

ACT 182

H.B. NO. 2111-86

A Bill for an Act Relating to Contractors.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 444-2, Hawaii Revised Statutes, is amended to read as follows:

“§444-2 Exemptions. This chapter shall not apply to:

- (1) An officer or employee of the United States, the State, or any political subdivision [if the project or operation is performed by employees thereof;] while in the performance of their governmental duties;
- (2) Any person acting as a receiver, trustee in bankruptcy, personal representative, or any other person acting under any order or authorization of any court;
- (3) A person who sells or installs any finished products, materials, or articles of merchandise which are not actually fabricated into and do not become a permanent fixed part of the structure, or to the construction, alteration, improvement, or repair of personal property;
- (4) Any project or operation for which the aggregate contract price for labor, materials, and all other items is less than \$100. This exemption shall not apply in any case wherein the undertaking is only a part of a larger or major project or operation, whether undertaken by the same or a different contractor or in which a division of the project or operation is made in contracts of amounts less than \$100 for the purpose of evading this chapter or otherwise;
- (5) A registered architect or professional engineer acting solely in [his] the person's professional capacity;
- (6) Any person who engages in the activities herein regulated as an employee with wages as the person's sole compensation;
- (7) Owners or lessees of property who build or improve residential, farm, industrial, or commercial buildings or structures on [such] property for their own use, or for use by their grandparents, parents, siblings, or children and do not offer [such] the buildings or structures for sale or lease. In all actions brought under this paragraph, proof of the sale or lease, or offering for sale or lease, of [such] the structure within one year after completion is [“prima facie”] prima facie evidence that the construction or improvement of [such] the structure was undertaken for the purpose of sale or lease; provided that this shall not apply to residential properties sold

- or leased to employees of the owner or lessee; provided further that in order to qualify for this exemption the owner or lessee must register for the exemptions as provided in section 444-9.1; or
- (8) Any copartnership or joint venture if all members thereof hold licenses issued under this chapter.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 17, 1986.)