PRESENTATION OF THE BOARD OF ELECTRICIANS AND PLUMBERS

TO THE HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT

TWENTY-SIXTH LEGISLATURE Regular Session of 2012

Wednesday, April 11, 2012 9:35 a.m.

TESTIMONY ON HOUSE CONCURRENT RESOLUTION NO. 45, H.D.1 AND PROPOSED H.D.2, REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF PLUMBER AIR CONDITIONING AND REFRIGERATION PIPEFITTERS, PLUMBER FIRE SPRINKLER PIPEFITTERS, AND PLUMBER SOLAR-THERMAL TECHNICIANS.

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

My name is Charlene Tamanaha, Executive Officer of the Board of Electricians and Plumbers ("Board"). The Board appreciates the opportunity to offer comments on H.C.R. No. 45, H.D.1, and Proposed H.D.2.

The concurrent resolution requests that the Auditor perform a sunrise review pursuant to section 26H-6, Hawaii Revised Statutes ("HRS"), of the regulation of plumber air conditioning and refrigeration pipefitters, plumber fire sprinkler pipefitters, and solar-thermal technicians as proposed under House Bill No. 2748, introduced during the Regular Session of 2012. The Auditor's review would set forth the probable effects of the proposed regulatory measure, assess whether its enactment is consistent with the purposes of section 26H-2, HRS, and assess alternate forms of regulation. While the Board, at its February 14, 2012 meeting, voted to support the intent to license these areas under Chapter 448E, HRS, the Board also voted to support H.C.R. No. 45. The Board agreed that a sunrise review completed by the Auditor will provide clear guidance as to whether the regulation of plumber air conditioning and refrigeration pipefitters, plumber fire sprinkler pipefitters, and solar-thermal technicians fall within the regulatory scheme of Chapter 448E, HRS, and the Board's purview, or whether the enactment of new chapters is required.

While the board has not met as a whole to discuss H.C.R. No. 45, H.D.1, or the proposed H.D.2, the proposed amendments appear to make non-substantive changes for clarity such as, (1) amending the titles of the proposed regulated areas to note "plumber" to clearly identify that these classifications fall under the plumbing trade and (2) including the appropriate codes (Uniform Plumbing Code, Uniform Mechanical Code, and the Uniform Solar Energy Code) to which all work and installations shall be held. It is not envisioned that the Board would oppose such amendments.

Thank you for the opportunity to offer comments on H.C.R. No. 45, H.D.1, and Proposed H.D.2.



Pauahi Tower, Suite 2010 1003 Bishop Street Honolulu, Hawaii 96813 Telephone (808) 525-5877

Alison Powers Executive Director

TESTIMONY OF ALISON POWERS

HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT Representative Kyle T. Yamashita, Chair Representative James Kunane Tokioka, Vice Chair

> Wednesday, April 11, 2012 9:35 a.m.

HCR 45, HD1, Proposed HD2

Chair Yamashita, Vice Chair Tokioka, and members of the Committee, my name is Alison Powers, Executive Director for Hawaii Insurers Council. Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately 40% of all property and casualty insurance premiums in the state.

Hawaii Insurers Council <u>supports</u> HCR 45, HD1, proposed HD2, which requests the Legislative Auditor to conduct a sunrise review of the regulation of plumber air conditioning and refrigeration pipefitters, plumber fire sprinkler pipefitters, and solar-thermal technicians.

HIC believes these technicians perform work that if not done properly could result in significant damage to persons and property. If the Auditor finds that licensure or certification increases and ensures the level of competency of those performing this type of work, it may result in greater safety and fewer losses.

Thank you for the opportunity to testify.

Testimony of Glenn Ida Representing, The Plumbers and Fitters Union, Local 675 1109 Bethel St., Lower Level Honolulu, Hi. 96813

Support HCR 45, HD1 with Amendments

Before the House: Committee on Legislative Management Wednesday, Apr. 11, 2012 9:30 AM, Conference Room 423

Aloha Chair Yamashita, Vice-Chair Tokioka and Members of the Committee,

My name is Glenn Ida; I represent the 1300 plus active members and about 600 retirees of the Plumbers and Fitters Union, Local 675.

The Plumbers Union Local 675 supports HCR No. 45, HD1 entitled, Requesting the Auditor to Conduct a Sunrise Review of the Regulation of Air Conditioning Pipefitters, Fire Sprinkler Technicians, and Solar Technicians.

