



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.hawaii.gov/labor
Phone: (808) 586-8842 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

January 29, 2010

To: The Honorable Karl Rhoads, Chair
and Members of the House Committee on Labor & Public Employment

Date: March 9, 2010
Time: 9:30 a.m.
Place: Conference Room 309, State Capitol

From: Darwin L.D. Ching, Director
Department of Labor and Industrial Relations

S.B. 2325, S.D. 1 - Relating to Contractors

THE DEPARTMENT SUPPORTS THIS MEASURE.

The Department of Labor and Industrial Relations (DLIR) is charged with public safety as well as worker safety with regard to elevator use and installation (construction). Our elevator inspectors must inspect and test all new elevator installation and any modernization and/or alteration of existing elevators to assure that the public can safely use the elevator, escalator, wheelchair lift, or other similar device. In our capacity, we come across work performed by elevator helpers and unlicensed elevator mechanics allegedly under the supervision of a licensed elevator mechanic which we consider to be unsafe. Examples include speed governors installed backwards, inadequate and unsafe splicing of electrical cords, hoistway construction not meeting the fire codes, and unsupported piping which vibrate excessively.

While we can withhold the permit to operate until the item is corrected, the delay puts a burden on businesses and individuals who are unable to use the elevator. The Department believes that requiring at least half of the elevator mechanics to be licensed safe work and quality work among elevator mechanics.

In addition, each project where we find unsafe work requires that the inspectors return to verify correction of the items. This re-work takes time away from our inspectors who are responsible for 6,500 elevators, escalators, dumbwaiters, and similar throughout the state.

With regard to the requirement to “visibly display” the license, the department takes no position, other than to require that the licensee be able to produce the license at the time of the inspection. However, if the visible display of the license will aid in compliance with the law for our partner agencies, we would support this requirement.



LINDA LINGLE
GOVERNOR
JAMES R. AIONA, JR.
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

LAWRENCE M. REIFURTH
DIRECTOR
RONALD BOYER
DEPUTY DIRECTOR

PRESENTATION OF
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
REGULATED INDUSTRIES COMPLAINTS OFFICE

TO THE HOUSE COMMITTEE ON
LABOR AND PUBLIC EMPLOYMENT

TWENTY-FIFTH STATE LEGISLATURE
REGULAR SESSION, 2010

TUESDAY, MARCH 9, 2010
9:30 A.M.

TESTIMONY ON SENATE BILL NO. 2325 S.D.1
RELATING TO CONTRACTORS

TO THE HONORABLE KARL RHOADS, CHAIR,
AND TO THE HONORABLE KYLE T. YAMASHITA, VICE CHAIR,
AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs' Regulated Industries Complaints Office ("RICO") appreciates the opportunity to testify on Senate Bill No. 2325 S.D.1, Relating To Contractors. My name is Jo Ann Uchida, RICO's Complaints and Enforcement Officer. RICO supports this bill.

Senate Bill No. 2325 S.D.1 amends §444-9.5, Hawaii Revised Statutes ("HRS"), to require that at least half of all elevator mechanics employed on a construction job site be licensed. The bill also requires that all individuals licensed as electricians, plumbers, and elevator mechanics under Chapter 448E, HRS, or

Testimony on Senate Bill No. 2325 S.D.1
March 9, 2010
Page 2

Chapter 448H, HRS, respectively, who are employed on a construction job site, visibly display their licenses on their person. The bill further provides that individuals who do not display their Department-issued licenses at the job site shall not be counted as a licensee for purposes of determining compliance with §444-9.5, HRS.

Senate Bill No. 2325 S.D.1 is similar to House Bill No. 2304 H.D.1 in that both bills require identification on construction job sites. RICO prefers the language in this bill.

Senate Bill No. 2325 S.D.1 recognizes and addresses the serious issue of unlicensed activity on construction job sites, and RICO appreciates any and all efforts to provide a clearer statutory basis for determining whether violations have occurred. Frankly, enforcement of this section of the Chapter is challenging, not only because it is difficult to distinguish licensees from unlicensed workers at a site inspection, but also because the worker must be actively engaged in electrical or plumbing work at the time of the inspection. The language of Senate Bill No. 2325 S.D.1 will assist investigators to some extent in distinguishing between licensed and unlicensed workers.

