S.B. NO. ²⁹⁷⁷ H.D. 1

A BILL FOR AN ACT

RELATING TO UNLICENSED CONTRACTORS.

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

1 SECTION 1. The legislature finds that the August 2023 Maui wildfires caused significant property loss, including the 2 3 destruction of Lahaina town. In connection with those property 4 losses, former Lahaina homeowners and business owners will be 5 seeking building and repair services for damaged and destroyed property, and some may receive offers to perform these services 6 7 from persons without the appropriate licensure required by state 8 law.

9 The legislature further finds that work performed by 10 unlicensed contractors unfairly exposes Hawaii property owners 11 to liability for poor workmanship and jobsite injuries and 12 increases the likelihood of unlicensed contractor fraud in which 13 an unlicensed contractor obtains payment and provides no work or 14 incomplete work. The legislature finds that to prevent these 15 harms from occurring during the repairs and new construction in 16 connection with the August 2023 Maui wildfires, or any future 17 natural disasters, it is necessary to provide enhanced civil and

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criminal penalties for violating Hawaii's contractor licensing
law.

Accordingly, the purpose of this Act is to authorize the imposition of a penalty for unlicensed individuals performing certain work that requires a contractor license, including the offering or performing of repairs or improvements to existing structures and property and tearing down or rebuilding structures and property that were damaged or destroyed due to a natural disaster.

10 SECTION 2. Section 444-10.6, Hawaii Revised Statutes, is 11 amended by amending subsection (e) to read as follows:

12 Any person who violates section 444-9, in connection "(e) 13 with the offer or performance of repairs or improvements to a 14 residential or nonresidential structure or property, or by 15 adding to or subtracting from grounds in connection with the 16 structure or property, for damage or destruction caused by a 17 natural disaster [in a political subdivision] for which a state 18 of emergency or disaster is proclaimed by the governor, may be 19 punished by a fine of [up to] no more than \$10,000, imprisonment 20 up to one year, or both, in addition to all other remedies or 21 penalties."

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1	SECTION 3. Statutory material to be repealed is bracketed
2	and stricken. New statutory material is underscored.
3	SECTION 4. This Act shall take effect on July 1, 3000.

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Report Title:

Unlicensed Contractors; State of Emergency; Penalties

Description:

Authorizes the imposition of a penalty for unlicensed individuals performing certain work that requires a contractor license, including the offering or performing of repairs or improvements to existing structures and property and tearing down or rebuilding structures and property that were damaged or destroyed due to a natural disaster. Effective 7/1/3000. (HD1)

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