The occupational fields listed in HCR 45, HD1 represent trades that are in great demand with minimal regulatory oversight. As these industries continue to expand, we need to ensure that our consumers of Hawai`i are provided with quality workmanship from trained, qualified, and competent trades persons to protect the health and safety of the public.

I was advised that references to the series of manuals listed by year they were published might cause problems later. I am offering the following amendments to HCR 45, HD1.

In the 2nd to the last whereas, remove the years from the text and add in this paragraph " but not limited to", to afford more flexibility should the State requirements call for more references than listed here.

The Whereas should now read as follows: Whereas, the scope of work and specific qualifications for a plumber air conditioning and refrigeration pipefitter, plumber fire sprinkler pipefitter, and solar-thermal technician are detailed in the current manuals but not limited to the following: the Uniform Plumbing Code; the Uniform Mechanical Code; and the Uniform solar Energy Code, as published by the International Plumbers and Mechanical Officials (IAPMO) (See attachment)

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Local 675 supports HCR 45, HD1 with amendments.

Thank you for this opportunity to testify.

Glenn Ida,

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H.C.R. NO. H.D. 2

HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF PLUMBER AIR CONDITIONING AND REFRIGERATION PIPEFITTERS, PLUMBER FIRE SPRINKLER PIPEFITTERS, AND PLUMBER SOLAR-THERMAL TECHNICIANS.

1 WHEREAS, the Legislature finds that plumber air 2 conditioning and refrigeration pipefitters, plumber fire 3 sprinkler pipefitters, and plumber solar-thermal technicians are 4 currently not required to have any type of certification or 5 license to practice these occupations; and

WHEREAS, the rise in demand for more efficient energy
systems has resulted in the increasing popularity of and need
for the occupations of plumber air conditioning and
refrigeration pipefitters, plumber fire sprinkler pipefitters,
and plumber solar-thermal technicians; and

WHEREAS, the Legislature finds that the average person lacks the necessary knowledge or experience to determine whether the work of a plumber air conditioning and refrigeration pipefitter, plumber fire sprinkler pipefitter, or plumber solarthermal technician is competent and safe; and 18

19 WHEREAS, to prevent unscrupulous and unqualified persons 20 acting as plumber air conditioning and refrigeration 21 pipefitters, plumber fire sprinkler pipefitters, and plumber 22 solar-thermal technicians from taking undue advantage of 23 customers; and

25 WHEREAS, the scope of work and specific qualifications for
26 a plumber air condition and refrigeration pipefitter, plumber
27 fire sprinkler pipefitter, and plumber solar-thermal technician
28 are detailed in the current manuals but not limited to the
29 following: the Uniform Plumbing Code; the Uniform Mechanical



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H.C.R. NO. ⁴⁵ H.D. 1

Code; and the Uniform Solar Energy Code, as published by the 1 2 International Plumbing and Mechanical Officials (IAPMO); and 3 4 WHEREAS, the Legislature finds that the regulation of 5 plumber air conditioning and refrigeration pipefitters, plumber fire sprinkler pipefitters, and solar-thermal technicians is 6 7 necessary to ensure the safety and well-being of the citizens of 8 this State; now, therefore, 9 10 BE IT RESOLVED by the House of Representatives of the Twenty-sixth Legislature of the State of Hawaii, Regular Session 11 of 2012, the Senate concurring, that the Auditor is requested to 12 conduct a sunrise review of the regulation of plumber air 13 conditioning and refrigeration pipefitters, plumber fire 14 15 sprinkler pipefitters, and solar-thermal technicians including an assessment of alternative forms of regulation, pursuant to 16 17 section 26H-6, Hawaii Revised Statutes; and 18 19 BE IT FURTHER RESOLVED that the Auditor is requested to submit findings, recommendations, and any proposed legislation 20 to the Legislature no later than twenty days prior to the 21 convening of the Regular Session of 2013; and 22 23 24

24 BE IT FURTHER RESOLVED that certified copies of this 25 Concurrent Resolution be transmitted to the Auditor and the 26 Director of Commerce and Consumer Affairs.





Sheet Metal Workers' International Association

STE. 401 • 1405 N. KING STREET • HONOLULU, HAWAII 96817 PHONE (808) 841-5078

April 10, 2012

- TO: CHAIR KYLE YAMASHITA, VICE CHAIR JAMES TOKIOKA AND MEMBERS OF THE COMMITTEE ON LEGISLATIVE MANAGEMENT
- SUBJECT: STRONG OPPOSITION TO H.C.R. 45. Requesting the auditor to conduct a sunrise review of the regulation of plumber air conditioning and refrigeration pipe fitters, plumber fire sprinkler pipe fitters, and plumber solar-thermal technicians.

