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PRESENTATION OF
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE

TWENTY-SEVENTH STATE LEGISLATURE
REGULAR SESSION, 2013

MONDAY, FEBRUARY 25, 2013
2:30 P.M.

TESTIMONY ON HOUSE BILL NO. 1154
RELATING TO PROFESSIONS AND OCCUPATIONS

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND TO THE HONORABLE DEREK S.K. KAWAKAMI, VICE CHAIR,
AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on House Bill No. 1154, Relating To Professions and Occupations. My name is Daria Loy-Goto, Complaints and Enforcement Officer for the Department's Regulated Industries Complaints Office ("RICO").

House Bill No. 1154 amends chapter 448E, Hawaii Revised Statutes, by, among other things, creating new license categories for air conditioning and refrigeration plumbers and fire sprinkler plumbers, and establishing experience and

education requirements. This bill was introduced at the request of the Governor and reflects the Governor's commitment to encouraging the use of reclaimed water while ensuring that the State's consumers receive pristine potable water.

The Department strongly supports this bill, and has facilitated discussions between the Board of Electricians and Plumbers and plumbing stakeholders to fine-tune its contents. The proposed House Draft 1 is the product of those collaborative efforts and the Department strongly supports the House Draft 1.

Thank you for this opportunity to testify on House Bill No. 1154. I will be happy to answer any questions that the members of the Committee may have.

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Monday, February 25, 2013
2:30 p.m.

**TESTIMONY ON HOUSE BILL NO. 1154, RELATING TO PROFESSIONS AND
OCCUPATIONS.**

TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Peter Lee, and I am the Chair of the Contractors License Board's
Legislation Committee. Thank you for the opportunity to comment on House Bill
No. 1154, Relating to Professions and Occupations.

The Board is limiting its comments to Sections 1 and 2 of this bill, as these
sections amend Chapter 444, HRS, relating to contractors. We do not take a position
on the rest of the bill as it applies to Chapter 448E, HRS, which relates to the licensing
of electricians and plumbers.

Initially, the Board had concerns regarding the clarity and intent of the
amendments in Sections 1 and 2 of this bill; however, we understand that these issues
have been addressed in the proposed House Draft 1 provided by the Board of
Electricians and Plumbers. Therefore, we support the amendments to section 444-9.5,
HRS, as stated in Section 1 of the proposed House Draft 1.

Thank you for the opportunity to comment on House Bill No. 1154.

**PRESENTATION OF THE
BOARD OF ELECTRICIANS
AND PLUMBERS**

TO THE HOUSE COMMITTEE ON CONSUMER
PROTECTION AND COMMERCE

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Monday, February 25, 2013
2:30 p.m.

**TESTIMONY ON HOUSE BILL NO. 1154, RELATING TO PROFESSIONS AND
OCCUPATIONS.**

TO THE HONORABLE ANGUS L. K. MCKELVEY, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Matt Brady, Co-Chairperson of the Legislative Committee of the Board of Electricians and Plumbers ("Board"). Thank you for the opportunity to testify on House Bill No. 1154, Relating to Professions and Occupations.

The Board supports the intent of this bill which proposes to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. With the allowance in the Uniformed Plumbing Code (2012) of reclaimed water in our residential and commercial buildings, the Board agrees that licensed tradesmen are needed to perform air conditioning and refrigeration or fire sprinkler work to prevent cross contamination and to insure consumer protection.

The Board has been diligently working with industry proponents since the introduction of this bill and is pleased to report that we have found consensus on all fronts.

The attached proposed House Draft 1 will provide ample time to (1) notify affected contractors who perform air conditioning and refrigeration or fire sprinkler work

that their installers now need to be licensed; (2) set in place the licensing scheme; (3) develop licensure examinations; and (4) effectuate a smooth transition to the triennial renewal cycle. The Board intends to work closely with the community colleges and the testing contractor to have the continuing competency courses and examinations for these new license types available soon after the June 30, 2018 renewal, thereby giving journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers sufficient time to meet the continuing competency requirements by the proposed June 30, 2021 renewal date.

Therefore, the Board appreciates the opportunity to present testimony in support of the intent of House Bill No. 1154 and requests that the Committee accept the proposed House Draft 1 as it is consensus language which the Board and the industry proponents support.

A BILL FOR AN ACT

RELATING TO PROFESSIONS AND OCCUPATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 444-9.5, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§444-9.5 Licensing of electrical or plumbing workers.**

4 (a) At least half of all individuals performing electrical or
5 plumbing work employed on a construction job site by ~~an~~
6 ~~electrical or plumbing~~ a contractor shall be licensed in
7 accordance with chapter 448E. The board may waive this
8 requirement in any county when there are insufficient licensed
9 ~~[electrical or plumbing workers]~~ electricians or plumbers in
10 that county to comply with this section.

11 (b) All individuals employed on a construction job site by
12 ~~[an electrical or plumbing]~~ a contractor who are licensed in
13 accordance with chapter 448E shall visibly display their license
14 on their person while on the construction job site. Only
15 individuals displaying their license at the time of a site
16 inspection shall be counted as a licensee to determine
17 compliance with this section."

1 SECTION 2. Section 448E-1, Hawaii Revised Statutes, is
2 amended by amending the definitions of journey worker plumber
3 and master plumber and by adding two new definitions to be
4 appropriately inserted and to read as follows:

5 "Journey worker plumber" means any person who has been
6 licensed by the board as a journey worker plumber to direct [~~and~~
7 ~~supervise the performance of plumbing work and to~~], supervise,
8 and perform plumbing work[-], which includes but is not limited
9 to all pipefitting."

10 "Master plumber" means any person who has been licensed by
11 the board as a master plumber to direct [~~and supervise the~~
12 ~~performance of plumbing work and to~~], supervise, and perform
13 plumbing work[-], which includes but is not limited to all
14 pipefitting."

15 "Journey worker air conditioning and refrigeration plumber"
16 means any person licensed by the board as a journey worker air
17 conditioning and refrigeration plumber to direct, supervise, and
18 perform air conditioning and refrigeration work, including but
19 not limited to all pipefitting, to install, maintain, repair,
20 and modify heating, cooling, and refrigeration systems."

21 "Journey worker fire sprinkler plumber" means any person
22 licensed by the board as a journey worker fire sprinkler plumber

1 to direct, supervise, and perform fire sprinkler work, including
2 but not limited to all pipefitting, to install, maintain,
3 repair, and modify fire sprinkler systems."

4 SECTION 3. Section 448E-4, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§448E-4 Powers and duties of board.** In addition to any
7 other powers and duties authorized by law, the board shall have
8 all the powers and duties necessary or convenient to carry out
9 and effectuate this chapter, including but not limited to the
10 following powers and duties:

11 (1) To grant licenses [~~which~~] that shall be renewable for:

12 (A) Journey worker electricians;

13 (B) Journey worker specialty electricians;

14 (C) Supervising electricians;

15 (D) Supervising specialty electricians;

16 (E) Master plumbers;

17 (F) Journey worker plumbers;

18 (G) Maintenance electricians;

19 (H) Journey worker industrial electricians; [~~and~~]

20 (I) Supervising industrial electricians;

21 (J) Journey worker air conditioning and refrigeration
22 plumbers;

- 1 (K) Journey worker fire sprinkler plumbers;
- 2 (2) To adopt, amend, or repeal rules in accordance with
- 3 chapter 91 as it may deem proper to effectuate this
- 4 chapter and to [~~insure~~] ensure the safety and welfare
- 5 of the general public; provided that the rules may
- 6 forbid acts or practices deemed by the board to be
- 7 detrimental to the accomplishment of the purpose of
- 8 this chapter;
- 9 (3) To enforce this chapter and rules adopted pursuant to
- 10 this chapter and chapter 91, including the denial,
- 11 suspension, or revocation of any license; and
- 12 (4) To examine all applicants and licensees to determine
- 13 their qualifications prior to the issuance or renewal
- 14 of licenses."