Thank you for the opportunity to testify on Senate Bill No. 2325 S.D.1. I will be happy to answer any questions that the members of the Committee may have.



Randy Perreira
President

HAWAII STATE AFL-CIO

320 Ward Avenue, Suite 209 • Honolulu, Hawaii 96814

Telephone: (808) 597-1441
Fax: (808) 593-2149

The Twenty-Fifth Legislature, State of Hawaii
Hawaii State Senate
Committee on Commerce and Consumer Protection

Testimony by
Hawaii State AFL-CIO
February 3, 2010

S.B. 2325 – RELATING TO CONTRACTORS

The Hawaii State AFL-CIO supports H.B. 2325 which requires identification of licensed individuals performing electrical and plumbing work on a construction job site.

S.B. 2325 will help ensure public safety and compliance to state law. It will help provide for the identification of licensed electricians and plumbers and help provide proper enforcement on construction job sites. However, the Hawaii State AFL-CIO requests that S.B. 2325 be amended to include licensed individuals performing elevator work on a construction job site. Elevator workers are licensed in accordance with Chapter 448H.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President



International Brotherhood of Electrical Workers

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

1935 HAU STREET, ROOM 401 • HONOLULU, HI 96819-5003
TELEPHONE (808) 847-5341 • FAX (808) 847-2224

TESTIMONY FOR SB2325 SD1 , RELATING TO CONTRACTORS

TO: **HOUSE LABOR & PUBLIC EMPLOYMENT COMMITTEE**
For Hearing on Tuesday, March 9, 2010, at 9:30 a.m., in Conference Room 309

RE: **STRONG SUPPORT FOR SB2325 SD1**

Honorable Chair Rhoads, Vice Chair Yamashita, and Committee members,

The **International Brotherhood of Electrical Workers Local Union 1186** represents over 3,500 members working in electrical construction, telecommunications, and Oceanic Cable. Our members include civil service employees at Pearl Harbor, Kaneohe, Hickam, and at every military installation in Hawaii. IBEW Local 1186 also represents over 120 signatory electrical contractors that perform most of the electrical work in the state of Hawaii.

Due to the unusually dangerous and specialized nature of the skilled electrical, plumbing, and elevator industries, we are the only three construction crafts where state law also requires the individual job site worker to be state tested and licensed. This special job site worker license requirement is on top of the regular state law requiring all construction companies to possess a valid contractor's license.

Requiring the visible display of our tradespersons' skilled license while on the construction job site will protect public safety and decrease liability from illegal construction activity. By helping homeowners, inspectors, and government agencies to readily identify licensed specialty tradespersons on the job site, this bill will help ensure workers and contractors are in compliance with existing state law.

We have worked over the past year with contractor organizations and several state agencies to find practical ways to protect the safety of the public, effectively detect violations, and to facilitate the enforcement and compliance of the state's existing licensing laws. Thank you for providing me with the opportunity to testify in strong support for SB2325 SD1.

Mahalo and aloha,

Damien Kim
Business Manager – Financial Secretary
International Brotherhood of
Electrical Workers, Local Union 1186



HAWAII ELECTRICIANS TRAINING FUND

1835 HAU STREET, ROOM 301 • HONOLULU, HAWAII 96819-5003 • PHONE (808) 847-0629 • FAX (808) 843-8818

TESTIMONY SUPPORTING SB2325 SD1, RELATING TO CONTRACTORS

**TO: HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
(VIA FAX 843-8818)**

For Hearing on Tuesday, March 9, 2010, at 9:30 A.M., in Conference Room 309

RE: STRONG SUPPORT FOR SB2325 SD1

Honorable Chair Rhoads, Vice Chair Yamashita, and Labor & Public Employment Members,

My name is David Lovelace. I am a Training Coordinator for the Hawaii Electricians Training Fund. We are a non-profit organization that provides substantial training for all our beneficiaries of the International Brotherhood of Electrical Workers Local Union 1186 and, thru contract, others requiring electrical education for the safety and well-being of the industry. Our training involves electrical theory, practical applications, and electrical and construction safety as presented through apprenticeship programs and skilled upgrade training for journeyworkers. We believe in and follow the definition stated in the Department of Labor 29 CFR Part 29 that a:

"Journeyworker means a worker who has attained a level of skill, abilities and competencies recognized within an industry as having mastered the skills and competencies required for the occupation. (Use of the term may also refer to a mentor, technician, specialist or other skilled worker who has documented sufficient skills and knowledge of an occupation, either through formal apprenticeship or through practical on-the-job experience and formal training."

