

**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. 695, RELATING TO ELECTRICIANS AND  
CONTRACTORS.**

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. 695, Relating to Electricians and Plumbers.

This bill proposes to exempt out-of-state electricians from the license  
requirements of Chapter 448E, relating to electricians and plumbers. While the  
Contractors License Board ("Board") takes no position on this matter, Section 3 of the  
bill (on page 3, beginning on line 12) amends Chapter 444, HRS, relating to contractors,  
by allowing at least half of the workers performing electrical or plumbing work to be  
employees exempt from Chapter 448E, HRS. We feel that this language may have  
unintended consequences, as it allows at least half of the electrical workers to be  
unlicensed if the other half of the electrical workers are exempt. Furthermore, the  
amendment to section 444-9.5(b), on page 4, lines 4 and 5, appears to be unnecessary.  
Section 444-9.5(b) relates only to individuals who are licensed under Chapter 448E,  
HRS; therefore, language carving out exempt individuals is not warranted.

Thank you for the opportunity to provide comments on this bill.

**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. 695, RELATING TO ELECTRICAL  
CONTRACTORS.**

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

My name is Peter Akamu, Co-Chairperson of the Legislation Committee of the Board of Electricians and Plumbers ("Board"). Thank you for the opportunity to testify in opposition to House Bill No. 695, which creates a new section in chapter 448E, Hawaii Revised Statutes, to exempt out-of-state electricians retained by a public utility holding a certificate of public convenience and necessity issued by the public utilities commission to perform high voltage electrical work for the public utility, including emergency repair or maintenance work, from the licensing requirements of Chapter 448E and section 444-9.5 of the contractors licensing statute.

Section 448E-13 already provides an exemption from licensure for public utility employees performing public utility work. The Board determined at its August 3, 1999 meeting, and reaffirmed this decision at its December 14, 2004 meeting, that public utility work contracted to private contractors is not exempt and licensed journey worker electricians are required to perform the work. The Legislature in its wisdom provided the public utilities with an exemption for its employees because they are directly

supervised by the public utility. However, private contractors who are contracted by the public utility provide supervision of their own employees and are only indirectly supervised by the public utility. Therefore, the Board feels employees of private contractors must be qualified and licensed to perform electrical work in Hawaii. To exempt out-of-state license holders from meeting qualifications for licensure others must meet to perform electrical work in this state merely because it's public utility work subjects consumers to potential harm and establishes an uneven playing field.

In addition, since these electricians are exempt from the Board's regulatory oversight, who will insure that the out-of-state electrician is licensed or certified in the other state, or has not had the license or certification revoked or suspended?

For these reasons, the Board strongly opposes this bill and requests that this measure be held. Thank you for the opportunity to testify on this matter.

# **Testimony before the House Committee On Commerce and Consumer Protection**

**By Leroy J. Chincio  
Superintendent, Construction Management Division  
Construction and Maintenance Department  
Hawaiian Electric Company, Inc.**

**February 25, 2013**

**House Bill 695  
Relating to Electricians and Contractors**

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

My name is Leroy Chincio and I am testifying on behalf of the Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company. We support this bill with amendments.

House Bill 695 seeks to exempt out-of-state electricians performing high-voltage (over 480 volts) work for a public utility from licensing laws for electricians; and from quotas governing contractors on construction sites. Act 35, Session Laws of Hawaii 2010, had the unintended consequence of prohibiting out of state electricians from doing work on high-voltage power lines. This bill seeks to remedy this situation.

Currently, other than Hawaiian Electric employees, there are only a handful of electrical workers in the State that are qualified to perform high voltage work and all of them are currently employed and working. All are qualified to do underground line work; however none are qualified to do overhead line work. Most in-state electrical workers are only experienced in low voltage (120 to 480 volt) work common in most homes and commercial buildings. High voltage work requires additional skills, training, tools, and equipment.

An example of high-voltage work includes the replacement of one hundred and thirty-eight thousand volt poles, hardware, and conductors, located in the mountains which are only accessible by helicopter. To safely and properly perform this work, contractors working for an electric utility may need to use specialized and experienced personnel from the mainland who

are not licensed in the state of Hawaii even though they are authorized to work in other states to perform this and other types of high-voltage work.

