

Honolulu, Hawaii

March 16, 2010

RE: S.B. No. 2325
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2325, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONTRACTORS,"

begs leave to report as follows:

The purpose of this bill is to address concerns regarding unlicensed activities on construction job sites. This bill ensures the presence of licensed workers by requiring that:

- (1) Licensed electrical, plumbing, and elevator mechanic workers shall wear their licenses issued by the Department of Commerce and Consumer Affairs (DCCA) at the job site;
- (2) Individuals who do not display their licenses be counted as being unlicensed for purposes of fulfilling the requirement that at least half of all workers performing electrical, plumbing, or elevator mechanic work at the job site be licensed; and
- (3) At least half of all individuals performing elevator mechanic work on the job site be licensed.

The Department of Labor and Industrial Relations, DCCA's Regulated Industries Complaints Office, Hawaii State AFL-CIO, International Brotherhood of Electrical Workers Local Union 1186,

SB2325 HD1 HSCR LAB HMS 2010-2475



Hawaii Electricians Training Fund, ThyssenKrupp Elevator Company, Contractors License Board, Elevator Mechanics Licensing Board, Electrical Contractors Association of Hawaii, Otis Elevator Company, and Hawaii Building and Construction Trades Council, AFL-CIO testified in support of this bill.

Current Hawaii law requires that individuals practicing in the plumbing and electrical trades pass an examination to be eligible for licensure. This is due to the highly skilled, and at times, dangerous nature of these trades.

Current law also requires that at least half of all individuals performing electrical or plumbing work employed on a construction job site by an electrical or plumbing contractor be licensed to practice that particular trade. Yet, this same requirement does not apply to elevator mechanics who are the only additional trade that would be involved in the construction industry that requires licensure. This measure addresses this issue.

However, none of these licensed workers are required to display their license on their persons while working. Because of this, homeowners, inspectors, and government agencies are having difficulty identifying and distinguishing licensed workers from unlicensed workers. This makes the task of determining compliance with the ratio of licensed to unlicensed tradesmen performing electrical or plumbing work on a construction job site requirement arduous.

While this measure addresses licensure identification and ratio requirements for licensed to unlicensed individuals performing work at construction sites, your Committee has been informed that elevator companies already have ratio requirements established in collective bargaining agreements and that establishing a separate ratio requirement would supersede these agreements. Accordingly, your Committee has amended this measure by stipulating that elevator mechanics are exempt from the ratio requirements if they are subject to a collective bargaining agreement that already addresses this issue.



As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2325, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2325, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



KARL RHOADS, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 782-10

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB2325 SD1	Committee Referral: LAB, CPC	Date: 3-9-10		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. RHOADS, Karl (C)	/			
2. YAMASHITA, Kyle T. (VC)	/			
3. AQUINO, Henry J.C.	/			
4. AWANA, Karen Leinani	/			
5. HANOHANO, Faye P.	/			
6. KEITH-AGARAN, Gilbert S.C.	/			
7. LEE, Marilyn B.	/			
8. NAKASHIMA, Mark M.	/			
9. SAIKI, Scott K.	/			
10. SOUKI, Joseph M.				/
11. TAKUMI, Roy M.	/			
12. PINE, Kymberly Marcos				/
TOTAL (12)	10	-	-	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				