We also believe that in order to obtain "a level of skill, abilities and competencies recognized within an industry" 29 CFR 29.5 B (7) states a needed ratio be accomplished as quoted: "A numeric ratio of apprentices to journeyworkers consistent with proper supervision, training, safety, and continuity of employment,"

The State of Hawaii has recognized the need to qualify specific tradespersons in their abilities to perform and direct work in a safe and workmanlike manner thereby:

"HRS §448E-9 Unlicensed activity. (a) No person shall act or assume to act as a journey worker electrician, journey worker specialty electrician, supervising electrician, supervising specialty electrician, journey worker plumber, master plumber, maintenance electrician, journey worker industrial electrician, or supervising industrial electrician, or advertise or hold the person's self out as an electrician or plumber, without a license previously obtained in compliance with this chapter and the rules of the board;..."

and also a continuation of the requirement to have a licensed person supervise an apprentice or trainee as stated:



HAWAII ELECTRICIANS TRAINING FUND

1835 HAU STREET, ROOM 301 • HONOLULU, HAWAII 96819-6003 • PHONE (808) 847-0629 • FAX (808) 843-8818

HRS §448E-9 b) An apprentice or trainee learning the trade of a person licensed under this chapter shall not be required to have a license if the apprentice or trainee acts under the supervision of a person appropriately licensed under this chapter.

Requiring the visible display of the State of Hawaii required license will better promote the protection of public safety and the ability to recognize the needed ratio of apprentices or trainees to better quantify the training necessary in the development of needed competencies for licensed tradespersons in their perspective fields.

Thank you for providing me with the opportunity to testify in strong support for SB2325 SD1.

Thank you,

David Lovelace

Hawaii Electricians Training Fund
Training Coordinator

ThyssenKrupp Elevator

2880 Ualena Street
Honolulu, HI 96819
Phone: 808-834-6300
Fax: 866-251-5478



ThyssenKrupp

Testimony from ThyssenKrupp Elevator Company – Honolulu, Hawaii
Represented by: Darren Hamasaki, New Equipment and Modernization Manager
House Committee on Labor and Public Employment
Tuesday, March 9, 9:30 a.m., Room 309
SB 2325 SD 1 – Relating to Contractors

Position: Support With Amendments

Aloha Chair Rhoads, Vice Chair Yamashita, and members of the Committee,

ThyssenKrupp Elevator Company supports SB 2325 SD 1 – relating to Contractors – **if the committee is able to incorporate our proposed amendment into section §444-9.5 (a)(2) of the bill:**

§444-9.5 Licensing [øf]; electrical or plumbing workers[-]; elevator mechanics. (a) At least half of all individuals performing electrical [øf], plumbing, or elevator mechanic work employed on a construction job site by an electrical [øf], plumbing, or elevator contractor shall be licensed in accordance with chapter 448E[-] for electrical or plumbing work or 448H for elevator mechanic work. The Board shall waive this requirement in any county when there are insufficient licensed electrical [øf], plumbing, or elevator mechanic workers in that county to comply ~~herewith~~ with this section. The provisions of this Section 444-9.5(a) shall not apply to elevator mechanic workers who are subject to a collective bargaining agreement.

ThyssenKrupp Elevator Company manufactures, installs, modernizes and maintains elevators, escalators, and moving walkways. ThyssenKrupp AG, our parent company, employs over 128,000 people worldwide, manufactures steel, auto components, machine tools, ships, elevators, escalators and hundreds of other products. We are currently the largest elevator service company in North America, and the primary goal of this company “is to become the world’s leader” in the people moving (escalators, moving walks, airplane passenger loading bridges) and vertical transportation industry. ThyssenKrupp Elevator employs 71 persons in Hawaii. Our employees work in Oahu, Maui, Lanai, and the Hawaii. ThyssenKrupps’ top priority is the safety of the riding public and our own employees, and we only use licensed personnel to work on equipment.

While ThyssenKrupp fully supports the intent of this bill, to enhance worker's and the riding public's safety by having an adequate number of skilled laborers working at an elevator job site, the unintended consequence of SB 2325 SD1 is that it supersedes the understandings made in collective bargaining agreements negotiated between the International Union of Elevator Constructors (IUEC) and ThyssenKrupp (and other NEII companies) and it would force ThyssenKrupp to cut back on the number of apprentices that we currently employ.