15 SECTION 4. Section 448E-5, Hawaii Revised Statutes, is

16 amended to read as follows:

17 "**§448E-5 Minimum requirements.** (a) Except as otherwise

18 provided in subsection (b), an applicant shall possess the

19 following minimum qualifications:

- 20 (1) Journey worker electrician: To be eligible for the
- 21 journey worker electrician examination, an applicant
- 22 shall be at least eighteen years of age and shall

1 provide satisfactory evidence of experience in
2 residential or commercial wiring of at least five
3 years of full-time or its equivalent, but not less
4 than ten thousand hours, in the trade under the
5 supervision of a journey worker electrician or
6 supervising electrician;

- 7 (2) Journey worker specialty electrician: To be eligible
8 for the journey worker specialty electrician
9 examination, an applicant shall be at least eighteen
10 years of age and shall provide satisfactory evidence
11 of at least five [~~years~~] years of full-time or its
12 equivalent, but not less than ten thousand hours, in
13 the trade under the supervision of a journey worker
14 specialty electrician, supervising specialty
15 electrician, journey worker industrial electrician,
16 supervising industrial electrician, journey worker
17 electrician, or supervising electrician ~~experience in~~
18 ~~the trade;~~

- 19 (3) Supervising electrician: To be eligible for the
20 supervising electrician examination, an applicant
21 shall have been registered with the board as a journey

1 worker electrician for at least a period of four years
2 or shall have equivalent experience in the trade;

3 (4) Supervising specialty electrician: To be eligible for
4 the supervising specialty electrician examination, an
5 applicant shall have been registered with the board as
6 a journey worker specialty electrician for at least a
7 period of four years or shall have equivalent
8 experience in the trade;

9 (5) Journey worker plumber: To be eligible for the
10 journey worker plumber examination, an applicant shall
11 provide satisfactory evidence of experience of at
12 least five [~~years~~] years of full-time or its
13 equivalent, but not less than ten thousand hours, [~~as~~]
14 in the trade under the supervision of a journey
15 [~~worker's~~] worker plumber or master [~~plumber's~~
16 ~~helper;~~] plumber;

17 (6) Master plumber: To be eligible for the master plumber
18 examination, an applicant shall have been registered
19 with the board as a journey worker plumber for at
20 least two years or shall have equivalent experience in
21 the trade;

- 1 (7) Maintenance electrician: To be eligible for the
2 maintenance electrician examination, an applicant
3 shall be not less than eighteen years of age and shall
4 provide satisfactory evidence of at least one year of
5 experience in performing electrical maintenance work
6 or two years of schooling in the electrical trade;
- 7 (8) Journey worker industrial electrician: To be eligible
8 for the journey worker industrial electrician
9 examination, an applicant shall be at least eighteen
10 years of age and shall provide satisfactory evidence
11 of experience in industrial electrical work of at
12 least five years of full-time or its equivalent, but
13 not less than ten thousand hours in the trade under
14 the supervision of a journey worker industrial
15 electrician, supervising industrial electrician,
16 journey worker electrician, or supervising
17 electrician;
- 18 (9) Supervising industrial electrician: To be eligible
19 for the supervising industrial electrician
20 examination, an applicant shall have been registered
21 with the board as a journey worker industrial

1 electrician for a period of at least four years or
2 shall have equivalent experience in the trade.

3 (b) Effective July 1, 2013, an applicant for licensing
4 pursuant to this chapter shall possess the following minimum
5 qualifications:

6 (1) Journey worker electrician: To be eligible for the
7 journey worker electrician examination, an applicant
8 shall be at least eighteen years of age and shall
9 provide satisfactory evidence of:

10 (A) Experience in residential or commercial wiring of
11 at least five years of full-time or its
12 equivalent, but not less than ten thousand hours,
13 in the trade under the supervision of a journey
14 worker electrician or supervising electrician;
15 and

16 (B) Satisfactory completion, accepted by a University
17 of Hawaii community college offering an
18 appropriate program of study, of two hundred
19 forty hours of electrical academic coursework;

20 (2) Journey worker specialty electrician: To be eligible
21 for the journey worker specialty electrician
22 examination, an applicant shall be at least eighteen

1 years of age and shall provide satisfactory evidence
2 of:

3 (A) Experience of at least three years of full-time
4 or its equivalent, but not less than six thousand
5 hours, in the trade under the supervision of a
6 journey worker electrician, supervising
7 electrician, journey worker specialty
8 electrician, supervising specialty electrician,
9 journey worker industrial electrician, or
10 supervising industrial electrician; and

11 (B) Satisfactory completion, accepted by a University
12 of Hawaii community college offering an
13 appropriate program of study, of one hundred
14 twenty hours of electrical academic coursework;

15 (3) Supervising electrician: To be eligible for the
16 supervising electrician examination, an applicant
17 shall have been registered with the board as a journey
18 worker electrician for at least a period of four years
19 or shall have equivalent experience in the trade;

20 (4) Supervising specialty electrician: To be eligible for
21 the supervising specialty electrician examination, an
22 applicant shall have been registered with the board as

1 a journey worker specialty electrician for at least a
2 period of two years or shall have equivalent
3 experience in the trade;

4 (5) Journey worker plumber: To be eligible for the
5 journey worker plumber examination, an applicant shall
6 be at least eighteen years of age and shall provide
7 satisfactory evidence of experience of at least five
8 [years] years of full-time or its equivalent, but not
9 less than ten thousand hours, [as] in the trade under
10 the supervision of a journey [worker's] worker plumber
11 or master [plumber's helper] plumber;

12 (6) Master plumber: To be eligible for the master plumber
13 examination, an applicant shall have been registered
14 with the board as a journey worker plumber for at
15 least two years or shall have equivalent experience in
16 the trade;

17 (7) Maintenance electrician: To be eligible for the
18 maintenance electrician examination, an applicant
19 shall be not less than eighteen years of age and shall
20 provide satisfactory evidence of:

21 (A) At least one year of experience in performing
22 electrical maintenance work plus satisfactory

1 completion, accepted by a University of Hawaii
2 community college offering an appropriate program
3 of study, of at least eighty hours of electrical
4 academic coursework; or

5 (B) Two years of schooling in the electrical trade
6 with not less than one thousand hours of hands-on
7 lab exercises;

8 (8) Journey worker industrial electrician: To be eligible
9 for the journey worker industrial electrician
10 examination, an applicant shall be at least eighteen
11 years of age and shall provide satisfactory evidence
12 of:

13 (A) Experience in industrial electrical work of at
14 least four years of full-time or its equivalent,
15 but not less than eight thousand hours in the
16 trade under the supervision of a journey worker
17 electrician, supervising electrician, journey
18 worker industrial electrician, or supervising
19 industrial electrician; and

20 (B) Satisfactory completion, as accepted by a
21 University of Hawaii community college offering

1 an appropriate program of study, of two hundred
2 hours of electrical academic coursework; and

3 (9) Supervising industrial electrician: To be eligible
4 for the supervising industrial electrician
5 examination, an applicant shall have been registered
6 with the board as a journey worker industrial
7 electrician for a period of at least three years or
8 shall have equivalent experience in the trade.

9 (c) Effective July 1, 2016, an applicant for licensing
10 pursuant to this chapter shall possess the following minimum
11 qualifications:

12 (1) Journey worker plumber: To be eligible for the
13 journey worker plumber examination, an applicant shall
14 be at least eighteen years of age and:

15 (A) If the applicant is not licensed as a journey
16 worker air conditioning and refrigeration plumber
17 or journey worker fire sprinkler plumber, the
18 applicant shall provide satisfactory evidence of
19 experience of at least five years of full-time or
20 its equivalent, but not less than ten thousand
21 hours, in the trade under the supervision of a
22 journey worker plumber or master plumber; or

1 (B) If the applicant is licensed as a journey worker
2 air conditioning and refrigeration plumber or
3 journey worker fire sprinkler plumber, the
4 applicant shall provide satisfactory evidence of
5 experience of at least three years of full-time
6 or its equivalent, but not less than six thousand
7 hours, in the trade under the supervision of a
8 journey worker plumber or master plumber;

9 (2) Journey worker air conditioning and refrigeration
10 plumber: To be eligible for the journey worker air
11 conditioning and refrigeration plumber examination, an
12 applicant shall be not less than eighteen years of age
13 and:

14 (A) If the applicant is not licensed as a journey
15 worker plumber, master plumber, or journey worker
16 fire sprinkler plumber, the applicant shall
17 provide satisfactory evidence of experience of at
18 least five years of full-time or its equivalent,
19 but not less than ten thousand hours, in the
20 trade under the supervision of a journey worker
21 air conditioning and refrigeration plumber;
22 provided that:

1 (i) For six years, beginning July 1, 2015, a
2 licensed ventilating and air conditioning
3 contractor or refrigeration contractor,
4 shall be deemed qualified to verify an
5 applicant's experience; and

6 (ii) Thereafter, only a licensed journey worker
7 air conditioning and refrigeration plumber
8 shall be deemed qualified to verify an
9 applicant's experience; or

10 (B) If the applicant is licensed as a journey worker
11 plumber, master plumber, or journey worker fire
12 sprinkler plumber, the applicant shall provide
13 satisfactory evidence of experience of at least
14 two years of full-time or its equivalent, but not
15 less than four thousand hours in the trade under
16 the supervision of a journey worker air
17 conditioning and refrigeration plumber,
18 performing air conditioning and refrigeration
19 work; provided that:

