

**PRESENTATION OF THE  
CONTRACTORS LICENSE BOARD**

**TO THE HOUSE COMMITTEE ON ECONOMIC REVITALIZATION  
& BUSINESS**

**TWENTY-SIXTH LEGISLATURE  
Regular Session of 2012**

**Thursday, January 26, 2012  
8:30 a.m.**

**TESTIMONY ON HOUSE BILL NO. 2279, RELATING TO CONTRACTORS.**

**TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,  
AND MEMBERS OF THE COMMITTEE:**

My name is Denny Sadowski, Legislative Committee Chair of the Contractors License Board ("Board"). Thank you for the opportunity to express our concerns regarding House Bill No. 2279, which adds a new section to Chapter 444, Hawaii Revised Statutes.

This bill proposes to authorize the Board to accept reasonably equivalent knowledge, training, or experience, including self-employment and unlicensed experience, in lieu of a specific experience requirement. It also requires the Board to verify such equivalency in a detailed written finding which must be made available for public inspection.

While the Board has not had the opportunity to review this bill at a Board meeting, based on past discussions regarding our experience requirement, we would have serious concerns about providing detailed findings regarding an applicant's experience to the public. Section 92F-14, HRS, of the Uniform Information Practices Act, states that applicants for licensure have a significant

privacy interest in the information they submit for consideration by the Board.

Therefore, pursuant to this Act, divulging details regarding an applicant's knowledge, training, and experience may constitute a clearly unwarranted invasion of personal privacy.

Furthermore, the Board's statutes and rules currently allow us to consider equivalent knowledge and training; therefore, these provisions are unnecessary. Sections 16-77-19 and 16-77-20, Hawaii Administrative Rules, gives the Board the discretion to approve certain technical or business administration training and equivalent knowledge, and section 444-11, HRS, allows the Board to accept self-employed or unlicensed experience.

In summary, amending our statute to accept equivalent knowledge, training, and experience are unnecessary, as the Board already has this authority, and requiring disclosure of detailed information regarding an applicant's qualifications may violate Chapter 92F, HRS. For these reasons, the Board has concerns regarding this bill and respectfully requests that it be held.

Thank you for the opportunity to testify on this bill.

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**GCA of Hawaii**

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

January 26, 2012

**TO: HONORABLE REPRESENTATIVES ANGUS MCKELVEY, CHAIR,  
ISAAC CHOY, VICE CHAIR AND MEMBERS OF THE COMMITTEE ON  
ECONOMIC REVITALIZATION & BUSINESS**

**SUBJECT: OPPOSITION TO H.B. 2279, RELATING TO CONTRACTORS.**  
Requires the contractors license board to accept in lieu of a specific experience requirement for licensure, equivalent knowledge, training, or experience, including self-employed or unlicensed experience, if the board investigates and makes a detailed written finding to that effect and the finding is available for public inspection.

NOTICE OF HEARING

**DATE:** Thursday, January 26, 2012  
**TIME:** 8:30 AM  
**PLACE:** Conference Room 312

Dear Chair McKelvey, Vice Chair Choy and Members of the Committee:

The General Contractors Association (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80<sup>th</sup> anniversary; GCA remains the largest construction association in the State of Hawaii. GCA is submitting testimony **in opposition** to H.B. 2279, Relating to Contractors.

H.B. 2279 proposes to require the contractors licensing board to put their findings in writing when accepting in-lieu of a specific experience requirement for licensure, equivalent knowledge, training, or experience, including self-employed or unlicensed experience, in granting a contractors license.

GCA is in opposition to H.B. 2279 because it is attempting to add an unnecessary burden to the contractors license board, by requiring that the board "make a detailed written finding . . . for public inspection" when considering equivalent knowledge, training, or experience. The contractors licensing board is already tasked with numerous duties in regulating the licensing of contractors. The proposed legislation is unnecessary and will have an undue burden on the contractors licensing board.

Chapter 444 of the Hawaii Revised Statutes (HRS) dictates the powers and duties of the board, including granting and revoking contractor's licenses. The issue this legislation attempts to address is already addressed in HRS §444-11(a)(2) and therefore does not need to be amended. Additionally, the Hawaii Administrative Rules (HAR) governing contractors in HAR §16-77-20 also addresses this issue; it permits the contractors licensing board to "accept equivalent knowledge, training, or experience of the applicant in lieu of a specific experience requirement if upon investigation it makes a detailed finding to that effect."

We recommend that this bill in held in the committee.

Thank you for the opportunity to present our views on this bill.



## IRON WORKERS STABILIZATION FUND

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Fax No. 586-8479

January 25, 2012

Angus McKelvey, Chair  
Committee on Economic Revitalization & Business  
House of Representatives  
State Capitol  
Honolulu, Hawai'i 96813

Re: H.B. 2279, Relating to Contractors

Dear Chair McKelvey and Committee Members:

Thank you for permitting us to testify on this measure.

Hawaii Administrative Rules ("HAR") 16-77-20, entitled "Power of board to accept equivalent knowledge" provides the following language:

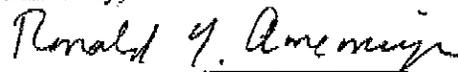
**"The board in its discretion may accept any reasonable knowledge, training, or experience of the applicant in lieu of a specific experience requirement if upon investigation it makes a detailed finding to that effect."**

In our opinion, there have been questionable decisions made by the Contractors License Board using the above discretionary power. However, we run into a practical problem of attempting to find out about the applicant's experience before the board makes its decision because of the contested case provision found in HRS Chapter 91, which would require a formal hearing to ascertain the applicant's knowledge and whether the board is acting reasonably in the exercise of its discretion.

Based on the limitation to scrutinize the board's decision, we believe the best alternative would be to require the board to make a detailed finding as to how it arrived at the decision to grant the applicant the license, and, to require the board to make its findings available for public inspection.

The Ironworkers Union Stabilization Fund is in support of HB 2279.

Sincerely,



Ronald Y. Amemiya  
Government Affairs

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