These collective bargaining agreements have allowed the companies for many years to efficiently, safely and cost-effectively staff construction/modernization jobs with teams comprised of an appropriate number of licensed and highly skilled laborers to perform those tasks which require unique knowledge, experience and training and an appropriate number of lesser experienced - but nevertheless suitably trained and qualified - apprentices to perform the variety of menial and minor chores necessary in any construction related project.

In addition, the collective bargaining agreements grant the use of additional apprentices when dismantling equipment and in certain circumstances, they allow apprentices to perform minor tasks alone under the supervision of a licensed mechanic. These collective bargaining agreements apply to all construction/modernization jobs in the United States, and Hawaii would be the lone exception to nationally accepted and union negotiated standard staffing requirements.

While we appreciate the intent of this bill to address safety and compliance concerns at worksites, a detrimental result of this bill will be the inefficient use of our workforce, the loss of entry levels workers seeking to enter the profession and higher construction costs which do not help to revitalize Hawaii's struggling local economy.

We appreciate the opportunity to testify and request your consideration of our proposed amendment. Mahalo.

LATE

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

**TO THE HOUSE COMMITTEE ON
LABOR & PUBLIC EMPLOYMENT**

**TWENTY-FIFTH LEGISLATURE
Regular Session of 2010**

**Tuesday, March 9, 2010
9:30 a.m.**

TESTIMONY ON SENATE BILL NO. 2325, S.D. 1, RELATING TO CONTRACTORS.

**TO THE HONORABLE KARL RHOADS, 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 testify on Senate Bill No. 2325, S.D. 1, Relating to Contractors.

The Board supports this bill, which requires at least half of all elevator mechanics at a job site to be licensed, and requires that elevator mechanics, electricians, and plumbers visibly display their license. The Elevator Mechanics Board supports the inclusion of their licensees in section 444-9.5, HRS, and the requirement to visibly display their licenses will assist the Regulated Industries Complaints Office in their enforcement efforts.

Thank you for the opportunity to testify on this measure.

LATE

**PRESENTATION OF THE
ELEVATOR MECHANICS LICENSING BOARD**

TO THE HOUSE COMMITTEE ON
LABOR & PUBLIC EMPLOYMENT

TWENTY-FIFTH LEGISLATURE
Regular Session of 2010

Tuesday, March 9, 2010
9:30 a.m.

TESTIMONY ON SENATE BILL NO. 2325, S.D.1, RELATING TO CONTRACTORS.

TO THE HONORABLE KARL RHOADS, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Steve Tsunemoto and I am the Chairperson of the Elevator Mechanics Licensing Board ("Board"). Thank you for the opportunity to provide testimony in support of S.B. No. 2325, S.D.1, Relating to Contractors.

This bill proposes to require at least half of all elevator mechanics at a job site to be licensed and to visibly display the license issued to them by the Department of Commerce and Consumer Affairs.

The Board's last meeting was held on January 8, 2010 and at that time we were not aware of S.B. No. 2325, S.D.1. For this reason, an informal poll of the Board members was taken and every member supports the proposed amendments. The Board believes that one licensed mechanic for every apprentice on a job site allows for easier supervision and also addresses safety concerns.

The other portion of this bill requires elevator mechanic licensees to visibly display their licenses at the job site. The Board is in favor of displaying licenses at the job site as this will assist state investigators and inspectors in performing their duties.

For these reasons, the Board supports S.B. No. 2325, S.D.1. Thank you for the opportunity to provide testimony.

yamashita3-Mark

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 08, 2010 4:53 PM
To: LABtestimony
Cc: aitamoto@ecahi.com
Subject: Testimony for SB2325 on 3/9/2010 9:30:00 AM

LATE

Testimony for LAB 3/9/2010 9:30:00 AM SB2325

Conference room: 309

Testifier position: support

Testifier will be present: Yes

Submitted by: Al Itamoto

Organization: Electrical Contractors Assn of Hawaii

Address: 1286 Kalani Street, Suite B203 Honolulu, Hawaii 96817

Phone: 808-847-7306

E-mail: aitamoto@ecahi.com

Submitted on: 3/8/2010

Comments: