CONTRACTORS LICENSE BOARD

Professional and Vocational Licensing Division Department of Commerce and Consumer Affairs State of Hawaii

Rules Committee Meeting Minutes

Date: Monday, July 8, 2013

Place: King Kalakaua Conference Room

King Kalakaua Building

Department of Commerce and Consumer Affairs

335 Merchant Street, 1st Floor Honolulu, Hawaii 96813

Present: Randall B.C. Lau, Chairperson

Guy Akasaki, Vice Chairperson

Anacleto "Joey" Alcantara, Jr., Member

Nathan T. Konishi, Member Kent Matsuzaki, Member Aldon Mochida, Member John Polischeck, Jr., Member Daryl Suehiro, Member

Verna Oda, Executive Officer

Charlene L.K. Tamanaha, Executive Officer

Excused: Tyrus Kagawa. Member

William Kamai, Member

Peter Lee, Member

Gerald Yamada, Member

Guests: Shannon Alivado, GCA

Ken Takenaka, GCA

Gregg Serikaku, PAMCAH

Mike Kido, DCCA

<u>Call to Order</u>: Chairperson Lau called the meeting to order at 1:00 p.m.

The Committee acknowledged the receipt of comments from Pacific Resource Partnership; Hawaii Construction Alliance; Hawaii Operating Engineers Industry Stabilization Fund; Hawaii Laborers' Union, Local 368; District 17 – Hawaii Operating Engineers Local Union No. 3; Painting and Decorating Contractors Association of Hawaii; Tile Contractors Association of Hawaii; and Subcontractors Association of Hawaii. Copies of these comments were distributed to all Committee

members.

The Committee briefly reviewed the license classification template provided by Chairperson Lau. Executive Officer Oda circulated copies of previously discussed rule amendments for the C-68RL Rockfall Mitigation, C-60 Solar Power Systems, and C-68WP Wind Power Systems classifications. Mr. Akasaki stated that he will circulate his recommendation for amendments to the C-60 classification.

Chairperson Lau noted that some states have separate building contractor classifications for general contractors. He suggested that the "B" general building classification be separated into commercial and residential licenses. Any project which is not residential, such as a school, would be considered commercial. His concern was for the small residential contractors who are now required to subcontract all work not included in any of the automatic specialty classifications that come with the B license. This also increases the cost of the project for homeowners. Separating the B license into two classifications would ease the application review process and address concerns some Board members may have about issuing a license to build hotels and high rises to contractors with only residential building experience.

It was suggested that the Residential B license be limited to one-to-two family homes no higher than three stories, and not include the building of tract homes. The Residential B license holder would be able to do all of the work on the project, except for electrical, plumbing, and roofing work. This license would include all the automatic specialty classifications currently afforded the B license, except for the C-25 Institutional and Commercial Equipment classification. It was also suggested that the C-42a (Aluminum and Other Metal Shingles) and the C-42b (Wood Shingles and Wood Shakes) be eliminated.

The Committee discussed whether the Residential B license should be a subclass of the Commercial B license. It was the consensus of the Committee that current B license holders would be grandfathered in, and would not have to qualify for the Commercial B license.

The Committee also discussed separating the C-5 Cabinet, Millwork, and Carpentry Remodeling and Repairs classification into commercial and residential licenses. The Residential C-5 would be able to perform all work on the project, except for electrical and plumbing work, but the Commercial C-5 would be limited to the work described in its current definition, without the ability to perform incidental and supplemental work.

It was suggested that the Commercial C-5 description read as follows:

"To install cabinets, cases, sashes, doors, trims, window shutters, garage doors, bifold and shutter doors, manufactured siding and

nonbearing partitions, and to remodel or to make carpentry repairs. Work shall not include changes or additions to the building's or structure's basic components such as, but not limited to, foundations, beams, rafters, joists, or any load bearing members or sections."

It was also suggested that the definition of "incidental and supplemental" in HAR section 16-77-34 should not apply to the C-5 Residential and Commercial classification.

Executive Officer Oda also asked the Committee to consider what type of work should be allowed under the A general engineering license classification, as such work may not be covered under the automatic specialty classifications that it is currently granted.

The Committee members agreed to review the various license classifications and submit their comments to the Executive Officer. Chair Lau mentioned amending the C-23 Gunite classification to include shotcrete.

The issue of converting some of the C-68 classifications to permanent classifications was raised. Executive Officer Oda explained that this could be done during the rule making process. A list of the C-68 licenses and the number of license holders will be provided at the next Committee meeting.

The next Rules Committee meeting will be scheduled to follow the July 19, 2013 Board meeting.

Adjournment:	Chairnerson	Lau adiourned th	ne meeting at 3:25	n m
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Taken and recorded by:

/s/ Verna Oda
Verna Oda
Executive Officer

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[X] Minutes approved with changes. See Minutes of July 19, 2013.

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