

Home Construction and Improvement Contractors

Section 444-25.5, Hawaii Revised Statutes, requires that you do the following prior to entering into a contract and applying for a building permit:

1. Explain verbally in detail to the homeowner all lien rights of all parties performing under the contract including the homeowner, the contractor, any subcontractor or any materialman supplying commodities or labor on the project;
2. Explain verbally in detail the homeowner's option to demand bonding on the project, how the bond would protect the homeowner and its approximate expense; and
3. Disclose all information pertaining to the contract, its performance, and any other relevant information required by the board's rules.

Section 444-25.5, Hawaii Revised Statutes, also requires all licensed contractors performing home construction or improvements to provide a written contract to the homeowner which includes:

1. The above-described disclosure information;
2. Notice of the contractor's right to resolve alleged construction defects prior to commencing any litigation in accordance with Section 672E-11, Hawaii Revised Statutes; and
3. Signatures of the contractor and homeowner.

The contract must be executed prior to the performance of any home construction or improvement.

The notice of the contractor's right to resolve alleged construction defects must be conspicuously included in the contract and must be in substantially the following form:

"CHAPTER 672E OF THE HAWAII REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED YOUR HOME OR FACILITY. NINETY DAYS BEFORE YOU FILE YOUR LAWSUIT OR OTHER ACTION, YOU MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER THE LAW, THE CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW, AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT YOUR ABILITY TO FILE A LAWSUIT OR OTHER ACTION."