

STAND. COM. REP. NO.

436

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 417
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Public Safety and Military Affairs, to which was referred S.B. No. 417 entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTORS,"

beg leave to report as follows:

The purpose and intent of this measure is to establish as a class B felony the unlicensed performance of contractor work, during or within five years following a national emergency, state of emergency, or disaster proclamation, in an affected political subdivision.

Your Committees received testimony in support of this measure from the Subcontractors Association of Hawaii.

Your Committees received comments on this measure from the Contractors License Board.

Your Committees find that there has been a prevalence of unlicensed contractors performing fraudulent or unauthorized contractor work in the State, especially following a natural disaster. Because not all states require contractor licensing, many unlicensed and unauthorized subcontractors come to the state attempting to sell or perform contracts to rebuild. Homeowners are often not aware that a license is required to perform subcontracting work in the State and may enter into contracts with



unlicensed contractors who perform substandard repairs or abscond with advance payments. This measure will help control and abate unlawful activities of unlicensed contractors by enhancing the penalty as a class B felony to better reflect the severity of the offense to consumers.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Public Safety and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 417, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 417, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and Public
Safety and Military Affairs,

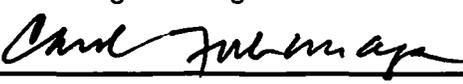

BRANDON J.C. ELEFANTE, Chair


JARRETT KEOHOKALOLE, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SB417	CPN/PSM, JDC	2/5/25
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
KEOHOKALOLE, Jarrett (C)	✓	
FUKUNAGA, Carol (VC)	✓	
MCKELVEY, Angus L.K.	✓	
RICHARDS, III, Herbert M. "Tim"	✓	
AWA, Brenton		✓
TOTAL	4	∅
∅	∅	1
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original	Yellow	Pink
File with Committee Report	Clerk's Office	Drafting Agency
		Goldenrod
		Committee File Copy

*Only one measure per Record of Votes

