
A BILL FOR AN ACT

RELATING TO PUBLIC SAFETY.

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

1 SECTION 1. The legislature finds that public safety is
2 unduly put in jeopardy when a general contractor is allowed to
3 act as a specialty contractor in an area in which the general
4 contractor is not licensed to operate. The Hawaii supreme court
5 held that a general engineering or building contractor is
6 prohibited from doing any work that requires it to act as a
7 specialty contractor in an area the general contractor is not
8 licensed to operate. *Okada Trucking Co., Ltd. v. Board of Water*
9 *Supply, 40 p.3d 73, 83 (2002).*

10 The legislature finds that the purpose of chapter 444,
11 Hawaii Revised Statutes, entitled "Contractors", is as stated in
12 section 444-4(2), "the protection of the general public." The
13 protection of the general public is best achieved through the
14 requirement of specialty licenses for specialty work. The
15 specialty license ensures that basic industry standards for each
16 specialty craft are met because the contractor must demonstrate
17 its qualifications in this regard to obtain a specialty license.
18 Thus, the possibility of substandard work is minimized.



1 . The purpose of this Act is to safeguard public safety as it
2 relates to contracting by not allowing a general contractor to
3 do specialty work in areas in which it does not possess a
4 specialty license.

5 SECTION 2. Section 444-1, Hawaii Revised Statutes, is
6 amended by adding a new definition to be appropriately inserted
7 and to read as follows:

8 "Incidental and supplemental work" means any work directly
9 related to a larger project, major project, or operation
10 requiring the specialty license held by a general engineering,
11 general building, or specialty contractor, for which the
12 aggregate contract price for labor, materials, taxes, and all
13 other items is not more than half a per cent of the total
14 contract."

15 SECTION 3. Section 444-7, Hawaii Revised Statutes, is
16 amended by amending subsections (b) and (c) to read as follows:

17 "(b) A general engineering contractor is a contractor
18 whose principal contracting business is in connection with fixed
19 works requiring specialized engineering knowledge and skill,
20 including the following divisions or subjects: irrigation,
21 drainage, water power, water supply, flood control, inland
22 waterways, harbors, docks and wharves, shipyards and ports, dams



1 and hydroelectric projects, levees, river control and
2 reclamation works, railroads, highways, streets and roads,
3 tunnels, airports and airways, sewers and sewage disposal plants
4 and systems, waste reduction plants, bridges, overpasses,
5 underpasses and other similar works, pipelines and other systems
6 for the transmission of petroleum and other liquid or gaseous
7 substances, parks, playgrounds and other recreational works,
8 refineries, chemical plants and similar industrial plants
9 requiring specialized engineering knowledge and skill,
10 powerhouses, power plants and other utility plants and
11 installations, mines and metallurgical plants, land levelling
12 and earth-moving projects, excavating, grading, trenching,
13 paving and surfacing work and cement and concrete works in
14 connection with the above mentioned fixed works.

15 A general engineering contractor shall employ responsible
16 managing employees with appropriate specialty licenses and
17 specialty contractors when necessary to complete any contracted
18 work.

19 (c) A general building contractor is a contractor whose
20 principal contracting business is in connection with any
21 structure built, being built, or to be built, for the support,
22 shelter, and enclosure of persons, animals, chattels, or movable



1 property of any kind, requiring in its construction the use of
2 more than two unrelated building trades or crafts, or to do or
3 superintend the whole or any part thereof.

4 A general building contractor shall employ responsible
5 managing employees with appropriate specialty licenses and
6 specialty contractors when necessary to complete any contracted
7 work."

8 SECTION 4. Section 444-7.5, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) The board shall provide for the licensure or
11 permitted activities as a specialty contractor of any person who
12 engages in any activity involving the application, enclosure,
13 removal, encapsulation, renovation, repair, demolition, or other
14 disturbances of friable asbestos or asbestos-containing material
15 that may become friable during the activity; provided that this
16 section shall not apply to activities such as maintenance,
17 repair, or removal of asbestos pipe or sheets, vinyl asbestos
18 floor materials or asbestos- bituminous or resinous material as
19 well as other activities that the board may exempt which are
20 incidental and supplemental work to the primary purpose for
21 which the contractor holds a license and if they were performed



1 in a manner that no health hazard is posed to the public, the
2 contractor, or the contractor's employees."

3 SECTION 5. Section 444-9, Hawaii Revised Statutes, is
4 amended to read as follows:

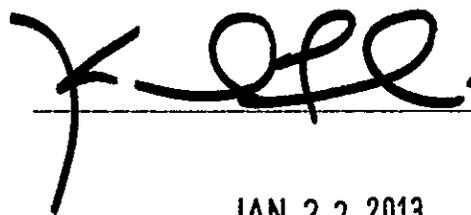
5 "~~§444-9~~ Licenses required. No person within the purview
6 of this chapter shall act, or assume to act, or advertise, as
7 general engineering contractor, general building contractor, or
8 specialty contractor without a license previously obtained under
9 and in compliance with this chapter and the rules and
10 regulations of the contractors license board. A general
11 engineering or general building contractor shall not perform
12 incidental and supplemental work for which it is not,
13 automatically or otherwise, duly licensed and for which it lacks
14 the requisite specialized skill to undertake."

15 SECTION 6. New statutory material is underscored.

16 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY:



JAN 22 2013



H.B. NO. 671

Report Title:

Contractors; Incidental Work

Description:

Prohibits a general engineering and general building contractor from doing any work that requires it to act as a specialty contractor in an area the general contractor is not licensed to operate.

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