20 (i) For six years, beginning July 1, 2015, a
21 licensed ventilating and air conditioning
22 contractor or refrigeration contractor shall

1 be deemed qualified to verify an applicant's
2 experience; and

3 (ii) Thereafter, only a licensed journey worker
4 air conditioning and refrigeration plumber
5 shall be deemed qualified to verify an
6 applicant's experience;

7 (3) Journey worker fire sprinkler plumber: To be eligible
8 for the journey worker fire sprinkler plumber
9 examination, an applicant shall be not less than
10 eighteen years of age and:

11 (A) If the applicant is not licensed as a journey
12 worker plumber, master plumber, or journey worker
13 air conditioning and refrigeration plumber, the
14 applicant shall provide satisfactory evidence of
15 experience of at least five years of full-time or
16 its equivalent, but not less than ten thousand
17 hours, in the trade under the supervision of a
18 journey worker fire sprinkler plumber; provided
19 that:

20 (i) For six years, beginning July 1, 2015, a
21 licensed fire protection contractor shall

1 be deemed qualified to verify an
2 applicant's experience; and
3 (ii) Thereafter, only a licensed journey worker
4 fire sprinkler plumber shall be deemed
5 qualified to verify an applicant's
6 experience; or
7 (B) If the applicant is licensed as a journey worker
8 plumber, master plumber, or journey worker air
9 conditioning and refrigeration plumber, the
10 applicant shall provide evidence of experience of
11 not less than two years of full-time or its
12 equivalent, but not less than four thousand hours
13 in the trade under the supervision of a journey
14 worker fire sprinkler plumber performing fire
15 sprinkler work; provided that:
16 (i) For six years, beginning July 1, 2015, a
17 licensed fire protection contractor shall be
18 deemed qualified to verify an applicant's
19 experience; and
20 (ii) Thereafter, only a licensed journey worker
21 fire sprinkler plumber shall be deemed

1 qualified to verify an applicant's
2 experience."

3 SECTION 5. Section 448E-8, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§448E-8 Fees; renewals.** (a) Renewal fees shall be paid
6 to the board before July 1.

7 (b) Plumbers shall renew the license every three years
8 effective June 30, 2006 and shall pay all required fees. Prior
9 to the June 30, 2009 renewal of the license, and prior to every
10 license renewal thereafter, the applicant shall:

11 (1) Pay all required fees; and

12 (2) Meet the requirements prescribed in section 448E-8.5.

13 (c) Electricians shall renew the license every three years
14 effective with the July 1, 1996, renewal; provided that prior to
15 the renewal of the license the applicant shall:

16 (1) Pay all required fees; and

17 (2) Meet the requirements prescribed in section 448E-8.5.

18 (d) Journey worker air conditioning and refrigeration
19 plumbers and journey worker fire sprinkler plumbers shall renew
20 their license every three years effective June 30, 2018 and
21 shall pay all required fees. Prior to the June 30, 2021 renewal

1 of the license, and prior to every license renewal thereafter,
2 the applicant shall:

3 (1) Pay all required fees; and

4 (2) Meet the requirements prescribed in section 448E-8.5.

5 [~~(d)~~] (e) Failure, neglect, or refusal of any licensee to
6 pay the renewal fee or meet the requirements of section 448E-8.5
7 before the renewal date shall constitute a forfeiture of the
8 license. Any license so forfeited may be restored upon written
9 application within one year from the date of forfeiture, upon
10 payment of the required renewal fee plus penalty fees and upon
11 meeting the requirements in section 448E-8.5."

12 SECTION 6. Section 448E-8.5, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§448E-8.5 Continued competency; license renewals.** (a)

15 Prior to each license renewal, all licensed electricians except
16 maintenance electricians shall:

17 (1) Furnish the board with proof of attendance at an
18 educational course related to current updates of the
19 National Electrical Code conducted or approved by the
20 community colleges; or

21 (2) Successfully complete an examination prescribed by the
22 board on current updates to the National Electrical

1 Code. The board shall contract with a professional
2 testing agency to prepare, administer, and grade the
3 examination. Fees related to the examination shall be
4 paid by the licensee directly to the professional
5 testing agency.

6 (b) Prior to each license renewal, all licensed plumbers
7 shall:

8 (1) Furnish the board with proof of attendance at an
9 educational course related to current updates of the
10 [~~Uniform Plumbing Code,~~] following codes conducted or
11 approved by the community colleges:

12 (A) Uniform Plumbing Code for journey worker plumbers
13 and master plumbers;

14 (B) Uniform Mechanical Code for journey worker air
15 conditioning and refrigeration plumbers; or

16 (C) Applicable codes published by the National Fire
17 Prevention Association for journey worker fire
18 sprinkler plumbers as prescribed in the rules of
19 the board; or

20 (2) Successfully complete an examination prescribed by the
21 board on current updates to the [~~Uniform Plumbing~~
22 ~~Code,~~] the following codes:

- 1 (A) Uniform Plumbing Code for journey worker plumbers
2 and master plumbers;
- 3 (B) Uniform Mechanical Code for journey worker air
4 conditioning and refrigeration plumbers; or
- 5 (C) Applicable codes published by the National Fire
6 Prevention Association for journey worker fire
7 sprinkler plumbers as prescribed in the rules of
8 the board.

9 The board shall contract with a professional testing
10 agency to prepare, administer, and grade the
11 examination. A licensee shall pay all fees related to
12 the examination directly to the professional testing
13 agency.

14 (c) A licensee who has been issued a new license within
15 one year of the renewal date shall not be required to take the
16 course or the examination to renew the licensee's license."

17 SECTION 7. Section 448E-9, Hawaii Revised Statutes, is
18 amended by amending subsection (a) to read as follows:

19 "(a) No person shall act or assume to act as a journey
20 worker electrician, journey worker specialty electrician,
21 supervising electrician, supervising specialty electrician,
22 journey worker plumber, master plumber, maintenance electrician,

1 journey worker industrial electrician, [e~~r~~] supervising
2 industrial electrician, journey worker air conditioning and
3 refrigeration plumber, journey worker fire sprinkler plumber, or
4 advertise or hold the person's self out as an electrician or
5 plumber, without a license previously obtained in compliance
6 with this chapter and the rules of the board; provided that any
7 person may perform emergency plumbing repair work in the
8 person's principal place of residence when such repairs do not
9 involve or require rearrangement of valves, pipes, or fixtures;
10 provided further that no such emergency repairs may be performed
11 on sewer lines, drains, gas lines, and on fixtures being served
12 with backflow devices which include heaters, water closets,
13 dishwashers, and garbage disposal units.

14 For purposes of this subsection:

15 "Electrician" means any person who performs electrical work
16 and includes but is not limited to any person who acts as a
17 journey worker electrician, journey worker specialty
18 electrician, supervising electrician, supervising specialty
19 electrician, maintenance electrician, journey worker industrial
20 electrician, or supervising industrial electrician.

21 "Plumber" means any person who performs plumbing work and
22 includes but is not limited to any person who acts as a journey

1 worker plumber~~[øæ]~~, master plumber, journey worker air
2 conditioning and refrigeration plumber, or journey worker fire
3 sprinkler plumber."

4 SECTION 8. Section 448E-11, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§448E-11 Injunction.** The board may, in addition to any
7 other remedy available, apply to a circuit court judge for a
8 temporary restraining order or preliminary or permanent
9 injunction restraining any person from acting, or assuming to
10 act, as a journey worker electrician, journey worker specialty
11 electrician, supervising electrician, supervising specialty
12 electrician, maintenance electrician, journey worker industrial
13 electrician, supervising industrial electrician, journey worker
14 plumber, ~~[øæ]~~ master plumber, journey worker air conditioning
15 and refrigeration plumber, or journey worker fire sprinkler
16 plumber without a license previously obtained in compliance with
17 this chapter and the rules of the board, and upon hearing and
18 for cause shown, the judge may grant the temporary restraining
19 order or preliminary or permanent injunction."

20 SECTION 9. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.

1 SECTION 10. This Act shall take effect upon its approval.

2

INTRODUCED BY: _____

H.B. NO. 1154

Proposed HD 1

Report Title:

Electricians and Plumbers; Journey Worker Air Conditioning and Refrigeration Plumbers; Journey Worker Fire Sprinkler Plumbers; Master Plumbers

Description:

Authorizes the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Effective 7/1/2016.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

TESTIMONY OF ALISON POWERS

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Representative Angus L.K. McKelvey, Chair
Representative Derek S.K. Kawakami, Vice Chair

Monday, February 25, 2013
2:30 p.m.

