

CONTRACTOR FREQUENTLY ASKED QUESTIONS

What are the requirements for a contractor license?

You may apply either as a sole proprietor or an entity (corp., LLC, etc.). If applying as an entity, you must also complete the responsible managing employee ("RME") application. An applicant (sole proprietor or RME) must verify 4 years of supervisory experience in the license classification for which the applicant is applying. The filing deadline to turn in applications is on or before the first Tuesday of the month prior to the scheduled Contractors License Board ("Board") meeting date, provided it is a complete application. If your application is approved by the Board, then you (sole proprietor or RME) must sit for the exam. Upon passing the exam, the applicant must submit licensing fees; proof of liability and workers compensation insurance (if you have employees); and a bond, if required by the Board.

Hawaii Administrative Rules section 16-77-71 requires that the principal RME is in residence in Hawaii during the time the license of the contracting entity is in effect or during the period a project is under construction.

[Click here to view or download the requirements and application form.](#)

When is a contractor license required?

Generally, anyone who offers to, holds oneself out as able to, or contracts to perform residential, commercial, or public works construction, alterations, or improvements must hold a contractor license.

Is there an exemption from the license requirement for "handyman" work?

A license is not required if the aggregate contract price for the project, including labor, materials, taxes, and all other items, is not more than \$1,000.00 and does not require a building permit. This exemption does not apply to electrical or plumbing work requiring a permit. Furthermore, even if an electrical or plumbing permit is not required by the county on a particular project, the work may still have to be performed by a licensed electrician or plumber.

Can I perform work on my own property without a contractor license?

Owners or lessees of property may build or improve residential or farm structures on the property for their own use without a contractor license. This exemption does not apply to electrical or plumbing work, and the structure may not be offered for sale or lease within a year of completion. The owner-builder must register as such with the county building department, and must supervise the construction and use only licensed subcontractors.

Is a license required to bid on a project?

Yes. A license is required to offer to undertake work which requires a license.

Are suppliers or manufacturers required to have a contractor license?

Merely supplying material or equipment does not require a contractor license. However, a license is required to bid for or perform the installation work, even if the installation work will be subcontracted to a licensed contractor.

Do joint ventures need to be licensed?

Joint ventures and partnerships must be licensed when any party does not hold a contractor license. If all parties are licensed, written notification to the Board of the joint venture; documentation of registration with the Business Registration Division; and a letter from the Responsible Managing Employee ("RME") requesting to be the RME for more than one contracting is required.

Does Hawaii have reciprocity agreements with other states?

No. All applicants must meet the same licensing and examination requirements.

What are the different license classifications?

The Board licenses general engineering contractors (fixed works projects such as highways, tunnels, bridges, harbors, drainage, and water power), general building contractors (construction of structures involving more than two unrelated building trades), and specialty contractors.

Can an individual be the responsible managing employee for more than one contracting entity?

Upon approval by the Board, an individual may be the responsible managing employee for more than one contracting entity if (1) there is a common ownership of at least 51% of the equity of each entity; (2) one entity is a subsidiary or joint venture of the other; (3) there is a direct immediate family relationship between the responsible managing employee and the officers, directors, or members of the other contracting entities; or (4) there is a direct immediate family relationship between the officers, directors or members of all contracting entities.

What is the licensing process?

Applications for licensure must be submitted to the Board on or before the first Tuesday of the month for review by the Board during the following month. (The Board does not review applications or meet in December.) Once the application is approved, the qualifying individual (responsible managing employee or sole proprietor) must successfully complete the appropriate licensing examinations within six months. Upon completion of the examination process, the applicant must submit license fees; proof of liability and workers compensation insurance; and a bond, if required by the Board.

What are the fees involved in obtaining and maintaining licensure?

Application fee - \$50.00 per application. You may apply for more than one classification per application. A separate application is required for each contracting entity and RME.

Examination fee - \$75.00 per part. Most classifications require the completion of two parts (Part I – Business & Law, and Part II – Trade).

License fee – Contracting entity and Sole Proprietor - \$663.00 if licensed between October 1st of the even-numbered year and September 30th of the odd-numbered year, and \$494.00 if licensed between October 1st of the odd-numbered year and September 30th of the even-numbered year.

License fee - RME - \$438.00 if licensed between October 1st of the even-numbered year and September 30th of the odd-numbered year, and \$334.00 if licensed between October 1st of the odd-numbered year and September 30th of the even-numbered year.

What are the requirements to renew a contractor license?

All licenses expire on September 30th of the even-numbered year. Renewal applications are mailed to all current licensees before August 15 of the even-numbered year. Licensees must submit their renewal application and all required documents and fees by September 30 of the even-numbered year. Business entities and sole proprietors must submit a current tax clearance from the State Department of Taxation with their renewal application. The Board may accept a letter from the State Department of Taxation confirming a tax payment arrangement in lieu of the tax clearance. Verification of current liability and workers' compensation insurance may be required if the insurance expires prior to September 30. Responsible managing employees are not required to submit insurance information or a tax clearance (unless required to verify payment of past due taxes or liens).

Renewal fee - \$353.00 for contracting entity and sole proprietor, and \$208.00 for responsible managing employees.

What happens if the contractor license is not renewed before it expires?

If the license is not renewed by September 30 of the even-numbered year, the license is forfeited. The licensee has 60 days from the expiration date to restore the forfeited license by submitting all required documents and fees, including a late renewal fee. If the license is not restored within the 60-day period, then the licensee shall file a new license application form along with all required supporting documents and fees.

How can I find out if a person is licensed as a contractor?

Click here for the website to verify a license or call (808) 587-3295.

How do I file a complaint against a contractor?

Click here for the website to the Regulated Industries Complaints Office or call them at (808) 587-4272.