



LATE

February 25, 2013
13E-063

**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:

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

Belt Collins Hawaii LLC (Belt Collins) 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.

Belt Collins is opposed to H.B. 1154, Proposed HD1, for the following reasons:

- 1) It is understood from the testimony submitted on this measure, that its intent is to address the issue of health and safety regarding gray water. However, as written, H.B. 1154, Proposed HD1 does not seem to address this issue because there is no mention of gray water in it. Further, 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 may have different interpretations. If the intent is to prevent cross contamination, then the bill should be specific, addressing the point where connection is made to gray water system, 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.

For the above reasons Belt Collins cannot support H.B. 1154, Proposed SD1, and respectfully requests that it be held. Thank you for the opportunity to share with your our views.

Very truly yours,

BELT COLLINS HAWAII LLC

Cheryl M. Paless, P.E., LEED AP

Vice President / Director of Engineering

CMP:jdk

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REVISED 2/25/13

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.

Initially, the Board had concerns regarding the clarity and intent of the amendments in Sections 1 and 2 of the original bill; however, we understand that there is a proposed House Draft 1. The board has not seen this House Draft 1, however, we were told that it was similar to the SB1301 Senate Draft 1.

The Board discussed SB1301 Senate Draft 1 at their Feb 22, 2013 meeting. The board expressed concerns about possible unintended consequences which may affect other contractor classifications (other than the C-40 Refrigeration, C-52 HVAC and C-20 Fire Protection) such as the general engineering contractors, as it is written, and whether the bill would require their employees to have the AC/refrigeration or fire sprinkler plumber licenses.

Thank you for the opportunity to share our concerns on House Bill No. 1154.



Testimony of Leuma Leatumauga
Field Representative/Organizer
Hawaii Laborers' Union, Local 368
1617 Palama Street
Honolulu, HI 96817

House Committee On Consumer Protection And Commerce
Monday, February 25, 2013
2:30 p.m., Conference Room 325

HB 1154 - RELATING TO PROFESSIONS AND OCCUPATIONS

Aloha Chair McKelvey, Vice Chair Kawakami, and members of the Committee.

My name is Leuma Leatumauga and I am testifying for Business Manager-Secretary Treasurer of the Hawaii Laborers' Union, Local 368, who was unfortunately not able to attend today. The Hawaii Laborers' Union represents over 5000 members in construction, landscaping, environmental, and other non-construction sectors.

We are in **strong opposition** of the intent and purpose of HB 1154.

The Hawaii Laborers Union, Local 368 is very concerned that HB 1154 will potentially take work related to pipefitting from our general contractors. It is work that general contractors have traditionally done, for over 50 years without any major problems.

We see HB 1154 as an attempt to address construction jurisdictions by changing a this law. We feel the proper body to address what work a general contractors and specialty contractors can do is the Contractor License Board.

We strongly oppose HB 1154 and ask that this bill be held by your committee.

Thank you very much for this opportunity to testify.



S & M SAKAMOTO, INC.

GENERAL CONTRACTORS

Via E-mail: CPC_Testimony@capitol.hawaii.gov

Via Fax: (808) 586-8437

LATE

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 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:

S&M Sakamoto, 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.

S&M Sakamoto, 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 pipefittings, such as bends, tees, wyes, valves, meter splices, fire hydrants, backflow preventers and lateral connections.

Accordingly, S&M Sakamoto, Inc. strongly opposes H.B. 1154, Proposed H.D. 1 and recommends that the bill be held by the committee.



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February 24, 2013

RE: TESTIMONY HB1154
MONDAY, FEBRUARY 25, 2013, 2:30 PM – ROOM 325

LATE

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.



RALPH S. INOUE CO LTD
GENERAL CONTRACTOR

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Founded in 1962

LATE

Via E-mail: CPCTestimony@capitol.hawaii.gov
Via Fax: (808) 586-8437

February 25, 2013

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

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

Ralph S. Inouye Co., Ltd. (RSI), General Contractor and member of the General Contractors Association of Hawaii (GCA), **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.

RSI 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 pipefittings, such as bends, tees, wyes, valves, meter splices, fire hydrants, backflow preventers and lateral connections.

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



general contractor license #ABC 21576

LATE

Via E-mail: CPCTestimony@capitol.hawaii.gov

Via Fax: (808) 586-8437

February 25, 2013

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

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

LYZ, 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.

LYZ, 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.

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Accordingly, LYZ, Inc. strongly opposes H.B. 1154, Proposed H.D. 1 and recommends that the bill be held by the committee.

A handwritten signature in black ink, appearing to read 'James N. Kurita', is written over a circular stamp.

James N. Kurita
Vice President/ Chief Operating Officer