HB 1154

Chair McKelvey, Vice Chair Kawakami, and members of the Committee, my name is Alison Powers, Executive Director of the 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.

The Hawaii Insurers Council **supports** the intent of HB 1154.

HB 1154 would, among other measures, empower the Board of Electricians and Plumbers to grant licenses to, and to regulate, plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. HB 1154 would also specify the qualifications for plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters, including minimum experience levels under the direct supervision of those with proven qualifications. Additionally, effective June 30, 2018, HB 1154 would require proof of attendance at continuing education courses and completion of an examination prior to each license renewal.

In short, HB 1154 establishes criteria and procedures that seek to ensure that only the most qualified, competent and informed individuals will be authorized to perform the work of plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters.

HB 1154 is consistent with the Legislature's intent in the Uniform Professional and Vocational Licensing Act, Chapter 436B of the Hawaii Revised Statutes: the protection of "the health, safety, and welfare of consumers of services provided by a profession or vocation regulated by the licensing authority."

Therefore, the Hawaii Insurers Counsel is in support of HB 1154. Thank you for the opportunity to testify.

Testimony of Glenn Ida

Representing,

The Plumbers and Fitters, Local 675

1109 Bethel Street, Lower Level

Honolulu, Hi. 96813

In Strong Support of HB1154

Before the House:

Committee on Consumer Protection and Commerce

Monday, Feb. 25, 2013

2:30 PM, Conference Room 325.

Aloha Chair McKelvey, Vice-Chair Kawakami and Committee Members,

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

Local 675, Strongly Supports HB1154, which authorizes the electricians and plumbers board to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. Redefines "the master plumber." Excludes certain work from the owner-builder licensing exemption. Increases the percentage of licensed individuals on a job necessary to perform certain work. Effective 07/01/15.

The State Building Codes Council is in the process of adopting the next set of codes. For the Plumbing industry, it means that the 2012 Uniform Plumbing Code will be adopted. With the trend leading to include more conservation measures the codes will encourage the use of reclaimed or gray water within dwellings and buildings.

In jurisdictions where the 2012 UPC is adopted they are already incorporating systems that collect, store, and in some cases treat water onsite from the showers, wash basins, washing machines and rain catchment to furnish water to flush toilets besides irrigation.

Installing these systems presents the potential for cross connection of potable with non-potable water sources which could present serious health and safety issues not only to this dwelling but to the community as well.

Currently Journey Worker Plumbers and Master Plumbers are required to be licensed to do plumbing and pipefitting work on potable water systems. This legislation will require that air-conditioning and refrigeration pipefitters and fire sprinkler pipefitters be licensed because they may be connecting pipe into the reclaimed non-potable waters systems within a structure.

Page 2: HB1154

Local 675 believes that by licensing these two classes of plumber/pipefitters that their skills and knowledge will ensure that public health and safety is maintained and renewal of their licenses every three years will keep them up to date in the future.

Since the Bill introduction we have been working with the Electricians and Plumbers Board to address the issues raised at the last Board meeting. The amendments do not change the intent of HB1154 but at the request of the Board the implementation and timetable has been adjusted to ensure that the all requirements of HB1154 can be met. Some language changes have been made for further clarification.

Therefore, Local 675 Strongly Supports HB1154 with Amendments.

Thank you for this opportunity to testify.

Mahalo,

Glenn Ida

LOCAL UNION



No. 293

Sheet Metal Workers' International Association

STE. 401 • 1405 N. KING STREET • HONOLULU, HAWAII 96817
PHONE: (808) 841-9078

February 25, 2013

TO: HONORABLE ANGUS MCKELVEY, CHAIR
HONORABLE DEREK KAWAKAMI, VICE CHAIR
AND MEMBERS OF THE HOUSE OF REPRESENTATIVE
COMMITTEE ON COMMERCE & CONSUMER PROTECTION

SUBJECT: **THIS IS AMENDED TESTIMONY TO CLARIFY OUR STRONG
OPPOSITION TO ~~S.B. 1301~~, RELATING TO PROFESSIONS AND
OCCUPATIONS.** HB 1154

HEARING

DATE: Monday, February 25 2013
TIME: 2:30 p.m.
PLACE: Conference Room 325

Dear Chair McKelvey and Vice Chair Kawakami and Committee members,

This amended testimony is being submitted to clarify our strong oppositions to H.B. 1154:

- 1) It is an attempt to use the laws of the State of Hawaii to require that work be performed by one trade over another. (9.5)
- 2) It sets forth a minimum crew size and requires supervision by one trade. (9.5(a))
- 3) It requires the State to monitor whether work is being performed by a trade by requiring evidence of licensure to be clearly displayed. (9.5 (b))
- 4) Expands jurisdiction of a trade to "include by not limited all pipefitting, to install, maintain, repair, and modify heating, cooling, and refrigeration systems." (Section 2)
- 5) Requires a license as a plumber to do work identified in 4) (Section 2 and 3)
- 6) Requirements for journeyman status and license is set forth and required for indenture under only plumber's trade.

In addition, to the extent that the Plumbers Union is advocating this position and any other trade member of the AFL-CIO can lay claim to the same work, it undercuts the longstanding Article XX procedure set forth in the Constitution of the AFL-CIO which

all Building Trades Unions are mandated to adhere by. This is the position the Sheetmetal Workers Union finds itself in.

SB1301/SB1301 SDI Though to some who opposed the SB1301 but found that SDI is acceptable, they are not reading the SDI carefully. SDI creates a requirement that half of all individuals on a construction job site doing what is "electrical and plumbing work" for a contractor be licensed. The present law requires that half of the work done by a electrical or plumbing contractor shall be licensed. It may not appear to be problematic on its face; however, the issue will be what is "electrical and plumbing work." If it is broadly defined, more than half of the work force will have to be licensed.

More importantly this section is under the jurisdiction of the Electrical and Plumbing Board and it will define by Rules what it deems to be necessary to effect this chapter. This chapter is 448E which sets forth this new requirement for air conditioning, refrigeration and sprinkler systems. In other words it can dictate what the "work" is which will require that at least half the workers doing the work must be licensed.

The best example of how this may be problematic is the air conditioning, refrigeration systems which has the work of other trades. With these requirements in law, the contractor may be required to hire more of one trade versus another when that was not the practice in the past.

Pipefitters Of note is that at pages 2 of the SDI, pipefitters have been added in. It requires the pipefitter to now be a licensed plumber. The fact that it is included can only be interpreted that it is not the requirement now that pipe fitters be licensed. In addition the general reference to the "systems" means if the Board defines all parts, like duct work or laying of pipe as part of the system, then this will be taking away work and avoiding a jurisdictional dispute resolution of the AFL-CIO.

Recommendation

The recommendation is to hold this bill. This is not a new issue. Marion Riga addressed this issue in 1994. The recommendation was it did not warrant the expansion of the license. In that there is clearly a jurisdictional dispute, permit the members of the AFL-CIO the time to avail themselves of their required dispute resolution

In addition, it is not good policy for laws to be used as a way to organize for one trade over another, of the expand jurisdiction.

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 22, 2013 3:35 PM
To: CPCtestimony
Cc: naiablu@yahoo.com
Subject: Submitted testimony for HB1154 on Feb 25, 2013 14:30PM

HB1154

Submitted on: 2/22/2013

Testimony for CPC on Feb 25, 2013 14:30PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Art Tolentino	Sheet Metal Union-Local 293	Oppose	Yes

Comments: Comments: On 02-01-12 The Contractors License Board testified: 1. Prohibiting owner-builders from performing work under these new classifications. The Contractors License Board questions the need for these provisions, as they are not aware of any reason these particular areas should be singled out for legislation. 2. We do not feel that these amendments to our statute are warranted. The General Contractors Assn. strongly recommends that this bill be held for the following reasons: 1. This measure proposes to regulate a trade that already is overregulated by the Contractors License board under chapter 444HRS and each existing specialty license. 2. The added regulations & requirements will not likely protect consumers because of additional monitoring, licensing & enforcement activity. Installation for such work is already regulated requiring a license outlined in chapter 444 to perform the installation of air-conditioning ventilation. The new proposed bill will attempt to regulate craft-union jurisdiction which has already been assigned by the Building Construction Trade Dept and Const. Trades Council AFL-CIO. It is neither the responsibility nor the authority of this legislation body to regulate or assign work on our local construction projects. The NBTD already has the plan for the settlement of jurisdiction dispute

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



Testimony of Cindy McMillan
The Pacific Resource Partnership

House Committee on Consumer Protection and Commerce
Representative Angus L.K. McKelvey, Chair
Representative Derek S.K. Kawakami, Vice Chair

HB 1154 – Relating to Professions and Occupations
Monday, February 25, 2013
2:30 pm
Conference Room 325

Aloha Chair McKelvey, Vice Chair Kawakami and Members of the Committee:

The Pacific Resource Partnership (PRP) is a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters.