The exemption is in the state's best interest because it allows contractors to utilize qualified out-of-state high-voltage workers to safely assist the utility in activities such as storm restorations, complex maintenance, and emergency situations, when there is a shortage of local experience.

We understand the concerns raised by other stakeholders that the language of the bill is confusing and may have unintended consequences. We have had discussions with them and agree. We therefore are attaching for the Committee's consideration, a revised bill which addresses the concerns raised.

We appreciate the support of the Legislature in hearing and understanding our concerns.

Thank you for the opportunity to testify on this matter.

---

A BILL FOR AN ACT

RELATING TO ELECTRICIANS AND CONTRACTORS.

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

1           SECTION 1. The legislature finds that Act 35, Session Laws  
2 of Hawaii 2010, established new minimum qualification licensing  
3 requirements for electricians effective July 1, 2013. The  
4 legislature further finds that most in-state electrical workers  
5 are experienced in low voltage work, which includes wiring  
6 buildings at one hundred twenty/two hundred forty volts.  
7 However, there are currently not enough electricians, splicers,  
8 and linemen in the State who are experienced and qualified to  
9 work with high voltage (six hundred volts or higher) and who can  
10 perform certain complex maintenance and repair work affecting an  
11 electric utility.

12           The legislature additionally finds that Act 35 has had  
13 inadvertent consequences. Due to the current lack of  
14 electricians, splicers, and linemen in the State who are  
15 experienced and qualified to work with high voltage, it may be  
16 necessary for an electric utility to engage and retain qualified  
17 personnel from other jurisdictions in the United States to  
18 perform such high voltage work. However, under the licensing

1 requirements established by Act 35, personnel from other  
2 jurisdictions who are qualified to perform such high voltage  
3 work, but are otherwise not licensed in the State, would be  
4 prohibited from offering assistance to an electric utility.

5 The legislature concludes that there are potential impacts  
6 to the health and safety of the State and its residents, and a  
7 specific exception to the licensing requirements for certain  
8 qualified individuals is therefore needed.

9 The purpose of this Act is to provide a limited exemption  
10 to the licensing requirements for certain individuals in  
11 situations where an electric utility must retain qualified  
12 individuals to work with high voltage (six hundred volts or  
13 higher) who are not licensed in the State but otherwise deemed  
14 qualified and authorized to perform such high voltage work by a  
15 municipal, county or state governmental authority in other  
16 jurisdictions of the United States.

17 SECTION 2. Section 448E-13, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 **"448E-13. Exemption of public utility and community antennae  
20 television company ~~employees~~ personnel**

21 The following persons shall be exempt from the provisions of  
22 this chapter:

1        (a) All employees of a public utility within the State  
2 under a franchise or charter granted by the State which is  
3 regulated by the public utilities commission and community  
4 antennae television company, while so employed, ~~shall be exempt~~  
5 ~~from the provision of this chapter.~~

6        (b) Persons who are:

7            (1) Retained by a public utility within the State  
8 under a franchise or charter granted by the State which is  
9 regulated by the public utilities commission to perform high  
10 voltage (six hundred volts or higher) electrical work for the  
11 public utility; and

12            (2) Deemed qualified and authorized to perform such  
13 electrical work by a municipal, county, or state governmental  
14 authority in other jurisdictions of the United States; and

15            (3) In good standing and whose authorization to  
16 perform such electrical work has not been revoked or suspended  
17 for cause."

18        SECTION 3. New statutory material is underscored.

19        SECTION 4. This Act shall take effect upon its approval.



**kawakami2 - Rise**

---

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 07, 2013 5:48 PM  
**To:** CPCtestimony  
**Cc:** tabraham08@gmail.com  
**Subject:** \*Submitted testimony for HB695 on Feb 11, 2013 15:30PM\*

**HB695**

Submitted on: 2/7/2013

Testimony for CPC on Feb 11, 2013 15:30PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Troy Abraham	Individual	Support	No

Comments:

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](mailto:webmaster@capitol.hawaii.gov)