<u>HEARING</u>

Date: Wednesday, April 11th 2012 Time: 9:35 a.m. Place: Conference Room 423

Dear Chair Yamashita, Vice Chair Tokioka and Committee members,

My name is Renate Kawakami, Government Affairs/Lobbyist for the Sheet Metal Union Local 293 on behalf of Mr. Art Tolentino, Business Manager Financial Secretary-Treasurer thank you for the opportunity to submit comments on H.C.R. 45.

Sheet Metal Union Local 293 strongly opposes H.C.R. 45, requesting the auditor to conduct a sunrise review of the regulation of plumber air conditioning and refrigeration pipe fitters, plumber fire sprinkler pipe fitters, and plumber solar-thermal technicians.

Thank you for the opportunity to testify.

1065 Ahua Street Honolulu, HI 96819 Phone: 808-833-1681 FAX: 839-4167 Email: <u>info@gcahawaii.org</u> Website: <u>www.gcahawaii.org</u>



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Uploaded via Capitol Website

April 11, 2012

TO: HONORABLE REPRESENTATIVES KYLE YAMASHITA, CHAIR, JAMES TOKIOKA, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LEGISLATIVE MANAGEMENT

SUBJECT: OPPOSITION TO HOUSE CONCURRENT RESOLUTION 45, HD1, PROPOSED HD2, REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF PLUMBER AIR CONDITIONING AND REFRIGERATION PIPEFITTERS, PLUMBER FIRE SPRINKLER PIPEFITTERS, AND PLUMBER SOLAR-THERMAL TECHNICIANS.

HEARING

DATE:Wednesday, April 11, 2012TIME:9:35 a.m.PLACE:Conference Room 423

Dear ChairYamashita, Vice Chair Tokioka and Members of the Committee:

The General Contractors Association (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80th anniversary; GCA remains the largest construction association in the State of Hawaii and the voice in all matters related to the construction industry. GCA is submitting testimony <u>in</u> <u>opposition</u> to House Concurrent Resolution 45 (HCR 45), HD1, Proposed HD2 which is requesting that the Auditor conduct a sunrise review of the regulation of plumber air conditioning and refrigeration pipefitters, plumber fire sprinkler pipefitter, and plumber solar-thermal technicians, because it is unnecessary.

Earlier this session H.B. 2748 was properly deferred by the House Committee on Consumer Protection and Commerce (CPC), as it proposed to amend Section 448E-5 of the Hawaii Revised Statutes (HRS) by proposing to regulate the work of air conditioning pipefitters, fire sprinkler technicians and solar technicians by requiring that they be licensed by the Board of Electricians and Plumbers. At the CPC hearing, the testimony of the Contractors License Board (CLB) "questioned the need for these provisions, as we (CLB) are not aware of any reason these particular areas should be singled out for legislation, nor have we heard of any problems regarding these issues." GCA is in <u>opposition</u> to the Proposed HD2 for the very reasons articulated by the CLB; the regulation of such work is unnecessary. Therefore, the sunrise review requested under this House Concurrent Resolution is also unnecessary.

This concurrent resolution purports to address the lack of licensing for those in the plumber air conditioning and refrigeration, plumber fire sprinkler pipefitters and solar-thermal businesses. However, an audit to address licensing of this scope of work is unnecessary because individuals have performed these jobs for many, many years and have been doing this work without any major complaints from the public.

Committee on Legislative Management April 11, 2012 Page 2 of 2

Some of the work proposed to be regulated under this concurrent resolution is currently being performed by workers who are not licensed as electrician or plumbers and work for specialty contractors, not classified as plumbing or electrical contractors. These workers do not pose a danger to public safety. Pursuant to Section 26H-2, Hawaii Revised Statutes, the legislature adopted a policy and determined that the regulation and licensing of professions and vocations are necessary "*only* where reasonably necessary to protect the health, safety, or welfare of consumers of the services; the purpose of regulation shall be the protection of public welfare and not that of the regulated profession or vocation . . ." *Emphasis added*.

Therefore, GCA believes that because these workers in these classifications perform work that do not pose major health and safety concerns, unlike electricians and plumbers regulated under Chapter 448, HRS, they do not have to be further regulated.

The GCA believes that this concurrent resolution is unnecessary and would result in over regulation of the construction trades and an increase in cost to the public for these types of services in subject industries.

The GCA is strongly opposed to the passage of HCR 45, HD1, Proposed HD2 and recommends that this measure be held.

Thank you for the opportunity to present our views on this bill.