PRP **strongly opposes** HB 1154, Proposed HD1, Relating to Professions and Occupations. This bill authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters; redefines "master plumber;" excludes certain work from the owner-builder licensing exemption; and increases the percentage of licensed individuals on a job necessary to perform certain work.

The proponents cite concerns about cross contamination with gray water as the impetus for this bill. However, the bill doesn't even mention gray water and is written so broadly that it will have negative unintended impacts on the other crafts. If the true intent is to prevent cross contamination, then the bill should be specific, addressing the point where connection is made to gray water and not the entire installation of an air conditioning or refrigeration system. Finally, if there is an issue with gray water, the proper place to address health and safety issues is in building and plumbing codes, not licensing laws.

If enacted, this bill would immediately impact existing workers and businesses with unwarranted additional regulation. This bill would require all companies currently licensed as Contractors to hire only licensed employees. This jeopardizes existing jobs and existing

February 25, 2013

Testimony Opposing HB 1154, Proposed HD1 – Relating to Professions and Occupations

Page 2

businesses by forcing new unnecessary regulation upon industries that are already sufficiently regulated.

Again, we strongly oppose HB 1154, Proposed HD 1, and respectfully ask that it be **held** in Committee. Thank you for the opportunity to share our views on this important initiative with you.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

"Building Better Communities"

2013 Officers

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Complete Construction Services Corp.

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BKA Builders, Inc.

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Marshall Hickox

Homeworks Construction, Inc.

Michael Watanabe

JW, Inc.

Ryan Engle

Bays Lung Rose & Holma

Scotty Anderson

Pacific Rim Partners

W. Bruce Barrett

Castle & Cooke Homes Hawaii, Inc.

Testimony to the House Committee on Consumer Protection and Commerce

Monday, February 25, 2013

2:30 p.m.

Hawaii State Capitol, Room 325

RE: H.B. 1154, Proposed HD1, Relating to Professions and Occupations

Dear Chair McKelvey, Vice-Chair Kawakami, and members of the Committee:

My name is Gladys Marrone, Director of Government Relations for the Building Industry Association of Hawaii (BIA-Hawaii), the voice of the construction industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, affiliated with the National Association of Home Builders.

BIA-Hawaii **strongly opposes** H.B. 1154, Proposed HD1, and respectfully requests the measure be **held**. The bill authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters; redefines "master plumber;" excludes certain work from the owner-builder licensing exemption; and increases the percentage of licensed individuals on a job necessary to perform certain work.

BIA-Hawaii is opposed for the following reasons:

- 1) Upon reviewing supporting testimony submitted on this measure, it is clear the intent of the proponents is to address the issue of health and safety regarding gray water. However, as written, this bill does not seem to address this issue as no mention of gray water is even included. Furthermore the proper place to address health and safety issues is in building and plumbing codes, not licensing laws.
- 2) This measure inserts "pipefitting" in the new respective definitions under Section 2, which amends Section 448E-1, Hawaii Revised Statutes. However, no definition of pipefitting is provided in this measure and different crafts have different interpretations. If the true intent is to prevent cross contamination, then the bill should be specific, addressing the point where connection is made to gray water, and not the entire installation of an air conditioning or refrigeration system.
- 3) Section 2 of the bill expands the licensing requirements under Section 448E to many other trades including: boiler hot-water heating and steam fitting contractor, fire protection contractor, refrigeration contractor and ventilation and air conditioning contractor. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses by forcing new unnecessary regulation upon industries that are already sufficiently regulated. H.B. 1154 will also increase the cost of construction.

BIA-Hawaii **strongly opposes** H.B. 1154, Proposed HD1, and respectfully request that it be **held**. Thank you for the opportunity to share with your our views.



P.O. Box 757
Kailua, HI 96734
Ph. (808) 263-4900
Fax (808) 263-5966
www.ccs-hawaii.com

February 24, 2013

Testimony to the House Committee on Consumer Protection and Commerce
Monday, February 25, 2013
2:30 p.m.
Hawaii State Capitol, Room 325

RE: H.B. 1154, Proposed HD1, Relating to Professions and Occupations

Dear Chair McKelvey, Vice-Chair Kawakami, and members of the Committee:

I am Greg Thielen, President and RME of Complete Construction Services. I am a Small Business Owner and have over 20 years experience in the Construction Industry. I am also the 2013 President of BIA Hawaii.

I **strongly oppose** H.B. 1154, Proposed HD1, as written. The bill authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. Redefines "master plumber." Excludes certain work from the owner-builder licensing exemption. Increases the percentage of licensed individuals on a job necessary to perform certain work.

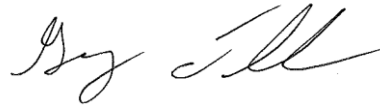
I am opposed for the following reasons:

- 1) Upon reviewing supporting testimony submitted on this measure, it is clear the intent of the proponents is to address the issue of health and safety regarding gray water. However, as written, this bill does not seem to address this issue as no mention of gray water is even included. Furthermore the proper place to address health and safety issues is in building and plumbing codes, not licensing laws.
- 2) This measure inserts "pipefitting" in the new respective definitions under Section 2, which amends Section 448E-1, Hawaii Revised Statutes. However, no definition of pipefitting is provided in this measure and different crafts have different interpretations. If the true intent is to prevent cross contamination, then the bill should be specific, addressing the point where connection is made to gray water, and not the entire installation of an air conditioning or refrigeration system.

- 3) Section 2 of the bill expands the licensing requirements under Section 448E to many other trades including; boiler hot-water heating and steam fitting contractor, fire protection contractor, refrigeration contractor and ventilation and air conditioning contractor. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses by forcing new unnecessary regulation upon industries that are already sufficiently regulated.

I **strongly oppose** HB1154, Proposed HD1, and respectfully request that it be **held**. Thank you for the opportunity to share with you my views.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Thielen". The signature is fluid and cursive, with a large initial "G" and "T".

Greg Thielen
President/RME

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



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

February 25, 2013

TO: HONORABLE ANGUS MCKELVEY, CHAIR, HONORABLE DEREK KAWAKAMI, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

SUBJECT: **STRONG OPPOSITION TO H.B. 1154 AND PROPOSED HD1, RELATING TO PROFESSIONS AND OCCUPATIONS.** Authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. Redefines "master plumber." Excludes certain work from the owner-builder licensing exemption. Increases the percentage of licensed individuals on a job necessary to perform certain work. Effective 07/01/2015.

HEARING

DATE: Monday, February 25, 2013
TIME: 2:30 p.m.
PLACE: Conference Room 325

Dear Chair McKelvey, Vice Chair Kawakami 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 the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

GCA **strongly opposes** H.B. 1154, and the Proposed H.D.1 version expected to be presented by the DCCA, Electricians and Plumbers Board, which proposes to increase the percentage of licensed individuals on a job and regulate the occupations of air conditioning, refrigeration and fire sprinkler technicians and place them under the jurisdiction of the Chapter 448E, Hawaii Revised Statutes (HRS). For clarification, GCA's testimony will focus on the Proposed H.D. 1, which is expected to be similar to the companion bill, S.B. 1301, Proposed S.D. 1.

The GCA **strongly recommends that the Proposed H.D. 1 version of the bill be held** for the following reasons. First, Section 1 could potentially require that employees of Chapter 444 contractors (not just those employed by electrical or plumbing contractors) meet the requirements of 448E. Second, Section 2 of the bill and its reference to "pipefitting" is problematic, particularly because there is no definition of pipefitting and its interpretation by bodies relying on such law could have unintended consequences. Lastly, proponents of this bill have been promoting the use of gray water as the intent behind this measure. However, it has been difficult to draw the nexus between gray water and this bill, particularly because there is no mention of "gray water" in the bill. The bill only seems to expand the jurisdiction of the

plumbers' over an industry that is currently regulated and has proper oversight by the Contractors License Board.

First, the amended language in Section 1 would change Section 444-9.5, HRS to delete reference to electrical or plumber on page 1, lines 6 and 12. These amendments could potentially require that employees of Chapter 444 contractors (not just those employed by electrical or plumbing contractors) meet the requirements of 448E. The literal interpretation by someone outside of the industry could have unintended consequences. An administrative or judicial body may interpret it to mean that pipework ("which includes but is not limited to all pipefitting"), that laborers are currently performing, must be done with a crew composed of at least 50% plumbers. The GCA would recommend eliminating any reference to Chapter 444 in this bill.

Second, Section 2 is of particular concern to the "A" general engineering contractor some of whose work could be characterized as pipefitting. The reference to pipefitting on page two, Lines 9 and 14 should be removed or further clarified. Pipefitting is not defined anywhere in the proposed amendment, nor is it in existing law. There are various interpretations as to what pipefitting is. Currently, the "A" general engineering contractor (without plumbers) can install various types of pipelines including the installation of pipefittings, such as bends, tees, wyes, valves, meter splices, fire hydrants, backflow preventers and lateral connections. Under the proposed language of H.D. 1 the use of the word pipefitting could erroneously conclude that those types of work would be limited to a licensed plumber only. Therefore, the GCA would recommend removing all references to pipefitting or further clarifying what it is meant to include.

Lastly, this measure is unnecessary because while the intent may be to get the State up to speed on the regulation of gray water there are more direct ways to accomplish such. The unintended consequences of this measure will gravely affect an industry that is already highly regulated. This bill is proposing to control trades, particularly air conditioning/refrigeration and fire sprinkler technicians that are already regulated by the Contractors License Board under Chapter 444, HRS. Existing specialty C licenses determine the jurisdictional work performed by these contractors. It is important to understand the differences between Chapter 444, HRS, which regulates the contractor and Chapter 448E, HRS which regulates the journey worker, exclusively the electricians and plumbers. Under Chapter 444, HRS the company holds the license which employs individuals that carry these particular licenses to perform this type of work.

Proponents may argue that due to up and coming regulations related to gray water, safety and health concerns are at issue. However, if that is the case, the proposed bill should focus on the regulation of gray water and not the regulation of the people performing such installations, similar to states like California, Oregon and Arizona, who have been key proponents of gray water use.

The GCA believes that his measure is unnecessary and would result in over regulation of the construction trades and merely increase the cost to the public.

The GCA is **strongly opposed** to the passage of H.B. 1154, Proposed H.D1 and respectfully recommend that this measure be held. Thank you for the opportunity to present our views on this bill.

Hawai'i Construction Alliance

P.O. Box 179441
Honolulu, HI 96817
(808) 348-8885

February 24, 2013

The Honorable Angus McKelvey, Chair
and members
Committee on Consumer Protection and Commerce
Hawai'i State House of Representatives
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Testimony opposing HB1154, relating to professions and occupations.

Dear Chair McKelvey, Vice Chair Kawakami, and members of the committee:

The Hawai'i Construction Alliance is opposed to HB1154, relating to professions and occupations.

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Hawai'i Masons Union, Local 1 and Local 630; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local 3. Together, the four member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the four basic crafts of Hawai'i's construction industry.

We find this bill to be unnecessary, as it aims to regulate trades already under the purview of the Contractors License Board under HRS Chapter 444 and existing "C" specialty licenses. The creation of new license categories and the imposition of new examination, experience, and education requirements will only result in increased costs and regulatory burdens.

We are also concerned that HB1154 includes multiple instances of the term "pipefitter," which is not defined anywhere in the Hawai'i Revised Statutes, Hawai'i Administrative Rules, or in the bill itself. The lack of a definition for either "pipefitter" or "pipefitting work" in the bill is troubling, as there would be no way to determine whether existing rules and regulations that apply to plumbers would also apply to those who are categorized as "pipefitters" or perform "pipefitting work."

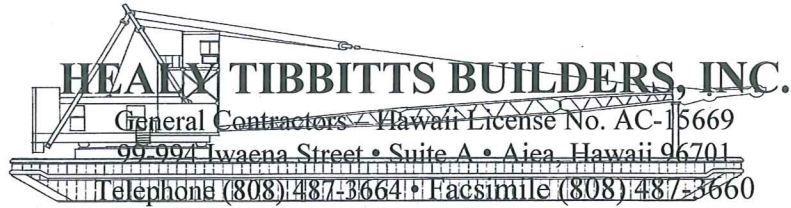
Without such a definition, the bill may then have the inadvertent and undesirable effect of changing industry standards over the well-established "five-foot" rule, which allows other properly licensed contractors besides plumbers to perform exterior piping work five feet or more outside of a building (HAR §16-80-3). If the bill does have such an effect, it would likely incite a jurisdictional dispute amongst the trades who currently perform such work.

Mahalo for the opportunity to testify on this matter.

Aloha,



Tyler Dos Santos-Tam
Executive Director
Hawai'i Construction Alliance
execdir@hawaiiconstructionalliance.org



February 23, 2013

SENT VIA E-MAIL TO: CPCTestimony@capitol.hawaii.gov

TO: HONORABLE ANGUS MCKELVEY, CHAIR, HONORABLE DEREK KAWAKAMI, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

SUBJECT: **STRONG OPPOSITION TO H.B. 1154 AND PROPOSED HD1, RELATING TO PROFESSIONS AND OCCUPATION.** Authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. Redefines "master plumber." Excludes certain work from the owner-builder licensing exemption. Increases the percentage of licensed individuals on a job necessary to perform certain work. Effective 07/01/2015.

HEARING

DATE: Monday February 25, 2013
TIME: 2:30 P.m.
PLACE: Conference Room 325

Dear Chair Angus McKelvey, Vice Chair Derek Kawakami and Members of the Committee:

HEALY TIBBITTS BUILDERS, INC. strongly opposes H.B. 1154, and the Proposed HD1 version that is expected to be presented by the DCCA, Electricians and Plumbers Board, relating to Professions and Occupations. This bill proposes to increase percentage of licensed individuals on the job to perform certain work and create new regulations for the occupations of air conditioning, refrigeration and fire sprinkler technicians and place them under the jurisdiction of the Plumbers and Electricians Board.

HEALY TIBBITTS BUILDERS, INC. is opposed to the measure because the Proposed H.D. 1, as written, could potentially cause confusion as to who can perform the scope of work related to pipefitting outside a building, which has been traditionally performed by the general contractor. Section one could potentially require that all employees of a general contractor (not just those employed by electrical or plumbing contractors) be licensed individuals under Chapter 448E, HRS. The uncertainty and vagueness of Section one could result in unintended consequences.

Secondly, Section two and its reference to "pipefitting" is problematic, particularly because there is no definition of pipefitting and its interpretation by bodies relying on such law could have

unintended consequences. General contractors perform various scopes of work dealing with pipe and this law would significantly alter the precedential industry practice. Currently, the "A" general engineering contractor (without plumbers) can install various types of pipelines including the installation of pipe fittings, such as bends, tees, wyes, valves, meter splices, fire hydrants, backflow preventers and lateral connections.

Accordingly, HEALY TIBBITTS BUILDERS, INC. strongly opposes H.B. 1154, Proposed H.D. 1 and recommends that the bill be held by the committee.

Very truly yours,
Healy Tibbitts Builders, Inc.

A handwritten signature in blue ink, appearing to read "Richard A. Heltzel". The signature is stylized and cursive.

Richard A. Heltzel
President

kawakami2 - Rise

From: Marshall Hickox [marshall@homeworkshawaii.com]
Sent: Sunday, February 24, 2013 1:32 PM
To: CPCtestimony
Subject: Testimony in STRONG OPPOSITION to HB 1154

Testimony to the House Committee on Consumer Protection and Commerce
Monday, February 25, 2013
2:30 p.m.
Hawaii State Capitol, Room 325

Dear Chair McKelvey, Vice-Chair Kawakami, and members of the Committee:

Homeworks Construction Inc STRONGLY OPPOSES H.B. 1154, Proposed HD1, and respectfully requests the measure be **held**. The bill authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters; redefines "master plumber;" excludes certain work from the owner-builder licensing exemption; and increases the percentage of licensed individuals on a job necessary to perform certain work.

Homeworks Construction Inc is opposed for the following reasons:

1)

Upon reviewing supporting testimony submitted on this measure, it is clear the intent of the proponents is to address the issue of health and safety regarding gray water. However, as written, this bill does not seem to address this issue as no mention of gray water is even included. Furthermore the proper place to address health and safety issues is in building and plumbing codes, not licensing laws.

2)

This measure inserts "pipefitting" in the new respective definitions under Section 2, which amends Section 448E-1, Hawaii Revised Statutes. However, no definition of pipefitting is provided in this measure and different crafts have different interpretations. If the true intent is to prevent cross contamination, then the bill should be specific, addressing the point where connection is made to gray water, and not the entire installation of an air conditioning or refrigeration system.

