construction defects. Takes effect 7/1/24040. (SD1)

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