3)

Section 2 of the bill expands the licensing requirements under Section 448E to many other trades including: boiler hot-water heating and steam fitting contractor, fire protection contractor, refrigeration contractor and ventilation and air conditioning contractor. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses by forcing new unnecessary regulation upon industries that are already sufficiently regulated.

Homeworks Construction Inc **strongly opposes** H.B. 1154, Proposed SD1, and respectfully request that it be **held**. Thank you for the opportunity to share with your our views.

Marshall Hickox
President and COO HOMEWORKS CONSTRUCTION INC.

808-864-5522



P.O. Box 17828 / Honolulu, Hawaii 96817
(808)845-3149 (ofc) / (808)847-3148 (fax) / aldrin@amvair.com (email) / www.amvair.com (url)

February 24, 2013

Honorable Angus L.K. McKelvey, Chair
Rep. Derek S.K. Kawakami, Vice Chair
Committee on Commerce and Consumer Protection
State Capitol
415 South Beretania Street
Honolulu, Hi 96813

Re: Testimony HB1154 Monday 2:30 pm Room 325 at the State Capitol

Chair Angus Mckelvey,

My name is Aldrin M. Villahermosa, I hold a C-52 Air Conditioning and Ventilation license and am the RME of AMV Air Conditioning Inc. that has been in business since 1997.

I, along with other HVAC RME's who hold the same license classification are opposing HB1154 with its current language.

With reference to PAGE 3 LINE 10-14, the reference used as "pipefitter" has a broad definition. My interpretation of a "pipefitter" is one who does pipefitting work, one that involves using mechanical fittings to join two pipes together to carry a large volume of water, waste line, drain lines, etc., which on all construction sites has always been installed in the walls by the plumbers.

Since the nexus of this bill has not been a direct response to a recent PUBLIC HEALTH AND SAFETY INCIDENT. We understand the "intent of this bill is to ENSURE THE SAFETY AND HEALTH to the general public in reference to the proper use and handling of "gray water" in future commercial buildings to be built", but there is no mention of term "gray water" in the bill.

With reference to the CLB or Contractor License Board, the license for Heating Ventilation Air Conditioning also referred to as HVAC is classified as a C-52 license. The classification for a refrigeration contractor is a C-40 license. There is a distinct difference between a HVAC Contractor and a Refrigeration Contractor, some companies on this island will do only HVAC work and not refrigeration work and vice versa while larger companies hold both licenses cause

Re: Testimony HB1154 Monday 2:30 pm Room 325 at the State Capitol
Page 2 of 3

they have the capacity to respond to urgent refrigeration trouble calls within hours of receiving them to prevent damage to the refrigerated products.

The definition of “pipefitter” as stated in the language of this bill is too broad. The UNINTENDED CONSEQUENCE of this bill will automatically include the smaller C-52 HVAC contractor that due to the make up of their SMALL BUSINESS, they mainly focus on the smaller residential and light commercial installation, service and repair. The smaller HVAC shops DO NOT WORK on COOLING TOWER SYSTEMS and SCREW CHILLER that require a plumber pipe fitter to install all water lines associated with these type of large commercial HVAC systems.

Bottom line is I have no intention of becoming a NON UNION PLUMBING CONTRACTOR which is an UNINTENDED CONSEQUENCE of this bill as stated. Under section 448E-1, page 3 line 7 to 14, all C-52 and C-40 license holders will need to hire a Journeyman Plumber that meets the requirements stated in this bill to perform a scope of work that Journeyman Plumbers have not associated themselves with installing small residential split systems and light commercial HVAC systems.

The UNINTENDED CONSEQUENCE of this bill will LIMIT THE CONSUMERS CHOICES for residential HVAC projects, doing minor home repairs such as replacing your garbage disposal units as stated on page 21 line 1-9.

It will force consumers to pay higher cost for installation, repair and maintenance for residential and light commercial HVAC systems. A Journeyman requirement will have to be met just to service or repair your small residential HVAC system. The cost do any mechanical repair work in your home from a simple dishwasher repair, to a garbage disposal repair, to your small bedroom AC system, the unintentional consequence of this bill will force Hawaii’s consumers to pay higher cost associated with these repairs, as stated on PAGE 21, line 1-9.

The bill will put SMALL HVAC CONTRACTORS, SMALL APPLIANCE REPAIR COMPANIES and ROTO ROOTER TYPE DRAIN CLEANING COMPANIES which have been in business for over 15 plus years at a major disadvantage, even out of business, by forcing them to have to provide funding to staff a qualified “Journey man plumber”

These type of companies mentioned will need to be certified to perform a scope of work they will never perform in the first place due to the make up of their company.

The UNINTENDED CONSEQUENCE of this bill will force smaller HVAC companies to comply with these additional certifications designed for large high rise commercial and major industrial work that smaller HVAC companies do not have the capacity to perform, end result will be these smaller HVAC companies that have been in business for over 15-20 years, being

forced to go out of business; eliminating their ability to provide the monetary support for their families.

In regards to REGULATIONS AND OVERSIGHT for HVAC projects:

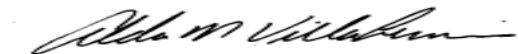
- The Federal Government through the Federal Clean Air Act of 1990, mandates that all technicians be certified to properly use, recycle and recovering refrigerants in accordance with the Federal Mandate.
- Specifications on a HVAC projects to be in compliance with the Department of Health Code and Hawaii State Energy Codes are controlled by the consulting Mechanical Engineer and included in the project plans and specification booklet. These codes and specs are not dictated nor modified by the HVAC contractor.
- Mechanical engineers are responsible to oversee the project to ensure work has been done in accordance with written HVAC specifications. Upon completion of the project, a punch list is issued, items on the punch list are addressed prior to calling for final inspections on the project. Once all inspections are complete project is turned over to the consumer.
- New equipment introduced to the HVAC industry in reference to Mechanical Equipment Design Applications, Installation and Service procedures has always been managed by the manufacturers through its local suppliers, by requiring its contractors and its techs pay a fee to attend specific factory certification classes. For a nominal fee, companies like Trane, Carrier and Mitsubishi Electric offer yearly continuing education classes that are open to all companies to attend.

So in reference to regulations the industry offers enough regulations to ensure the proposal installation, service and maintenance are being applied to its RESIDENTIAL AND LIGHT COMMERCIAL HVAC equipment.

We are requesting this measure be held. However, if this measure should move forward, we highly recommend further review to clearly state the definition of a “pipefitter” as well as clearly state the role of a SPECIFIC SPECIALITY TRADE CONTRACTOR in regards to properly labeling or color coding a “gray water” piping system and also the proper installation, repair, service and maintenance of the “gray water” piping system in a building.

Thank you for your time and consideration.

Respectfully,



Aldrin M. Villahermosa, President and RME
AMV Air Conditioning Inc.



Testimony of Clyde T. Hayashi
Director
Hawaii LECET
1617 Palama Street
Honolulu, HI 96817

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Monday, February 25, 2013
2:30 p.m., Conference Room 325

HB 1154 HD1 - RELATING TO PROFESSIONS AND OCCUPATIONS..

Aloha Chair McKelvey, Vice Chair Kawakami, and Members of the Committee:

My name is Clyde Hayashi and I am the director of Hawaii LECET (Laborers-Employers Cooperation and Education Trust). Hawaii LECET is a partnership between the Hawaii Laborers' Union, Local 368 and our union contractors.

I am submitting this testimony in **strong opposition** of the intent and purpose of HB 1154 HD1.

HB 1154 HD1 proposals will potentially cause confusion as to which contractor can perform the scope of work related to pipefitting outside a building, which is work that has been traditionally done by general contractors. Our general contractors currently perform various types of work dealing with pipe and HB 1154 HD1 will significantly change the existing industry practices.

We are very concerned that HB 1154 will adversely affect our general contractors and the members of the Hawaii Laborers' Union, Local 368.

Thank you for the opportunity to submit this testimony. We **strongly oppose** HB 1154 and ask that this bill be held by your committee.

**AIR MASTERS, INC.
1924 REPUBLICAN ST.
HONOLULU, HI 96819**

RE: Testimony House Bill 1154

Dear Chair Angus McKelvey and members of the Committee:

My name is Sherman Louie, President and Responsible Managing Employee(RME) of Air Masters, Inc., a locally owned and operated Air Conditioning Installation and Servicing contractor in the State of Hawaii for over 18 years.

On behalf of Air Masters, Inc. and my fellow Air Conditioning and Refrigeration contractors, we strongly oppose the passage of House Bill 1154, which authorizes the Board of Electricians and Plumbers to regulate air conditioning and refrigeration pipefitters.

It is my opinion that the Board of Electricians and Plumbers should only regulate electrical work and plumbing in which involves the movement of potable and waste water. In the air conditioning and refrigeration industry, our work involves the movement and conditioning of air, pipefitting is an incidental part of our work. In the air conditioning and refrigeration pipefitting industries, our pipes contain refrigerant gases, chilled water, condenser cooling water, and condensate water, all of which do not have a direct contact with potable or waste water systems.

We oppose the passage of this bill for many reasons, but below are our main objections, refer to H.B. 1154 for references:

1. The creation of this bill is to “ensure the safety and welfare of the general public” (page 5, lines 5 thru 6).
 - A. There has been no occurrence regarding public safety to warrant the creation of this bill that would place additional burden to many small businesses.
 - B. There are building inspections that are already in place to ensure public safety and welfare.
2. The bill requires that “at least half (50%) of all individuals on a jobsite(any jobsite) needs to be licensed” , I am assuming to be licensed as a Journey worker (page 2, lines 5 thru 16).
 - A. It is an industry standard to use one journey worker and two apprentices or entry level workers. By adopting this measure, customers would pay a higher cost for any type of work, due to journey worker wages, also there would be a loss of employment to entry level workers due to the lower ratio, but most importantly there may be a future void in these types of work.
3. Qualifications for Licensure: Currently, the State of Hawaii, Contractor Licensing Board (CLB) has no Journey worker licensing designation or examination for air conditioning and refrigeration pipefitters. However, in reference to page 12, line 14 thru page 13, line 6, the qualifications

required to take the license examination reads as follows “ a person needs to be at 18 years of age, five years of full time employment but not less than 10,000 hours and has to have performed the work under the supervision of a “**JOURNEY WORKER AIR CONDITIONING AND REFRIGERATION PIPEFITTER**”, how is this possible???. Or under the supervision of a “**MASTER PLUMBER**”, how would a master plumber be qualified as AC pipefitter? And why would an air conditioning and refrigeration contractor have a master plumber as an employee? How would a C-52 licensed, air conditioning and ventilation contractor be qualified??

In conclusion, there is no need for a bill such as this, there is no proof that air conditioning and refrigeration pipefitters work pose any safety issue to the public that is not already regulated.

It is a shame that a bill such as this could even be introduced, with total disregard for the negative impact that it would have to all the hard working, taxpaying voters it would have.

Thank you in advance for the opportunity to share our opinion with you. We trust that you will make the right decision.

Sherman Louie, President/RME
Air Masters, Inc.

Steven Luanglat, Owner
Honolulu Air Conditioning

Duane Kawamura, President/RME
Air Conditioning Unlimited

Andrew Santos, President
Admor HVAC Products, Inc.

Aldrin Villahermosa, President/RME
AMV Air Conditioning

Ryan Tamanaha, President/RME
Airextreme

Randy Iwamoto, RME
RMI Mechanical

Charlie Tantog
NS Air Conditioning

DATE: 2/24/2013

SUBMITTED TO: Chair Angus McKelvey

Subject: Testimony HB1154 & SB 1301

Chair Representative Angus McKelvey & Fellow Committee Members

Aloha Kakou

My name is Mark Kalahahele, I am the President & RME of Aloha State Services, Ltd. I have owned & managed the business since 1984. Along with the mandatory 60 -70 hours a week of mandatory "Sweat Equity" needed to be a small business owner, I also serve on the board of directors of two Hawaii based non profit organizations. I strive to be a responsible business owner, a, industry professional & contributing community member.

What I am most proud of is that we have retained several employees since our inception in 1984 & we are able to provide equitable compensation & benefits to our 15 employees. We have provided them a career that helps them have a prosperous, productive life & provide for their families.

Aloha State Services, Ltd is a graduate of the Small Business SBA 8A graduate where we receives the SBA's regional directors Excellence in Contracting award. We develop our techs to take pride in their work & distribute a high level of workmanship. We provide training to them via technical & safety classes and expose them to the latest technologies. We are a HVACR professionals & this is the career we have chosen.

We have read through bills HB 1154 & SB 1301 & have concerns that implementation could have unintended consequences. There needs to be a mechanism to have persons that have worked in the trade that are non union a way to achieve the needed licenses to continue in their chosen careers. Without this path, many responsible small business owners & our employees will no longer be able to work in our chosen field.

We urge to you to review the proposed bills & review the possibility of unintended consequences & consult the small businesses it would affect before implementing the bill.

Aloha

Mark R. Kalahahele
President
Aloha State Services, Ltd.



2225 Hoonee Place • Honolulu, Hawaii 96819
(808) 841-7400 • (Fax) 841-7222
(800) 320-3222 (Neighbor Island only)
www.admorhvac.com

February 24, 2013

RE: TESTIMONY HB1154

MONDAY, FEBRUARY 25, 2013, 2:30 PM – ROOM 325

Dear Chair Angus McKelvey and Members of the Committee:

My name is Andrew Santos, and I am the President of Admor HVAC Products, Inc. Admor HVAC is a Hawaii based small business that is owned by local employees. We have been serving Hawaii contractors for over twenty years and have become one of Hawaii's largest wholesale distributors of air conditioning products. We not only distribute products, but provide essential training to both Union and Non-Union contractors on all Hawaiian Islands. Admor HVAC strongly OPPOSES H.B. 1154, Proposed HD1, and respectfully requests the measure be HELD.

Admor HVAC Products is opposed to this bill for many reasons;

This Bill is written to “ensure the safety and welfare of the general public” when in fact it is clearly a tool by the Unions to increase their power and control over independent contractors. If passed, this Bill will authorize the Board of Electricians and Plumbers to regulate air conditioning and refrigeration pipefitters. Electricians and Plumbers are not trained in air conditioning. They are totally different fields that require totally different licensing. There is absolutely no reason for this Bill with the exception of “control”. More Union control and regulations mean increased costs and decreased competition. At a time when Hawaii needs jobs and to reduce costs, this Bill will harm the independent contractor and probably put some out of business while increasing costs on government, State and private sector jobs.

Currently the State of Hawaii Contractor Licensing Board (CLB) has no Journey worker License designation or examination for air conditioning and refrigeration pipefitters. However, in reference to Page 12, Line 14, the qualifications required to take the license examination reads as follows “a person needs to be at least 18 years of age, five years of full time employment but not less than 10,000 hours and has to have performed the work under the supervision of a JOURNEY WORKER AIR CONDITIONING AND REFRIGERATION PIPEFITTER”. This is NOT POSSIBLE! Or under the supervision of a “Master Plumber”, how would a Master Plumber be qualified as an Air Conditioning Pipefitter? And why would an air conditioning and refrigeration contractor have a Master Plumber as an employee. A Licensed, C52 Air Conditioning and Ventilation Contractor under this Bill would not be qualified. This is crazy and illustrates the haste in which this Bill was written

Andrew Santos
President
Admor HVAC Products, Inc.

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 24, 2013 6:01 AM
To: CPCtestimony
Cc: gnohara@genbahawaii.com
Subject: Submitted testimony for HB1154 on Feb 25, 2013 14:30PM

HB1154

Submitted on: 2/24/2013

Testimony for CPC on Feb 25, 2013 14:30PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Glenn Nohara	Individual	Oppose	Yes

Comments: Dear Chair Angus McKelvey, Vice Chair Derek Kawakami and Members of the Committee: My name is Glenn Nohara, past president of Koga Engineering & Construction, Inc. and I strongly oppose H.B. 1154, and the Proposed HD1 version that is expected to be presented by the DCCA, Electricians and Plumbers Board, relating to Professions and Occupations. This bill proposes to increase percentage of licensed individuals on the job to perform certain work and create new regulations for the occupations of air conditioning, refrigeration and fire sprinkler technicians and place them under the jurisdiction of the Plumbers and Electricians Board. I oppose this measure because the Proposed H.D.1, as written, could potentially cause confusion as to who can perform the scope of work related to pipefitting outside a building, which has been traditionally performed by the general contractor. Section one could potentially require that employees of a general contractor (not just those employed by electrical or plumbing contractors) be licensed individuals under Chapter 448E, HRS. The uncertainty and vagueness of Section one could result in unintended consequences. Secondly, Section two and its reference to "pipefitting" is problematic, particularly because there is no definition of pipefitting and its interpretation by bodies relying on such law could have unintended consequences. General contractors perform various scopes of work dealing with pipe and this law would significantly alter the precedential industry practice. Currently, the "A" general engineering contractor (without plumbers) can install various types of pipelines including the installation of pipefittings, such as bends, tees, wyes, valves, meter splices, fire hydrants, backflow preventers and lateral connections. I respectfully ask that this bill be held by the committee. Sincerely, Glenn Nohara

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov