



NEIL ABERCROMBIE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
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KEALI`I S. LOPEZ
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON
LABOR AND PUBLIC EMPLOYMENT
AND
TO THE HOUSE COMMITTEE ON
ECONOMIC DEVELOPMENT & BUSINESS
TWENTY-SEVENTH STATE LEGISLATURE
REGULAR SESSION, 2013

TUESDAY, MARCH 12, 2013
11:30 A.M.

TESTIMONY ON SENATE BILL NO. 1301, S.D.1
RELATING TO PROFESSIONS AND OCCUPATIONS

TO THE HONORABLE MARK M. NAKASHIMA AND
THE HONORABLE CLIFT TSUJI, CHAIRS,
AND MEMBERS OF THEIR COMMITTEES:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on S.B. No. 1301, S.D.1, Relating to Professions and Occupations. My name is Keali`i S. Lopez, Director of the Department of Commerce and Consumer Affairs.

S.B. No. 1301, S.D.1, authorizes the Electricians and Plumbers Board to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers, and establishes minimum qualifications for licensure

beginning July 1, 2016. The S.D. 1 represents the efforts of the Department to prepare a bill that adequately addresses concerns about cross-contamination as may arise as part of the 2012 Plumbing Code, while taking into consideration the impact of the legislation on all affected building trades. The Department supports this intent.

The Department has continued to solicit feedback and input from stakeholders after the S.D. 1 was adopted, and acknowledges that there continue to be concerns about the bill as amended.

Thank you for this opportunity to testify on S.B. No. 1301, S.D. 1. I am available to respond to questions that the members of the Committee may have.



Testimony of Cindy McMillan
The Pacific Resource Partnership

House Committee on Labor and Public Employment
Representative Mark Nakashima, Chair
Representative Mark Hashem, Vice Chair

House Committee on Economic Development and Business
Representative Clift Tsuji, Chair
Representative Gene Ward, Vice Chair

SB 1301, SD 1 – Relating to Professions and Occupations
Tuesday, March 12, 2013
11:30 a.m.
Conference Room 309

Aloha Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward, 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** SB 1301, SD1, Relating to Professions and Occupations. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers.

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. Instead, it inappropriately attempts to address gray water and public safety through expanding regulation to trades that are already adequately regulated.

If the true intent is to prevent cross contamination to protect public safety, the appropriate place to address the issue would be in the building and plumbing codes and licensing laws. The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.

March 12, 2013

Testimony Opposing SB 1301, SD1 – Relating to Professions and Occupations

Page 2

If enacted, this bill would immediately impact existing workers and businesses with unwarranted additional regulation. Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. This jeopardizes existing jobs and existing businesses by forcing new unnecessary regulation upon industries that are already sufficiently regulated.

Finally, we believe this measure will cause the consumer to bear additional, unnecessary costs of construction.

Again, we strongly oppose SB 1301, SD 1, and respectfully ask that it be **held** in Committee.

Thank you for the opportunity to share our views on this important issue with you.

TESTIMONY OF ALISON POWERS

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Representative Clift Tsuji, Chair
Representative Gene Ward, Vice Chair

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Representative Mark M. Nakashima, Chair
Representative Mark J. Hashem, Vice Chair

March 12, 2013
11:30 a.m.

SB 1301, SD1

Chair Tsuji, Chair Nakashima, Vice Chair Ward, Vice Chair Hashem 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 SB 1301, SD1.

SB 1301, SD1 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. SB 1301, SD1 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.

In short, SB 1301, SD1 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.

SB 1301, SD1 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 SB 1301, SD1. Thank you for the opportunity to testify.



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March 9, 2013

**Testimony to the House Committee on Labor & Public Employment and the
House committee on Economic Development & Business
Tuesday, March 12, 2013
10:00am
Capitol, Room 309**

RE: S.B. 1301, SD1, RELATING TO PROFESSIONS AND OCCUPATIONS

Dear Chair Nakashima and Tsuji, Vice Chair Hashem and Ward 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** S.B. 1301, Proposed SD1, 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.

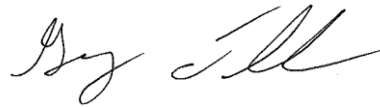
I am opposed for the following reasons:

- 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** SB1301, Proposed SD1, 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 a long, sweeping underline.

Greg Thielen
President/RME

From: Chuck & Char Vowell [vowellc001@hawaiiintel.net]
Sent: Friday, March 08, 2013 6:31 AM
To: LABtestimony
Subject: SB1301 SD1 Relating to Professions and Occupations

Chair Mark M Nakashima, Vice Chair Mark J Hashem, and Members:

My name is Chuck Vowell, and my wife and I own Pacific Refrigeration & Market Equipment, Inc. We are licensed as Refrigeration Contractors and Electrical Contractors in both Hawaii and Alaska, with our office in Aiea. We currently have about 20 employees in Hawaii, and three employees in Alaska. I have worked both as a refrigeration technician and air conditioning technician since 1962. Pacific Refrigeration & Market Equipment, Inc. was founded in Hawaii in 1974. We work primarily with grocery store and warehouse refrigeration.

This bill fails to recognize the difference between Refrigeration and Air Conditioning Technicians and Journeymen Plumbers. The Hawaii State Contractors Board recognizes Refrigeration Contractor as a separate category, with separate examinations for license. Air Conditioning is recognized as yet another separate trade. Plumbing contractors have their own examinations for licensure, which I am relatively certain will contain little or nothing about the refrigeration or air conditioning trades. It would not be proper to require refrigeration or air conditioning workers to work under the supervision of plumbers. We have no plumbers on our crew, but have a good working relationship with several plumbing shops, and often work alongside them on construction projects. We do the refrigeration piping, and they do the water piping.

We invest a large amount in training for our employees, and often have sent them to training seminars on the mainland, as there is rarely any appropriate training in Hawaii. We have also brought trainers to our shop from the mainland. We have three people with the Responsible Managing Employee licenses in our company, for a total of four RME licenses. We have three employees currently studying for additional RME licenses. We are required to take continuing education courses in both Refrigeration and Electrical to maintain our licenses in Alaska. We believe appropriate training is an investment in our company's future.

This bill has no provision for recognizing or licensing a category for Master Refrigeration Technicians or Master Air Conditioning Technicians. In addition, it lumps Refrigeration Technicians and Air Conditioning Technicians together as one category of Plumbers. Our workers would welcome the opportunity to earn a license, but not as a Plumber.

Of the original testimony on this bill, contractors and workers were opposed. The amended version has done nothing to change that opposition.

Thank you,

Chuck Vowell
President, Pacific Refrigeration & Market Equipment, Inc.
Aiea, HI 96701

The Aire Conditioner Shoppe

March 9, 2013

Testimony to the House Committees on Labor & Public Employment and Economic Development & Business

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji
Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is Robson K. Hind. I hold a C-52 Air Conditioning and Ventilation license and/or C-40 Refrigeration license and am the RME (Responsible Managing Employee) of The Aire Conditioner Shoppe that has been in business over 33 years.

I, along with other HVAC RME's who hold the same license classification are opposing **SB1301**, S.D. 1 and respectfully request the measure be held.

The Aire Conditioner Shoppe **strongly opposes** S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

The Aire Conditioner Shoppe is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.
- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning

contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.

- 4) Several industries and small business owners to be affected by this measure is astronomical. Any home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handling units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
- 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be borne by the consumer.
- 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1. has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (**R**efrigeration **A**ir **C**onditioning) Program will receive an Associate Degree in Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER".
- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
- 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated.
- 10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at

these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, The Aire Conditioner Shoppe **strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share my views with the committee.

Respectfully,

Robson K. Hind, RME
Neil J. Wiedemann, Owner
The Aire Conditioner Shoppe



Air Conditioning Specialists, Inc.
 Sales – Service – Install
 License #C-20887, C-40, C-52
 Post Office Box 1330
 Kailua-Kona, Hawaii 96745
 Phone 808-329-2996
 Fax 808-325-1821

March 11, 2013

**Testimony to the House Committees on Labor & Public Employment and Economic Development & Business
 Tuesday, March 12, 2013
 11:30 a.m.
 Hawaii State Capitol, Room 309**

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji
 Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is Matthew J. Briley, I hold a C-52 Air Conditioning and Ventilation license and a C-40 Refrigeration license and am the RME (Responsible Managing Employee) of Air Conditioning Specialists, Inc.) that has been in business over 17 years.

I, along with other HVAC RME’s who hold the same license classification are opposing **SB1301**, S.D. 1 and respectfully request the measure be held.

Air Conditioning Specialists, Inc.) **strongly opposes** S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

Air Conditioning Specialists, Inc. is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the “public’s safety” through expanding regulation to trades that are already adequately regulated.

- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.
- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.
- 4) Several industries and small business owners to be affected by this measure is astronomical. Any home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handling units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
- 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be borne by the consumer.
- 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1. has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (Refrigeration Air Conditioning) Program will receive an Associate Degree in Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER".
- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water, water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
- 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated.

10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, Air Conditioning Specialists, Inc **strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share my views with the committee.

Respectfully,

Matthew J. Briley
President, Director & RME
Air Conditioning Specialists, Inc.



Randy Perreira
President

HAWAII STATE AFL-CIO

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The Twenty-Seventh Legislature, State of Hawaii
Hawaii State House of Representatives
Committee on Labor & Public Employment
Committee on Economic Development & Business

Testimony by
Hawaii State AFL-CIO
March 12, 2013

S.B. 1301, SD1 – RELATING TO PROFESSIONS
AND OCCUPATIONS.

The Hawaii State AFL-CIO strongly opposes S.B. 1301, SD1 which authorizes the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers.

The Hawaii State AFL-CIO strongly believes that such jurisdictional issues between different crafts or unions should be decided by the affected international unions, without legislative interference. Matters of jurisdiction do not impact the general public, and as such do not merit consideration as a public policy decision by legislators and other elected officials.

It should be noted that the Building and Construction Trades Council was formed by the AFL-CIO to specifically handle jurisdictional disputes. The Building and Construction Trades Council specifically states “for nearly a century, the BCTD has secured the trade jurisdiction and autonomy of its affiliates as the respected arbiter of trade issues and through that work has contributed to the continuity of employment and economic security of organized construction workers in the United States and Canada.”

For the reasons mentioned above, the Hawaii State AFL-CIO respectfully requests S.B. 1301, SD1 be deferred.

Thank you for the opportunity to testify.

Respectfully submitted,

Randy Perreira
President

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

"Building Better Communities"

2013 Officers

President

Greg Thielen
Complete Construction Services Corp.

President-Elect

Brian Adachi
BKA Builders, Inc.

Vice President

Sunny Walsh
Hunt Building Company, Ltd.

Treasurer

Guy J. Shindo
First Hawaiian Bank

Secretary

Richard Hobson, Jr.
Gentry Homes, Ltd.

Special Appointee-Builder

Paul D. Silen
Hawaiian Dredging Construction Co., Inc.

Special Appointee-Associate

Craig Washofsky
Servco Home & Appliance Distribution

Immediate Past President

Dean I. Asahina
Universal Construction, Inc.

Chief Executive Officer

Karen T. Nakamura
BIA-Hawaii

2013 Directors

Anthony Borge

RMA Sales

Clifton Crawford

C&J Contracting, Inc.

David S. Chang

Chang Holding Company

Dean Uchida

SSFM International, Inc.

Evan Fujimoto

Graham Builders, Inc.

Gary T. Okimoto

Honolulu Wood Treating

Mark Kennedy

HASEKO Construction Kamakana, LLC

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 Committees on Labor & Public Employment and Economic Development & Business

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Chairs Nakashima and Tsuji, Vice-Chairs Hashem and Ward, and members of the Committees:

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** S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

BIA-Hawaii is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.

- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.
- 4) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction, which will ultimately be borne by the consumer.

Based on the foregoing reasons, BIA-Hawaii **strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share with your our views.

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

House Committee on Labor
Rep. Mark Nakashima, Chair
Rep. Mark Hashem, Vice-Chair

House Committee on Economic Development and Business
Rep. Clift Tsuji, Chair
Rep. Gene Ward, Vice-Chair

Tuesday, Mar. 12, 2013
11:30 AM, Room 309

Re: Strong Support of SB1301, SD1

Aloha Chairs Nakashima and Tsuji, Vice-Chairs Hashem and Ward and Members of the Committees,

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

Local 675, Strongly Supports SB1301, SD1, RELATING TO PROFESSIONS AND OCCUPATIONS, which authorizes the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline.

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 water conservation measures, the codes will encourage the use of reclaimed or gray water sources 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.

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.

Therefore, Local 675 Strongly Supports SB1301, SD1.

Thank you for this opportunity to testify.

Mahalo,

Glenn Ida

March 11, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR
HONORABLE MARK HASHEM, VICE CHAIR
AND MEMBERS OF THE HOUSE OF REPRESENTATIVE
COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

SUBJECT: **THIS IS AMENDED TESTIMONY TO CLARIFY OUR STRONG
OPPOSITION TO S.B. 1301 SD 1, RELATING TO PROFESSIONS
AND OCCUPATIONS.**

HEARING

DATE: Tuesday, March 12, 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chair Nakashima and Vice Chair Hashem and Committee members,

This amended testimony is being submitted to clarify our strong oppositions to S.B. 1301 SD 1:

- 1) It is an attempt to use the laws of the State of Hawai'i 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 ALF-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 SD1, 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.



INTERNATIONAL ASSOCIATION OF BRIDGE, STRUCTURAL, ORNAMENTAL AND REINFORCING IRON WORKERS

Affiliated with A.F.L.-C.I.O.

LOCAL UNION NUMBER 625
94-497 UKEE STREET • WAIPAHAU, HAWAII 96797

T.G. Paris
President Emeritus

Fax No. -- 586-8484

March 11, 2013

Mark M. Nakashima Chair
Labor and Public Employment
State House
Room 406 - State Capitol
Honolulu, HI 96813

Clift Tsuji, Chair
Economic Development and Business
State House
Room 402 - State Capitol
Honolulu, HI 96813

Senate Bill No. 1301, S.D. 1, Relating to Professions and Occupations
Hearing Date - March 12, 2013, 11:30 a.m., Conference Room 309

Chair Baker, Chair Tsuji and Members of the Committees:

Traditionally, jurisdictional disputes between crafts have been decided by the international unions that are affected. In this instance, the dispute is between the Plumbers & Fitters Union, Local 675, and, the Sheetmetal Workers Union, Local 293. In reading SB 1301, it appears that the underlying facts are centered around a jurisdictional dispute in which the plumbers union is seeking legislation to settle the dispute. We respectfully argue that the legislature should defer to the internationals of these respective locals to settle the dispute.

Similarly, in the 2008 session, a bill was introduced wherein legislation was sought to settle another jurisdictional dispute. Senate Bill 1248 was introduced to settle a dispute between the International Brotherhood of Electrical Workers, Local 1186, and, the Plumbers & Fitters Union, Local 675. In this 2008 bill, the electrical workers were seeking legislation to settle the dispute with the plumbers on the other side. The 2008 legislature did not pass the measure sought by the electrical workers.

Based on the above, we respectfully request that this measure be defeated. For emphasis, this matter is a jurisdictional issue which should be decided by the international unions of



the respective unions involved. Our legislature should not be burdened with entertaining issues that should purely be within the purview of organized labor in the construction industry.



Joseph V. O'Donnell
Financial Secretary/Treasurer and Business Manager
Ironworkers Union, Local 625



87-2020 Farrington Highway ■ Waianae, Hawaii 96792 ■ Tel: 808 668-4561 ■ FAX: 808 668-1368 ■ Website: www.pvtland.com

Via E-mail: LABTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6421

March 12, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE MARK HASHEM,
VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND
PUBLIC EMPLOYMENT

HONORABLE CLIFT TSUJI, CHAIR, HONORABLE GENE WARD, VICE CHAIR
AND MEMBERS OF THE HOUSE COMMITTEE ON ECONOMIC
DEVELOPMENT & BUSINESS

SUBJECT: **STRONG OPPOSITION TO S.B. 1301, SD1, RELATING TO PROFESSIONS AND OCCUPATION.** Authorizes the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050. (SD1)

HEARING

DATE: Tuesday, March 12 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward and Members of the Committees:

PVT Land Company works closely with construction companies on recycling and disposal of construction related materials.

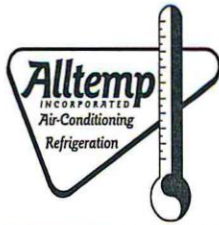
PVT Land Company strongly opposes S.B. 1301, SD1, Relating to Professions and Occupations. This bill proposes to amend the definition of plumber under Chapter 448E and create new regulations for the occupations of air conditioning, refrigeration and fire sprinkler technicians and place them under the jurisdiction of the Plumbers and Electricians Board. This measure also proposes changes to the qualifications for certain electricians.

PVT Land Company is opposed to this measure because, although it contends that it is to address the proper implementation of greywater systems, it could potentially cause confusion as to who would be permitted to perform the scope of work related to working with pipes outside a building, which has been traditionally performed by the general contractor. The proposed language could also be interpreted to require that an A contractor be required use a licensed plumber to perform any work related to pipefitting.

Additionally, Section two and its reference to “associated pipefitting” is problematic, particularly because there is no definition of “associated 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. This bill calls into question whether the "A" general contractor would be able to continue to perform such work.

Accordingly, PVT Land Company strongly opposes S.B. 1301, SD1 and recommends that the bill be held by the committees.



ALLTEMP, INC.
269 E. Papa Place, Unit #10
Kahului, HI 96732
Phone: (808)871-6723
Fax: (808)871-6725
License #: C21867

March 11, 2013

**Testimony to the House Committees on Labor & Public Employment and Economic Development
& Business**

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Cliff Tsuji
Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is Jeffry Affleck, I hold a C-52 Air Conditioning and Ventilation license and/or C-40 Refrigeration license and am the RME (Responsible Managing Employee) of Alltemp, Inc. that has been in business over 15 years.

I, along with other HVAC RME's who hold the same license classification are opposing **SB1301**, S.D. 1 and respectfully request the measure be held.

Alltemp, Inc. **strongly opposes** S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

Alltemp, Inc. is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.
- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.

- 4) Several industries and small business owners to be affected by this measure is astronomical. Any home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handing units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
- 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be borne by the consumer.
- 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1. has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (Refrigeration Air Conditioning) Program will receive an Associate Degree in Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER".
- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
- 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated.
- 10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, Alltemp, Inc. **strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share my views with the committee.

Respectfully,



Jeffrey Affleck, President / Owner
Alltemp, Inc.



March 12, 2013

**Testimony to the House Committees on Labor & Public Employment and Economic
Development & Business**

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji
Honorable Vice Chairs, Mark J. Hashem and Gene Ward

Please allow me to introduce myself, my name is Glenn Ogasawara, I am the Responsible Managing Employee (RME) for Cornerstone Air Conditioning, Inc. with specialty C-52 and C-40 licenses. I have been in the air conditioning trade in Hawaii for 38 years, 28 years being an air conditioning contractor and it's RME. I received a certificate of completion for refrigeration apprenticeship in the State of Hawaii in 1974.

I would like to express my strong opposition on behalf of Cornerstone Air Conditioning of S.B. 1301, S.D. 1, and respectfully requests the measure be held. After review the wording, direction and nature of the bill implies that the air conditioning and refrigeration specialty trade are to be embraced with the plumbing trade, which is complete different in expertise. We are not plumbers as plumbers are not air conditioning and refrigeration mechanics. I notice that the bill uses the name air conditioning and refrigeration plumbers which would be like saying policefireman. We each have our own specialty and responsibilities.

The bill proposes to authorize the contracting board of union electricians and plumbers to regulate journeymen air conditioning and refrigeration technicians, forcing plumbing qualifications for licensures. The bill establishes that non union air conditioning and refrigeration technicians renew their qualifications under union operated standards, which to me is a ploy to force non union companies to become unionized. This will jeopardize the future of many air conditioning and refrigeration contractors to close because of their technicians union board deems as unqualified plumbers. This bill will hurt many air conditioning and refrigeration technicians families for a regulation that a licensed plumber would be hired to do.



Cornerstone Air Conditioning strongly stand with other RME's that oppose SB1301 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
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- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
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SEE ATTACHED EXHIBITS

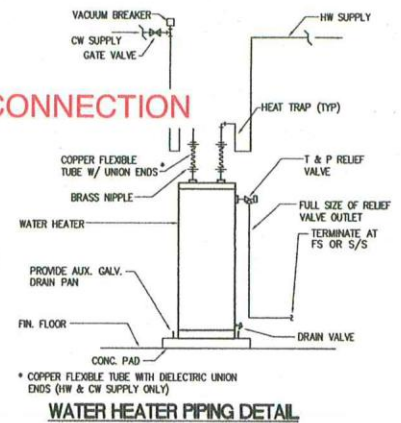
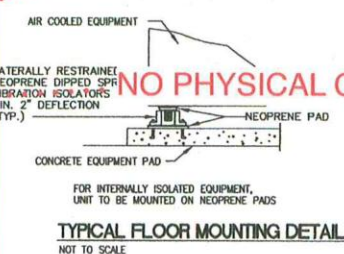
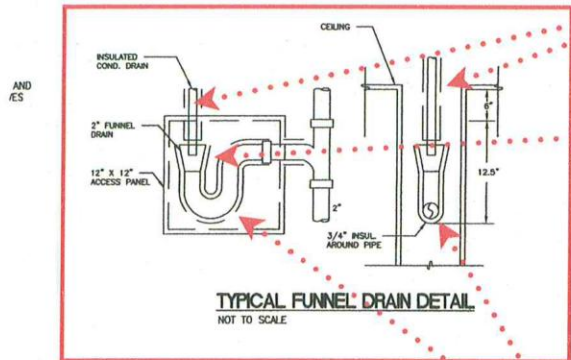
Thank you for the opportunity to share my concern views, along with many hard working air conditioning and refrigeration companies of this great Aloha State.

Respectfully,

Glenn Ogasawara, RME
Cornerstone Air Conditioning, Inc.

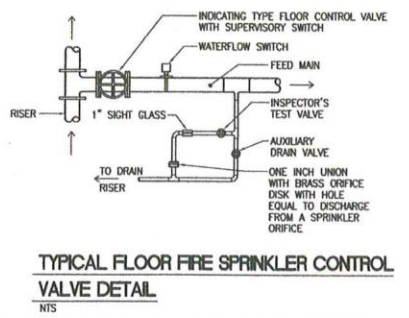
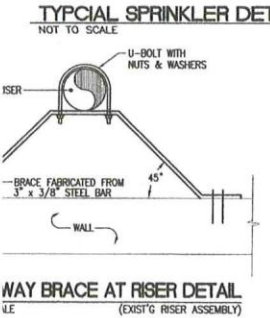
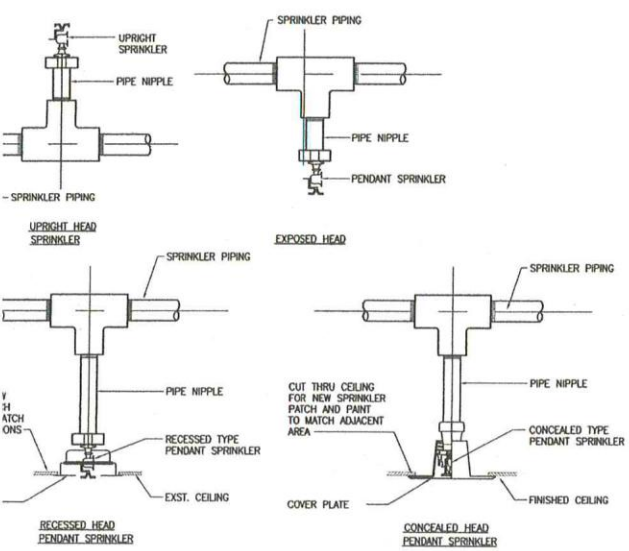
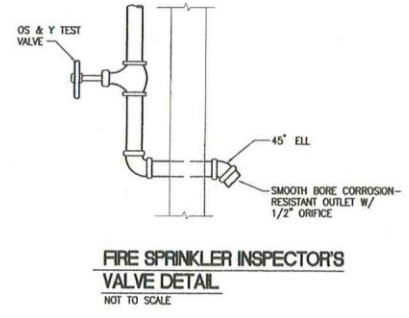
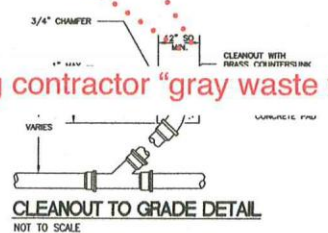
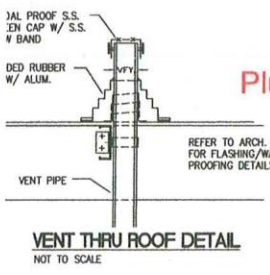
EXHIBIT #1 - SB1301-SD-1 TESTIMONY

Air Conditioning contractor condensate drain scope of work



THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION AND CONTRIBUTION OF THIS PROJECT WILL BE LIMITED TO CONTRACTORS, CONTRACTORS OF THE TRADE, ARCHITECTS, ENGINEERS, PROFESSIONALS, AND CONSULTANTS. CONTRACTORS OF THE TRADE, ARCHITECTS, ENGINEERS, PROFESSIONALS, AND CONSULTANTS ARE LICENSED PROFESSIONALS.

Plumbing contractor "gray waste water" scope of work



24 HR FITNESS
PEARL HIGHLANDS CENTER
1000 KAMEHAMEHA HIGHWAY
PEARL CITY, HAWAII, 96782
BRYCE E. UYEHARA, A.L.A., INC.
PHOTOGRAPHY, VIDEO, DESIGN, INTERIOR ARCHITECTURE
2004 KAITIHI DRIVE STREET SUITE 200 PEARL CITY, HAWAII 96782

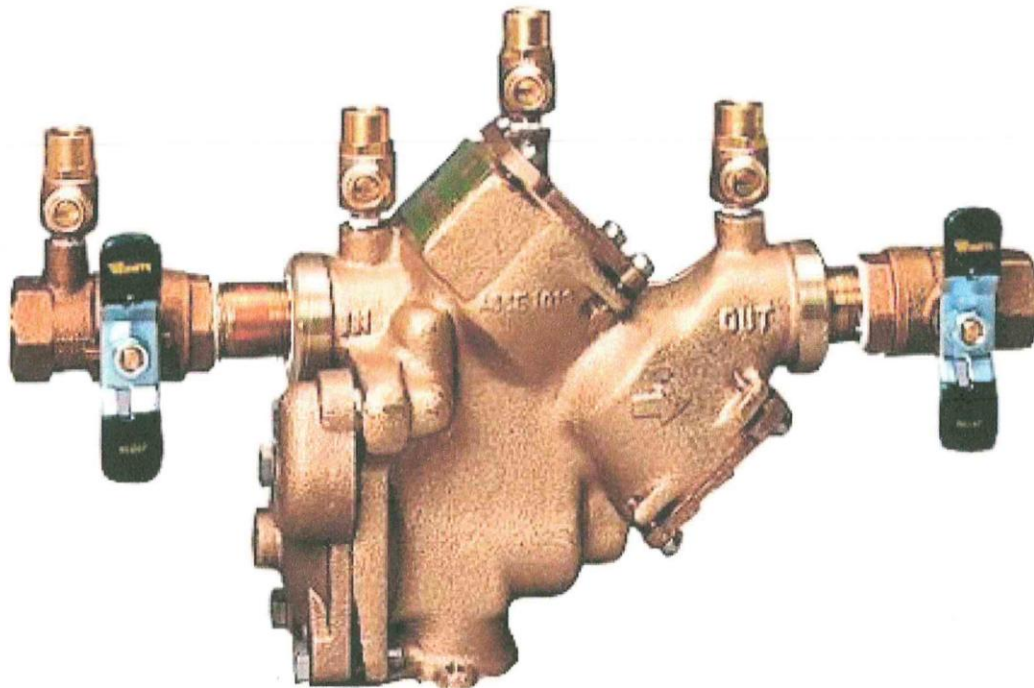
REVISIONS

No.	Description	SH	of	Date

DESIGNED: RRT
DRAWN: MEI
CHECKED: RRT
DATE: JANUARY 2009
DRAWING NUMBER
M-52
SHEET 02 OF 03

Image of a funnel drain using an air gap fitting (typical for in-wall AC drain line connections). This is where The AC condensate gray water will drip into a funnel. **There is no physical connection between the AC Contractors condensate drain and the plumbers funnel drain for Gray Water.** The illustration above shows the plumbing contractor is the only person that can cross contaminate the gray water piping in the walls, this will be the specs in the 2012 Uniform Plumbing Code.

EXHIBIT #2 - SB1301-SD-1 TESTIMONY



909 QT

Image of a BACK FLOW PREVENTER installed per Uniform Plumbing Code and specified by the consulting engineer on an air conditioning chilled water system. If Gray water is introduced to the make up water of a chilled water system, this device has always been installed per code for PUBLIC HEALTH AND SAFETY REASONS to prevent cross contamination with POTABLE WATER.

THIS DEVICE IS INSTALLED BY "BACK FLOW PREVENTER" CERTIFIED PLUMBING CONTRACTORS, THIS SCOPE OF WORK HAVE NEVER BEEN DONE BY AIR CONDITIONING CONTRACTORS.

Both the Plumbing Inspector and Consulting Mechanical Engineer will inspect and certify this make up water line work that was specified and performed by the PLUMBING CONTRACTOR not an AIR CONDITIONING C-52 CONTRACTOR.

RAC - Refrigeration and Air Conditioning Technology

WEBSITE: <http://tech.honolulu.hawaii.edu/rac>

FACULTY: Derek Oshiro, Allen Tateishi

PROGRAM MISSION: The Refrigeration & Air Conditioning Technology program's mission is to serve the community as a learning-centered, open door program that provides technical training to meet the demands of the industry and the needs of the individual. An open-exit option allows the students to identify their career objectives and participate in program exploration.

PROGRAM DESCRIPTION: The Refrigeration and Air Conditioning Program prepares students for employment as technicians in the design, operation, service, repair, installation and sales of these systems and equipment. The program combines theory with extensive practical hands-on training designed to simulate the actual work environment and skills needed to excel in this challenging field. Labs afford the student the opportunity to install, repair, and/or operate actual field equipment, such as commercial package and split system A/C; liquid chillers; commercial ice machines; and domestic equipment.

PROGRAM STUDENT LEARNING OUTCOMES (SLO): Upon successful completion of the RAC program, students will be able to:

- Gain employment in the field of refrigeration and air conditioning;
- Demonstrate positive work habits and attitudes; and,
- Demonstrate knowledge and skills required for the repair and maintenance of air conditioning and refrigeration equipment according to National Standards.

PROGRAM REQUIREMENTS:

Program Prerequisite or Co-requisite:

ENG 19 and/or ENG 21, OR "C" or higher in ESL 11 & 13 & 14,
OR Placement in ENG 22/60 or ESL 23
MATH 9, OR Placement in MATH 50

Certificate of Achievement Credits	Associate in Applied Science Degree Credits
------------------------------------	---

First Semester

RAC 21	Basic Refrigeration	12	12
MATH 50 or MATH 53	Technical Mathematics I Technical-Occupational Math		3-4
		12	15-16

Second Semester

RAC 32	Commercial Refrigeration	12	12
General Education Requirement (Communications) *			3
		12	15

Third Semester

RAC 40	Air Conditioning I	12	12
General Education Requirement Group 2b: (HUM 50) *			3
		12	15



RAC students construct a refrigeration system.

Refrigeration and Air Conditioning Technology

RAC

**PLUMBING HAS NEVER BEEN INCLUDED IN THE CURRICULUM
PLUMBING HAS NEVER BEEN PART OF AN AIR CONDITIONING (C-52) AND
REFRIGERATION (C-40) CONTRACTOR SCOPE OF WORK**

Fourth Semester

<i>RAC 50</i>	<i>Air Conditioning II</i>	12	12
<i>General Education Requirement Group 2c *</i> <i>(Recommended: PSY 180)</i>			3
<i>General Education Requirement Group 2a or 2d *</i>			3
		12	18
Minimum Credits Required		48	63-64

* General Education Requirements for the A.A.S. degree are listed under *DEGREES AND CERTIFICATES*.

Note: Students must meet the minimum proficiency standards in communication established by Honolulu CC to qualify for the Certificate of Achievement.



COST OF TEXTBOOKS/SUPPLIES: The cost of textbooks, supplies, meters, and tools is approximately \$800.

ADVISORY COMMITTEE:

- John Arizumi, President/Owner, Carrier Hawai'i
- Clayton Kurosui, Owner/President, American Air Conditioning
- Richard McIlhenny, President/Owner, Trane Pacific
- Ronnie Nakamura, President, A/C Warehouse Inc.
- Lester Nakata, President, O'ahu Sales
- Allen Ng, Regional Manager, Sears Appliance Repair Division
- Clayton Shobu, Owner/President, Shobu's Air Conditioning



AIR CONDITIONING UNLIMITED

March 9, 2013

Testimony to the House Committees on Labor & Public Employment and Economic
Development & Business

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji
Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is **Duane K. Kawamura**, I hold a **C-52** Air Conditioning and Ventilation license and am the RME (Responsible Managing Employee) of **Air Conditioning Unlimited** that has been in business over **8** years.

I, along with other HVAC RME's who hold the same license classification are opposing **SB1301**, S.D. 1 and respectfully request the measure be held.

Air Conditioning Unlimited strongly opposes S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

Air Conditioning Unlimited is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State

RE: Testimony S.B. 1301, S.D. 1, Relating to Professions and Occupations Page 2

Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.

- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.
- 4) Several industries and small business owners to be affected by this measure is astronomical. Any home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handling units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
- 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be borne by the consumer.
- 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1. has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (**R**efrigeration **A**ir **C**onditioning) Program will receive an Associate Degree in Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER".
- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
- 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated.

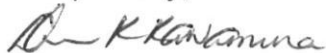
RE: Testimony S.B. 1301, S.D. 1, Relating to Professions and Occupations Page 3

10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, **Air Conditioning Unlimited strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share my views with the committee.

Respectfully,



Duane K. Kawamura, Member/RME
Air Conditioning Unlimited



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

March 9, 2013

Testimony to the House Committees on Labor & Public Employment and Economic
Development & Business

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji
Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is **Aldrin M. Villahermosa**, I hold a C-52 Air Conditioning and Ventilation license and am the RME (Responsible Managing Employee) of **AMV Air Conditioning Inc.** that has been in business over 16 years.

I, along with other HVAC RME's who hold the same license classification are opposing **SB1301**, S.D. 1 and respectfully request the measure be held.

(AMV Air Conditioning Inc.) strongly opposes S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

(AMV Air Conditioning Inc.) is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.

RE: Testimony S.B. 1301, S.D. 1, Relating to Professions and Occupations
Page 2

- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code (“UPC”). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.
- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.
- 4) Several industries and small business’s to be affected is wide spread, any appliance or mechanical device that has a drain line will no longer be able perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to basic cleaning and service of the air handing units because it has a condensate drain line. Your appliance repair person will no longer qualify to repair your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
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- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.

RE: Testimony S.B. 1301, S.D. 1, Relating to Professions and Occupations
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10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, **AMV Air Conditioning Inc. strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for your time and consideration in allowing me the opportunity to share my views with the committee.

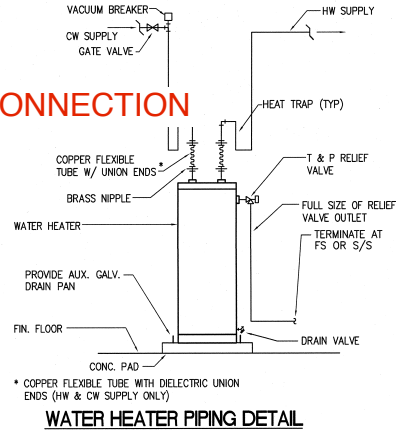
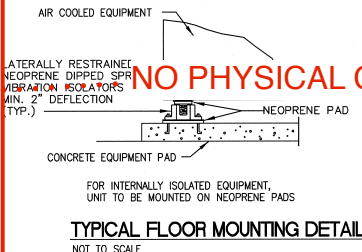
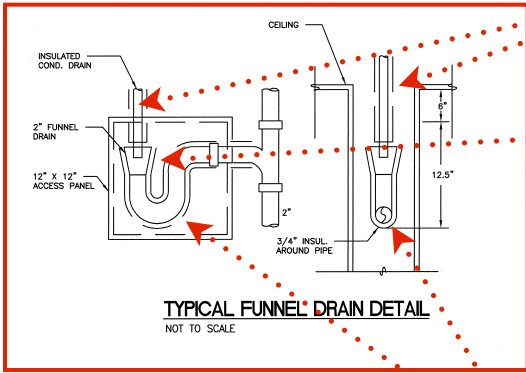
Respectfully,

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

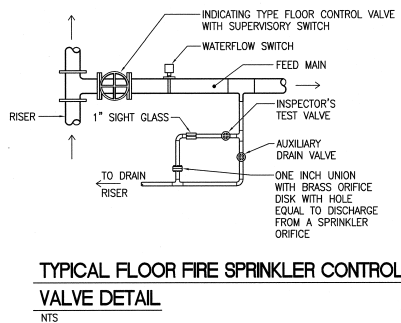
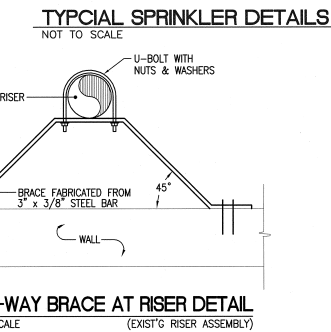
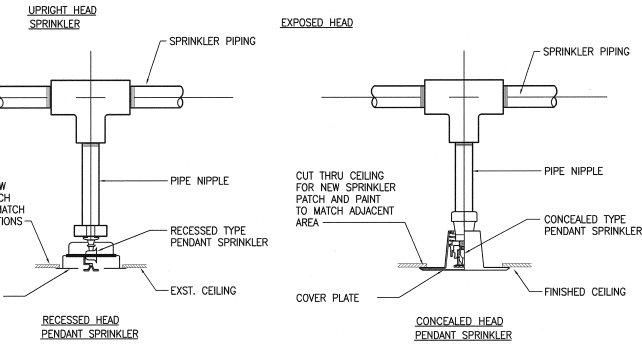
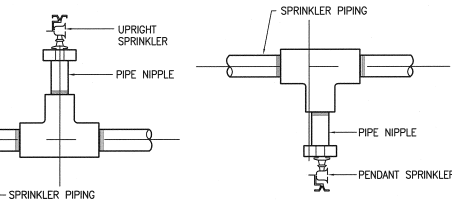
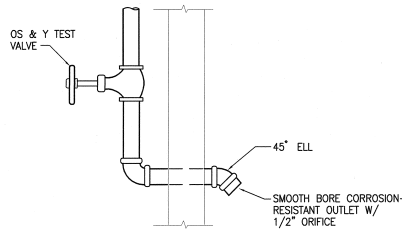
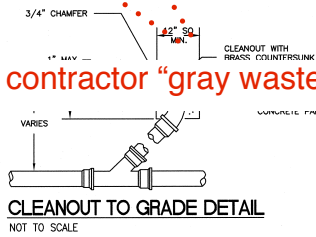
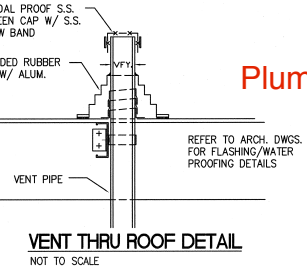
SEE ATTACHED EXHIBITS.....

EXHIBIT #1 - SB1301-SD-1 TESTIMONY

Air Conditioning contractor condensate drain scope of work



Plumbing contractor "gray waste water" scope of work



THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT COMPLES ALL THE REQUIREMENTS OF THE HAWAIIAN ENGINEERING ACT AND ALL APPLICABLE RULES, REGULATIONS AND ORDINANCES. I AM A LICENSED PROFESSIONAL ENGINEER, ARCHITECT, SURVEYOR AND LANDSCAPE ARCHITECT. EXPIRES 04-30-10

Bryce E. Uyebara

24 HR FITNESS
PEARL HIGHLANDS CENTER
1400 KANEHANA HIGHWAY
PEARL CITY, HAWAII 96762
BRYCE E. UYEBARA, A.I.A., INC.
2424 SOUTH WIND STREET SUITE 203
HONOLULU, HAWAII 96826
TELEPHONE: (808) 944-7054
FACSIMILE: (808) 944-7054

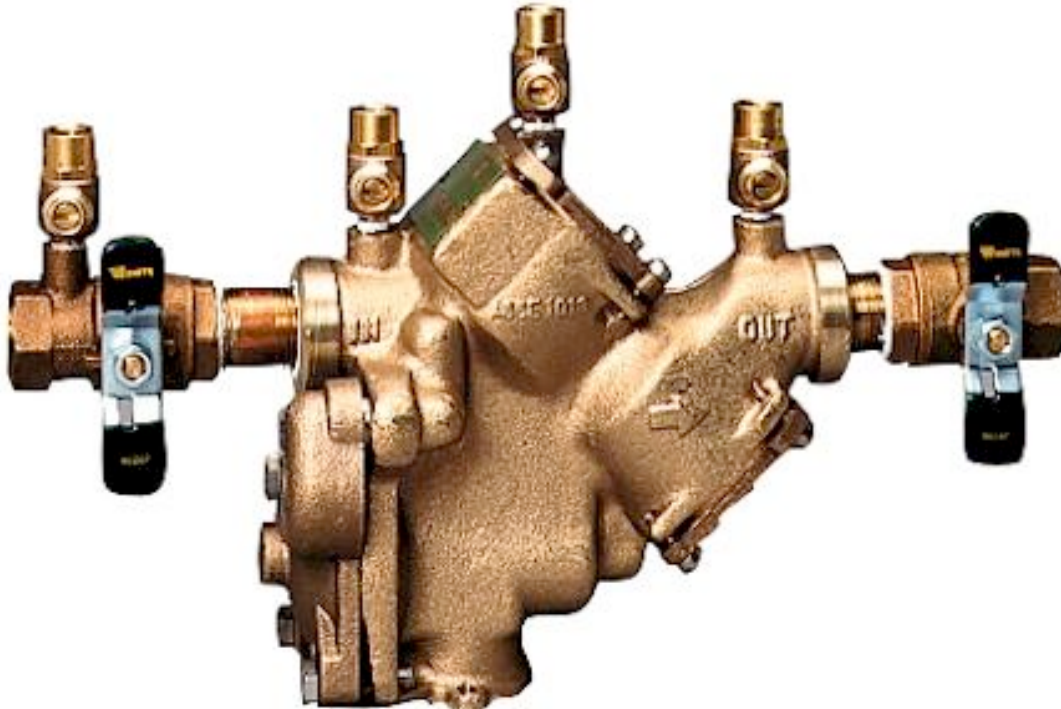
REVISIONS

No.	Description	Shd.	of	Date

DESIGNED: RRT
DRAWN: MEL
CHECKED: RRT
DATE: JANUARY 2009
DRAWING NUMBER
M-52
SHEET 02 OF 09

Image of a funnel drain using an air gap fitting (typical for in-wall AC drain line connections). This is where The AC condensate gray water will drip into a funnel. **There is no physical connection between the AC Contractors condensate drain and the plumbers funnel drain for Gray Water.** The illustration above shows the plumbing contractor is the only person that can cross contaminate the gray water piping in the walls, this will be the specs in the 2012 Uniform Plumbing Code.

EXHIBIT #2 - SB1301-SD-1 TESTIMONY



909 QT

Image of a BACK FLOW PREVENTER installed per Uniform Plumbing Code and specified by the consulting engineer on an air conditioning chilled water system. If Gray water is introduced to the make up water of a chilled water system, this device has always been installed per code for PUBLIC HEALTH AND SAFETY REASONS to prevent cross contamination with POTABLE WATER.

THIS DEVICE IS INSTALLED BY "BACK FLOW PREVENTER" CERTIFIED PLUMBING CONTRACTORS, THIS SCOPE OF WORK HAVE NEVER BEEN DONE BY AIR CONDITIONING CONTRACTORS.

Both the Plumbing Inspector and Consulting Mechanical Engineer will inspect and certify this make up water line work that was specified and performed by the PLUMBING CONTRACTOR not an AIR CONDITIONING C-52 CONTRACTOR.

RAC - Refrigeration and Air Conditioning Technology

WEBSITE: <http://tech.honolulu.hawaii.edu/rac>

FACULTY: Derek Oshiro, Allen Tateishi

PROGRAM MISSION: The Refrigeration & Air Conditioning Technology program's mission is to serve the community as a learning-centered, open door program that provides technical training to meet the demands of the industry and the needs of the individual. An open-exit option allows the students to identify their career objectives and participate in program exploration.

PROGRAM DESCRIPTION: The Refrigeration and Air Conditioning Program prepares students for employment as technicians in the design, operation, service, repair, installation and sales of these systems and equipment. The program combines theory with extensive practical hands-on training designed to simulate the actual work environment and skills needed to excel in this challenging field. Labs afford the student the opportunity to install, repair, and/or operate actual field equipment, such as commercial package and split system A/C; liquid chillers; commercial ice machines; and domestic equipment.

PROGRAM STUDENT LEARNING OUTCOMES (SLO): Upon successful completion of the RAC program, students will be able to:

- Gain employment in the field of refrigeration and air conditioning;
- Demonstrate positive work habits and attitudes; and,
- Demonstrate knowledge and skills required for the repair and maintenance of air conditioning and refrigeration equipment according to National Standards.

PROGRAM REQUIREMENTS:

Program Prerequisite or Co-requisite:

*ENG 19 and/or ENG 21, OR "C" or higher in ESL 11 & 13 & 14,
OR Placement in ENG 22/60 or ESL 23
MATH 9, OR Placement in MATH 50*

First Semester

*RAC 21 Basic Refrigeration
MATH 50 Technical Mathematics I
or MATH 53 Technical-Occupational Math*

Certificate of Achievement Credits	Associate in Applied Science Degree Credits
12	12
12	15-16
12	12
12	3
12	15
12	12
12	3
12	15

Second Semester

*RAC 32 Commercial Refrigeration
General Education Requirement (Communications) **

Third Semester

*RAC 40 Air Conditioning I
General Education Requirement Group 2b: (HUM 50) **



RAC students construct a refrigeration system.

Refrigeration and Air Conditioning Technology

RAC

PLUMBING HAS NEVER BEEN INCLUDED IN THE CURRICULUM
PLUMBING HAS NEVER BEEN PART OF AN AIR CONDITIONING (C-52) AND
REFRIGERATION (C-40) CONTRACTOR SCOPE OF WORK

Fourth Semester

<i>RAC 50</i>	<i>Air Conditioning II</i>	12	12
<i>General Education Requirement Group 2c *</i> <i>(Recommended: PSY 180)</i>			3
<i>General Education Requirement Group 2a or 2d *</i>			3
		12	18
Minimum Credits Required		48	63-64

* General Education Requirements for the A.A.S. degree are listed under *DEGREES AND CERTIFICATES*.

Note: Students must meet the minimum proficiency standards in communication established by Honolulu CC to qualify for the Certificate of Achievement.



COST OF TEXTBOOKS/SUPPLIES: The cost of textbooks, supplies, meters, and tools is approximately \$800.

ADVISORY COMMITTEE:

John Arizumi, President/Owner, Carrier Hawai'i
 Clayton Kurosu, Owner/President, American Air Conditioning
 Richard McIlhenny, President/Owner, Trane Pacific
 Ronnie Nakamura, President, A/C Warehouse Inc.
 Lester Nakata, President, O'ahu Sales
 Allen Ng, Regional Manager, Sears Appliance Repair Division
 Clayton Shobu, Owner/President, Shobu's Air Conditioning

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

March 12, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE MARK HASHEM, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

HONORABLE CLIFT TSUJI, CHAIR, HONORABLE GENE WARD, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

SUBJECT: **STRONG OPPOSITION TO S.B. 1301, SD1, RELATING TO PROFESSIONS AND OCCUPATION.** Authorizes the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050. (SD1)

HEARING

DATE: Tuesday, March 12 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward and Members of the Committees:

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** S.B. 1301, SD1, Relating to Professions and Occupations which proposes to, among other things, amend certain definitions in Chapter 448E; amend certain electrician qualification requirements; and newly regulate the occupations of air conditioning, refrigeration and fire sprinkler technicians by placing them under the jurisdiction of the Chapter 448E, Hawaii Revised Statutes (HRS). This is the third draft that the GCA has reviewed and all drafts have irresolvable flaws that could result in dire consequences to the construction industry as a whole.

The GCA **respectfully request that S.B. 1301, SD1 be held** for the following reasons. First, Section two of the bill and its reference to “associated pipefitting” is problematic, particularly because there is no definition of pipefitting and its interpretation by bodies relying on such law could have unintended consequences. Secondly, the proposed language could be interpreted to require that an A contractor be required use a licensed plumber to perform any work related to pipefitting. Lastly, proponents of this bill have been promoting the use of gray water as the intent behind this measure. However, there is no nexus between gray water and this bill, except in the Preamble which fails to justify why such regulation is necessary to meet such a goal. 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 GCA continues to have concerns with the SD1 version of SB 1301 and particularly Section two and its reference to “associated pipefitting.” This term is highly problematic and could have unintended consequences. The question remains what is “associated pipefitting?” This term is still not defined in the bill. The bill’s reference to “associated pipefitting” is problematic because interpretations by bodies relying on such law could have unintended consequences. For example, how would an inspector interpret associated pipefitting – the inspector could consider work done by the general contractor as work done with pipes as “associated pipefitting” and thus require a plumber to perform any work regularly performed by a general contractor. This legislation will highly complicate matters regarding jurisdiction and scopes of work.

Secondly, the proposed conditional language in Section two is not enough to ensure current scopes of work can continue to be performed by certain contractors. The conditional language referenced on page 3, lines 1-3; page 3, lines 8-10; page 3, lines 17-19; and page 4, lines 4-5, which says “this shall not preclude properly licensed contractors from performing pipefitting work within the scope of the contractor’s license” does not ensure that those outside the industry will interpret the law to protect the existing work performed by the general contractors using laborers to do work dealing with pipes. 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 current bill, the word pipefitting could erroneously conclude that those types of work would be limited to a licensed plumber only.

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 S.B. 1301, SD1 and respectfully recommends 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

March 11, 2013

The Honorable Mark M. Nakashima, Chair
The Honorable Mark J. Hashem, Vice Chair
and members
Committee on Labor and Public Employment
Hawai'i State House of Representatives
415 South Beretania Street
Honolulu, Hawai'i 96813

The Honorable Clift Tsuji, Chair
The Honorable Gene Ward, Vice Chair
and members
Committee on Economic Development and Business
Hawai'i State House of Representatives
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Testimony in **strong opposition** to SB1301 SD1, relating to professions and occupations.

Dear Chair Nakashima, Chair Tsuji, Vice Chair Hashem, Vice Chair Ward, and members of the committees:

The Hawai'i Construction Alliance is **strongly opposed to SB1301 SD1**, 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 are troubled by SB1301 SD1 because it unnecessarily attempts to regulate trades and jurisdictional matters in contravention of existing practice. These trades and activities are already regulated 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 burdens to both the State and the business community.

The creation of new categories of licenses would also have the effect of legislating what is fundamentally a jurisdictional matter between the trades which currently perform this work. It has long been the practice of the legislature to refrain from entertaining bills that wade into jurisdictional matters, as there are already well-established procedures between the internationals of the unions and their locals to settle these disputes.

We also still remain concerned that SB1301 SD1 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. Without such a definition, 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.” The bill may then have the inadvertent and undesirable effect of changing industry standards over the well-established “five-foot” rule and incite further jurisdictional disputes amongst the trades who currently perform such work.

Finally, we continue to question the intent of the bill. Although proponents have characterized this bill as dealing with gray water, we note with concern that the bill does not contain any mention of gray water, reclaimed water, or non-potable water outside of the purpose section found in Section 1. If there are specific issues regarding health or safety in regard to gray water, we urge you to consider examining the building and plumbing codes rather than the licensing laws.

Mahalo for the opportunity to testify in **strong opposition** to SB1301 SD1.

Aloha,

A handwritten signature in black ink that reads "Tyler Dos Santos-Tam". The signature is written in a cursive, flowing style.

Tyler Dos Santos-Tam
Executive Director
Hawai‘i Construction Alliance
execdir@hawaiiiconstructionalliance.org

HEALY TIBBITTS BUILDERS, INC.

General Contractors

99-994 Iwaena Street • Suite A • Aiea, Hawaii 96701
Telephone: (808) 487-3664 • Facsimile: (808) 487-3660

Via E-mail: LABTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6680

March 12, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE MARK HASHEM,
VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND
PUBLIC EMPLOYMENT

HONORABLE CLIFT TSUJI, CHAIR, HONORABLE GENE WARD, VICE CHAIR
AND MEMBERS OF THE HOUSE COMMITTEE ON ECONOMIC
DEVELOPMENT & BUSINESS

SUBJECT: **STRONG OPPOSITION TO S.B. 1301, SD1, RELATING TO PROFESSIONS
AND OCCUPATION.** Authorizes the board of electricians and plumbers to
regulate journey worker air conditioning and refrigeration plumbers and journey
worker fire sprinkler plumbers. Establishes minimum qualifications for licensure
beginning July 1, 2016. Establishes that journey worker air conditioning and
refrigeration plumbers and journey worker fire sprinkler plumbers shall renew
their license every three years effective June 30, 2018, and shall meet new
requirements for licensure prior to the June 30, 2021, renewal deadline.
Effective 07/01/2050. (SD1)

HEARING

DATE: Tuesday, March 12 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward and Members of the
Committees:


Healy Tibbitts Builders, Inc. **strongly opposes** S.B. 1301, SD1, Relating to Professions and
Occupations. This bill proposes to amend the definition of plumber under Chapter 448E 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. This
measure also proposes changes to the qualifications for certain electricians.

Healy Tibbitts Builders, Inc. is opposed to this measure because, although it contends that it is
to address the proper implementation of greywater systems, it could potentially cause confusion
as to who would be permitted to perform the scope of work related to working with pipes outside
a building, which has been traditionally performed by the general contractor. The proposed
language could also be interpreted to require that an A contractor be required use a licensed
plumber to perform any work related to pipefitting.

Additionally, Section two and its reference to “associated pipefitting” is problematic, particularly because there is no definition of “associated 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. This bill calls into question whether the “A” general contractor would be able to continue to perform such work.

Accordingly, Healy Tibbitts Builders, Inc. strongly opposes S.B. 1301, SD1 and recommends that the bill be held by the committees.

Very truly yours,
Healy Tibbitts Builders, Inc.



Richard A. Heltzel
President

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 11, 2013 9:53 AM
To: LABtestimony
Cc: 1mu630@gmail.com
Subject: Submitted testimony for SB1301 on Mar 12, 2013 11:30AM

SB1301

Submitted on: 3/11/2013

Testimony for LAB/EDB on Mar 12, 2013 11:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Ricky Tamashiro	Hawaii Masons' Union	Oppose	No

Comments: March11,2013 To the Honorable Mark Nakashima, Chair and Honorable Vice Chair Mark Hashem and members of the House Committee on Labor and Public Employment To the Honorable Rep. Cliff Tsuji, Chair and Honorable Vice Chair Gene Ward, and members of the House Committee on Economic Development and Business. The Masons Union strongly opposes SB.1301,SSCR.627. The Masons' Union Local 1 & 630 represents the 1900 members from the following trades, Cement Masons, Plasterers, Bricklayers, Ceramic Tile Setters, Marble Setters, Pointer Caulkers, Stone Masons, SB.1301 SSCR. 627 relating to Professions and Occupations, of which proposes to regulate the occupations of air conditioning,refrigeration and fire sprinkler technicians and place them under the jurisdiction of the Chapter 448E, Hawaii Revised Statutes Electricians and Plumbers Board. This is about the regulation of a trade that is currently under the oversight of the Contractor's Licensing Board under HRS Chapter 444 and it's existing specialty C licenses. The October 1994 report (No. 94-15.) conducted by the State Auditor analyzed the refrigeration and air condition situation and concluded that, "licensing is not necessary and that the exiting protections are sufficient" and that, "professions and vocations should be regulated only when reasonably necessary to protect the health, safety and the welfare of consumers. In assessing the need for regulation only if evidence of abuses is to be given great weight". Unless documented evidence of abuse and public safety problems are presented, the bill is an over reach of a system that is reasonably safe, efficient and effective thus keeping cost down for the consumer. This bill will make it much more difficult for workers to obtain a license thus restricting this industry to provide serv ice. This bill if enacted into law, will be taking away a lot jobs from workers who have been preforming these work for decades under the guidance and supervision of their respected license contractor. Clearly, this is a jurisdictional issue and it shouldn't be address at the State Legislature. The Masons Union is strongly oppose to the passage of S.B.1301 SD1, SSCR. 627 respectfully recommends that this measure be held. Thank you for the opportunity to present our views on this bill.

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.

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COMPANY LETTER HEAD

March 9, 2013

Testimony to the House Committees on Labor & Public Employment and Economic Development & Business

Tuesday, March 12, 2013

11:30 a.m.

Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji
Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is Todd K. Ohta, I hold a C-52 Air Conditioning and Ventilation license and/or C-40 Refrigeration license and am the RME (Responsible Managing Employee) of Akamai A/C and Refrigeration Co. that has been in business over 5 years.

I, along with other HVAC RME's who hold the same license classification are opposing **SB1301**, S.D. 1 and respectfully request the measure be held.

Akamai A/C and Refrigeration Co. **strongly opposes** S.B. 1301, S.D. 1, and respectfully requests the measure be **held**. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

Akamai A/C and Refrigeration Co. is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
- 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.
- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning

contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.

- 4) Several industries and small business owners to be affected by this measure is astronomical. Any home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handling units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
- 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be borne by the consumer.
- 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1. has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (**R**efrigeration **A**ir **C**onditioning) Program will receive an Associate Degree in Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER".
- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
- 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated.
- 10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at

these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, Akamai A/C and Refrigeratio Co. **strongly opposes** S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share my views with the committee.

Respectfully,

Todd K. Ohta, Owner
Akamai A/C and Refrigeration Co.

PLUMBING & MECHANICAL CONTRACTORS ASSOCIATION OF HAWAII



PLUMBING AND MECHANICAL
CONTRACTORS ASSOCIATION
OF HAWAII

TELEPHONE: (808) 597-1216

FAX: (808) 597-1409

1314 S. King Street, Suite 961
Honolulu, Hawaii 96814

GREGG S. SERIKAKU
EXECUTIVE DIRECTOR

March 10, 2013

Representative Mark M. Nakashima, Chair
Representative Mark J. Hashem, Vice Chair
House Committee on Labor and Public Employment

Representative Clift Tsuji, Chair
Representative Gene Ward, Vice Chair
House Committee on Economic Development and Business

Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward, and Members of the Committees:

SUBJECT: SB1301 SD1 Relating to Professions and Occupations

My name is Gregg Serikaku, Executive Director of the Plumbing and Mechanical Contractors Association of Hawaii, and we represent plumbing, air conditioning, refrigeration, and fire sprinkler contractors in Hawaii and are the management representatives for the largest certified training programs for each of these trades.

The Association for which I speak strongly supports SB1301 SD1 which has been developed in collaboration with the State of Hawaii Electricians and Plumbers Licensing Board. Our Association has worked with the Plumbers and Fitters Union, the E&P Board, and other vested parties on drafting the Proposed SD1 to clarify the intent of the SB1301, which is to provide the public with the assurance that properly trained and experienced individuals install, maintain, and repair air conditioning, refrigeration, and fire sprinkler systems that are in compliance with national codes and guidelines intended to protect public health and safety.

Cross connection of potable and non-potable water is a grave issue which has caused severe illnesses and deaths, and one of our industry's primary concerns is the significantly expanded use of non-potable water allowed in the 2012 Uniform Plumbing Code (UPC) which includes applications in air conditioning systems, refrigeration systems and fire sprinkler systems. These new applications of non-potable water will result in a complex network of both potable and non-potable water piping within a building, and will drastically increase the possibility of dangerous cross connections if the individuals working on these systems are not properly trained.

A secondary public safety concern is the increasing use of high pressure refrigerant utilized in refrigeration and air conditioning systems. These systems must be properly designed and correctly piped in order to prevent the release of dangerous refrigerant within occupied spaces. The unintended release of refrigerant from an improperly designed and installed system may result in suffocation of occupants due to the oxygen displacing qualities of modern refrigerants. The proposed licensing will insure that the tradesperson has the required knowledge and expertise to safely install these systems.

In an effort to address issues raised by other concerned groups, the SD1 includes language that will allow properly licensed contractors to perform piping work within the scope of their license and which is currently allowed under the rules for HRS 448E. Further, as indicated in the preamble to the bill, the proposed air conditioning license classification is not intended to include sheetmetal duct, sheetmetal fabrication or other work customarily

performed by the sheetmetal industry. We are also working on scope language which will address the types of systems that are intended to be covered and exempted by the various license classes.

Therefore, we strongly support SB1301 SD1.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Gregg S. Serikaku". The signature is written in a cursive style with a large initial "G".

Gregg S. Serikaku
Executive Director

March 12, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE MARK HASHEM, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

HONORABLE CLIFT TSUJI, CHAIR, HONORABLE GENE WARD, VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

SUBJECT: **STRONG OPPOSITION TO S.B. 1301, SD1, RELATING TO PROFESSIONS AND OCCUPATION.** Authorizes the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050. (SD1)



HEARING

DATE: Tuesday, March 12 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward and Members of the Committees:

Royal Contracting Co., Ltd. strongly opposes S.B. 1301, SD1, Relating to Professions and Occupations. This bill proposes to amend the definition of plumber under Chapter 448E 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. This measure also proposes changes to the qualifications for certain electricians.

Royal Contracting Co., Ltd. is opposed to this measure because, although it contends that it is to address the proper implementation of greywater systems, it could potentially cause confusion as to who can perform the scope of work related to working with pipes outside a building, which has been traditionally performed by the general contractor.

Additionally, Section two and its reference to "associated pipefitting" is problematic, particularly because there is no definition of "associated 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. This bill calls into question whether the "A" general contractor would be able to continue to perform such work.

Accordingly, Royal Contracting Co., Ltd. strongly opposes S.B. 1301, SD1 and recommends that the bill be held by the committees.



S & M SAKAMOTO, INC.

GENERAL CONTRACTORS

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

Via Fax: (808) 586-6680

March 12, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE MARK HASHEM,
VICE CHAIR AND MEMBERS OF THE HOUSE COMMITTEE ON LABOR AND
PUBLIC EMPLOYMENT

HONORABLE CLIFT TSUJI, CHAIR, HONORABLE GENE WARD, VICE CHAIR
AND MEMBERS OF THE HOUSE COMMITTEE ON ECONOMIC
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Effective 07/01/2050. (SD1)

HEARING

DATE: Tuesday, March 12 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward and Members of the
Committees:

S&M Sakamoto, Inc. strongly opposes S.B. 1301, SD1, Relating to Professions and
Occupations. This bill proposes to amend the definition of plumber under Chapter 448E 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. This
measure also proposes changes to the qualifications for certain electricians.

S&M Sakamoto, Inc. is opposed to this measure because, although it contends that it is to
address the proper implementation of greywater systems, it could potentially cause confusion as
to who would be permitted to perform the scope of work related to working with pipes outside a
building, which has been traditionally performed by the general contractor. The proposed
language could also be interpreted to require that an A contractor be required use a licensed
plumber to perform any work related to pipefitting.

Additionally, Section two and its reference to "associated pipefitting" is problematic, particularly
because there is no definition of "associated 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. This bill calls into question
whether the "A" general contractor would be able to continue to perform such work.

Accordingly, S&M Sakamoto, Inc. strongly opposes S.B. 1301, SD1 and recommends that the bill be held by the committees.

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 11, 2013 11:48 AM
To: LABtestimony
Cc: doug@tropicalairconditioning.com
Subject: Submitted testimony for SB1301 on Mar 12, 2013 11:30AM

SB1301

Submitted on: 3/11/2013

Testimony for LAB/EDB on Mar 12, 2013 11:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Doug Thatcher	Tropical Air Conditioning Inc	Oppose	No

Comments: Tropical Air Conditioning, Inc P.O. Box 384989 Waikoloa, HI 96738 74-567 Honokohau St Ste 14 Kailua-Kona, HI 96740 (808) 883-8881 phone (808) 989-0483 mobile Serving West Hawaii Since 1990! www.tropicalairconditioning.net March 9, 2013 Testimony to the House Committees on Labor & Public Employment and Economic Development & Business Tuesday, March 12, 2013 11:30 a.m. Hawaii State Capitol, Room 309 RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji Honorable Vice Chairs, Mark J. Hashem and Gene Ward My name is (Doug Thatcher RME), I hold a C-52 Air Conditioning and Ventilation license and/or C-40 Refrigeration license and am the RME (Responsible Managing Employee) of (Tropical Air Conditioning.com) that has been in business over (23) years. I, along with other HVAC RME's who hold the same license classification are opposing SB1301, S.D. 1 and respectfully request the measure be held. (Tropical Air Conditioning Inc.) strongly opposes S.B. 1301 , S.D. 1, and respectfully requests the measure be held. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050. (Doug Thatcher) is strongly 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 address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated. 2) The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems. 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated. 4) Several industries and small business owners to be affected by this measure is astronomical. Any

home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handling units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1. 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be borne by the consumer. 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1. has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (Refrigeration Air Conditioning) Program will receive an Associate Degree in Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER". 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Grey Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer. 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber. 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated. 10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1. Based on the foregoing reasons, (Tropical air conditioning Inc) strongly opposes S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be held. Thank you for the opportunity to share my views with the committee. Respectfully, Doug Thatcher Owner Tropical Air Conditioning, Inc P.O. Box 384989 Waikoloa, HI 96738 74-567 Honokohau St Ste 14 Kailua-Kona, HI 96740 (808) 883-8881 phone (808) 989-0483 mobile Serving West Hawaii Since 1990! www.tropicalairconditioning.net

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.

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 **TOMCO CORP.**
General Contractors

Via E-mail: LABTestimony@capitol.hawaii.gov
Via Fax: (808) 586-6680

March 11, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR, HONORABLE MARK HASHEM, VICE
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HONORABLE CLIFT TSUJI, CHAIR, HONORABLE GENE WARD, VICE CHAIR AND
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DATE: Tuesday, March 12 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chairs Nakashima and Tsuji, Vice Chairs Hashem and Ward and Members of the
Committees:

TOMCO CORP. strongly opposes S.B. 1301, SD1, Relating to Professions and Occupations.
This bill proposes to amend the definition of plumber under Chapter 448E 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. This measure also
proposes changes to the qualifications for certain electricians.

TOMCO CORP. is opposed to this measure because, although it contends that it is to address
the proper implementation of greywater systems, it could potentially cause confusion as to who
would be permitted to perform the scope of work related to working with pipes outside a building,
which has been traditionally performed by the general contractor. The proposed language could
also be interpreted to require that an A contractor be required use a licensed plumber to perform
any work related to pipefitting.

500 Ala Kawa St., Suite #100A Honolulu, Hawaii 96817
Telephone #: (808) 845-0755 Fax #: (808) 845-1021
Lic# ABC 16941

Additionally, Section two and its reference to “associated pipefitting” is problematic, particularly because there is no definition of “associated 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. This bill calls into question whether the “A” general contractor would be able to continue to perform such work.

Accordingly, TOMCO CORP. strongly opposes S.B. 1301, SD1 and recommends that the bill be held by the committees.

Testimony to the House Committees on Labor & Public Employment and Economic Development & Business

Tuesday, Mar 12, 2013 11:30 a.m., room 309

RE: S.B. 1301. SD 1, relating to Professions and Occupations

Chairs Nakashima and Tsuiji, Vice Chairs Hashem and Ward, members of the committee

As a business owner in the construction industry and as a former member to the State Contractors License Board, I strongly oppose this measure as stated and request that it be held. What is the intent here? This should be a code issue, if grey water is truly the issue.

I stand with the Building Industry in opposing moving this bill forward.

Thank you for your consideration.

F.M. Scotty Anderson

2435 Aha Aina Place

Honolulu, HI 96821

306-5697

Twenty-Seventh Legislature
Regular Session of 2013

LATE TESTIMONY

HOUSE OF REPRESENTATIVES
Committee on Labor & Public Employment
Rep. Mark M. Nakashima, Chair
Rep. Mark J. Hashem, Vice Chair
Committee on Economic Development and Business
Rep. Clift Tsuji, Chair
Rep. Gene Ward, Vice Chair

State Capitol, Conference Room 309
Tuesday, March 12, 2013; 11:30 a.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 1301, SD1
RELATING TO PROFESSIONS AND OCCUPATIONS**

The ILWU Local 142 **opposes** S.B. 1301, SD1, which authorizes the Board of Electricians and Plumbers to regulate journey worker air-conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers, establishes minimum qualifications for license beginning July 1, 2016, and establishes that journey worker air-conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years from 6/30/13 and meet new requirements to licensure prior to 6/30/21.

This bill appears to enter into jurisdictional issues over who is authorized to do work on air-conditioning/refrigeration and fire sprinklers and which union will assume or retain jurisdiction over the work. Unless the public's health and safety is jeopardized, government should wisely consider staying out of these jurisdictional issues and allow the parties to resolve their differences on their own and/or compete accordingly.

The ILWU urges that S.B. 1301, SD1 be held. Thank you for considering our views on this matter.



LATE TESTIMONY

No. 293

Sheet Metal Workers' International Association

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

March 11, 2013

TO: HONORABLE MARK NAKASHIMA, CHAIR
HONORABLE MARK HASHEM, VICE CHAIR
AND MEMBERS OF THE HOUSE OF REPRESENTATIVE
COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

SUBJECT: **THIS IS AMENDED TESTIMONY TO CLARIFY OUR STRONG
OPPOSITION TO S.B. 1301 SD 1, RELATING TO PROFESSIONS
AND OCCUPATIONS.**

HEARING

DATE: Tuesday, March 12, 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309

Dear Chair Nakashima and Vice Chair Hashem and Committee members,

This amended testimony is being submitted to clarify our strong oppositions to S.B. 1301 SD 1:

- 1) It is an attempt to use the laws of the State of Hawai'i 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 ALF-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 SD1, 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.

whole thing...(the section needs to load before it will jump).

Page number references are from The New Create an Oasis with Grey Water (book), from which this list is excerpted...the numbers don't go anywhere on the web, but the hot links do.

- Use of grey water for irrigating lawns
- Irrigation of vegetables with grey water
- Irrigation of plants which can't take it or don't need it
- Perforated pipe or other indeterminate system for grey water distribution
- Garden hose direct from the back of the washer
- Freshwater designs & hardware used for grey water
- Blackwater designs used for grey water
- Grey water to drip irrigation
- Automated reuse systems for flushing low usage (e.g., residential) toilets
- Reliance on government agencies or engineering firms for info on or construction of simple residential grey water systems
- CA grey water law used as example to copy

Why Greywater Mistakes Don't Matter

Bad news: Greywater reuse offers much more benefits than are realized in most systems.

Good news: Even the worst shortfalls in greywater design rarely cause actual harm, and for the few that do, it's not much.

For every hundred greywater users in the US, probably 15 are achieving most of the benefit they should, eighty-some could do better, and a few systems have overall negative net benefit.

Of these, most have an overbuilt system—the problem is that the ecological cost of the pumps and pipe are greater than the saved water.

Perhaps one greywater user in a thousand is discharging diaper greywater directly to a water way, which is about the only way you can create a significant health hazard. Almost all such systems date from a time when the ecosystem was much bigger and the human imprint much smaller.

There has not been one documented case of greywater transmitted illness in the US.

In our area, we have curbside recycling of mixed recyclables as well as trash pick up.

I've observed that well-meaning citizens put plenty of stuff which looks vaguely recyclable but is not in their recycling bins (e.g., polystyrene packing), as well as totally recyclable materials in a form which is impractical to recycle, like thousands of bits of loose paper, broken glass, and specs of plastic. At the sorting facility, they send this sort of stuff to the landfill.

Sunrise Analysis of a Proposal to Regulate Refrigeration and Air Conditioning Mechanics

A Report to the
Governor
and the
Legislature of
the State of
Hawai'i

Report No. 94-15
October 1994



THE AUDITOR
STATE OF HAWAII

The Office of the Auditor

The missions of the Office of the Auditor are assigned by the Hawaii State Constitution (Article VII, Section 10). The primary mission is to conduct post audits of the transactions, accounts, programs, and performance of public agencies. A supplemental mission is to conduct such other investigations and prepare such additional reports as may be directed by the Legislature.

Under its assigned missions, the office conducts the following types of examinations:

1. *Financial audits* attest to the fairness of the financial statements of agencies. They examine the adequacy of the financial records and accounting and internal controls, and they determine the legality and propriety of expenditures.
2. *Management audits*, which are also referred to as *performance audits*, examine the effectiveness of programs or the efficiency of agencies or both. These audits are also called *program audits*, when they focus on whether programs are attaining the objectives and results expected of them, and *operations audits*, when they examine how well agencies are organized and managed and how efficiently they acquire and utilize resources.
3. *Sunset evaluations* evaluate new professional and occupational licensing programs to determine whether the programs should be terminated, continued, or modified. These evaluations are conducted in accordance with criteria established by statute.
4. *Sunrise analyses* are similar to sunset evaluations, but they apply to proposed rather than existing regulatory programs. Before a new professional and occupational licensing program can be enacted, the statutes require that the measure be analyzed by the Office of the Auditor as to its probable effects.
5. *Health insurance analyses* examine bills that propose to mandate certain health insurance benefits. Such bills cannot be enacted unless they are referred to the Office of the Auditor for an assessment of the social and financial impact of the proposed measure.
6. *Analyses of proposed special funds* and existing *trust and revolving funds* determine if proposals to establish these funds and existing funds meet legislative criteria.
7. *Procurement compliance audits* and other *procurement-related monitoring* assist the Legislature in overseeing government procurement practices.
8. *Fiscal accountability reports* analyze expenditures by the state Department of Education in various areas.
9. *Special studies* respond to requests from both houses of the Legislature. The studies usually address specific problems for which the Legislature is seeking solutions.

Hawaii's laws provide the Auditor with broad powers to examine all books, records, files, papers, and documents and all financial affairs of every agency. The Auditor also has the authority to summon persons to produce records and to question persons under oath. However, the Office of the Auditor exercises no control function, and its authority is limited to reviewing, evaluating, and reporting on its findings and recommendations to the Legislature and the Governor.



THE AUDITOR STATE OF HAWAII

Kekuanao'a Building
465 South King Street, Room 500
Honolulu, Hawaii 96813

OVERVIEW

THE AUDITOR
STATE OF HAWAII

Sunrise Analysis of a Proposal to Regulate Refrigeration and Air Conditioning Mechanics

Summary

We analyzed whether refrigeration and air conditioning mechanics should be regulated as proposed in House Bill No. 2661 introduced during the 1994 legislative session. We concluded that licensing is not necessary, existing protections are sufficient, and House Bill No. 2661 is flawed.

Refrigeration and air conditioning mechanics or technicians install, maintain, service, and repair refrigeration and air conditioning systems. Refrigeration systems maintain required temperatures to preserve food, medicine, and other perishable products. Air conditioning systems control the temperature, humidity, and air quality in residential, commercial, industrial, and other buildings.

House Bill No. 2661 proposes to regulate the occupation with a seven-member refrigeration and air conditioning mechanics licensing board in the Department of Commerce and Consumer Affairs. Under the proposal, no one can lawfully perform, direct, or supervise refrigeration or air conditioning work unless licensed by the board.

The bill covers only refrigeration appliances with a refrigerant charge of at least five pounds and air conditioning systems whose cooling capacity exceeds 51,000 British thermal units (BTUs) per hour or whose aggregate cubic feet per minute exceeds 2,100. This excludes most residential refrigerators and residential room air conditioning units.

The Sunset Law says that professions and vocations should be regulated only when reasonably necessary to protect the health, safety, and welfare of consumers. In assessing the need for regulation, evidence of abuses is to be given great weight. The law also asks the Auditor to consider whether consumers are at a disadvantage in choosing the provider and the benefits and costs of regulation to taxpayers.

We found that the regulation of refrigeration and air conditioning mechanics is not warranted. There is little evidence that regulation is needed. We found no documented evidence of abuses by refrigeration and air conditioning mechanics; few states regulate them. Proponents of regulation claim that incompetent mechanics could harm the public. They say faulty servicing of air conditioning systems or refrigeration units could result in problems such

as Legionnaires' disease, indoor air pollution, fires, contaminated drinking water, and food spoilage. Upon examination, we found the arguments by proponents to be speculative and not well supported.

We also found that the engineers, contractors, supermarket managers, and others who would be using licensed refrigeration and air conditioning mechanics have the experience and knowledge to protect themselves. They are not disadvantaged consumers who need state regulation to protect them. Furthermore, regulation would be costly and licensing fees could restrict entry into the occupation.

The federal government, state government, and the private sector already provide protections against the kinds of harm identified by proponents of regulating refrigeration and air conditioning mechanics. These include federal programs in environmental protection and state programs in health, fire protection, and contractor licensing. In the private sector, union apprenticeship training, various educational programs, and private certification provide additional protection.

In addition, we found that House Bill No. 2661 has several deficiencies. Its definitions are confusing. Also, licensure requirements are unreasonably restrictive. Applicants must have at least five years of full-time experience, but not less than 10,000 work hours, as an apprentice or helper. This restricts qualified persons from entering the profession.

Recommendation and Response

The Legislature should not enact House Bill No. 2661.

Marion M. Higa
State Auditor
State of Hawaii

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**Sunrise Analysis of a Proposal to
Regulate Refrigeration and Air
Conditioning Mechanics**

A Report to the
Governor
and the
Legislature of
the State of
Hawaii

Submitted by

THE AUDITOR
STATE OF HAWAII

Report No. 94-15
October 1994

Foreword

The Sunset Law, or the Hawaii Regulatory Licensing Reform Act of 1977, contains a sunrise provision which requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The Auditor is responsible for reporting the results of the analysis to the Legislature.

This report evaluates the regulation of refrigeration and air conditioning mechanics as proposed in House Bill No. 2661, introduced in the Regular Session of 1994. The Legislature requested this study in Senate Concurrent Resolution No. 68, House Draft 1 of the session. The study presents our findings on whether the proposed regulation complies with policies in the Sunset Law and whether there is a reasonable need to regulate refrigeration and air conditioning mechanics to protect the health, safety, and welfare of the public. It concludes with our recommendation on whether the proposed regulation should be enacted.

We acknowledge the cooperation of the Department of Commerce and Consumer Affairs, other state officials, and organizations and individuals knowledgeable about the occupation whom we contacted during the course of our analysis.

Marion M. Higa
State Auditor

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Chapter 1

Introduction

The Sunset Law, or the Hawaii Regulatory Licensing Reform Act (Chapter 26H, Hawaii Revised Statutes), contains a sunrise provision requiring that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The Auditor is to determine whether regulation is necessary to protect the health, safety, and welfare of consumers.

This report evaluates whether the regulation of refrigeration and air conditioning mechanics proposed in House Bill No. 2661, introduced in the Regular Session of 1994, complies with policies for occupational regulation in the Sunset Law. The Legislature requested this study in Senate Concurrent Resolution No. 68, H.D. 1 of the 1994 session.

Background on Refrigeration and Air Conditioning Mechanics

Refrigeration and air conditioning mechanics or technicians install, maintain, service, and repair refrigeration and air conditioning systems. Refrigeration systems maintain required temperatures to preserve food, medicine, and other perishable products. Air conditioning systems control the temperature, humidity, and air quality in residential, commercial, industrial, and other buildings. These systems are made up of many mechanical, electrical, and electronic components including motors, compressors, pumps, fans, ducts, pipes, thermostats, and switches.

Refrigeration and air conditioning mechanics follow blueprints, design specifications, and manufacturers' instructions in installing motors, compressors, condensing units, evaporators, and other components. They connect equipment to duct work, refrigerant lines, and the electrical power source. Mechanics also charge the system with refrigerant and check its proper operation. They diagnose and repair equipment breakdowns. They maintain systems by replacing filters and vacuuming cleaning vents, ducts, and other parts of the system.

Mechanics learn the trade from trade or technical schools, junior or community colleges, or apprenticeship training programs. A union-management committee of the Plumbers and Fitters Local 675, AFL-CIO, and the Plumbing and Mechanical Contractors Association of Hawaii administers the apprenticeship program in the state.

In Hawaii, most refrigeration and air conditioning mechanics are members of Local 675. An estimated 350 to 400 mechanics belong to

the union. Accurate data is not available on the number of mechanics who do not belong to the union, but we estimate there could be a couple of hundred or so.

Refrigeration and air conditioning mechanics work for cooling contractors, service and repair shops, hospitals, office buildings, and other organizations that operate large refrigeration and air conditioning systems. A few mechanics are self employed.

Proposal to Regulate Refrigeration and Air Conditioning Mechanics

House Bill No. 2661 would establish a refrigeration and air conditioning mechanics licensing board in the Department of Commerce and Consumer Affairs. Under the proposal, no one can lawfully perform, direct, or supervise refrigeration or air conditioning work unless licensed by the board.

House Bill No. 2661 covers only air conditioning systems whose cooling capacity exceeds 51,000 British thermal units (BTUs) per hour or whose aggregate cubic feet per minute exceeds 2,100. The bill exempts apprentices or trainees learning the trade and persons who work only as licensed motor vehicle repair personnel under Chapter 437B, HRS. It also exempts persons working only on refrigeration appliances with a refrigerant charge of less than five pounds. The bill prohibits a licensed mechanic from supervising more than one apprentice or trainee concurrently.

The seven-member board would consist of four licensed refrigeration and air conditioning mechanics and three private citizens not connected to the industry. Among its duties, the board would be responsible for developing license examinations. Qualifications for licensure would include having five years of full-time experience or its equivalent, but not less than 10,000 work hours, as a refrigeration and air conditioning mechanic's helper or apprentice; and passing the board's examination with a score of not less than 70 percent accuracy.

The board may deny, revoke, or suspend licenses, and may seek court injunctions against unlicensed activity. Those violating the licensing law may be fined up to \$500 for a first offense and up to \$1,000 and imprisoned for up to one year for each subsequent offense.

Objectives of the Analysis

The objectives for this analysis were to:

1. Determine whether there is a reasonable need to regulate the occupation to protect the health, safety, and welfare of the public.

2. Make recommendations based on our findings.
-

Scope and Methodology

To accomplish these objectives, we reviewed the literature on refrigeration and air conditioning mechanics and their regulation. We reviewed complaints and other information to identify any harm to the public.

We obtained information from organizations representing refrigeration and air conditioning mechanics. We interviewed representatives of the occupation, the Plumbers and Fitters Local 675, the construction industry, and staff of the Department of Commerce and Consumer Affairs, the Department of Health, the Department of Labor and Industrial Relations, and the Honolulu Fire Department. We also contacted other states' licensing agencies, the federal Environmental Protection Agency, and the federal Occupational Safety and Health Administration.

Our work was performed from June 1994 through August 1994 in accordance with generally accepted government auditing standards.

Chapter 2

Findings and Recommendation

This chapter presents our findings and recommendation on the need to regulate refrigeration and air conditioning mechanics. We conclude that licensing is not necessary, existing protections are sufficient, and House Bill No. 2661, which proposes licensing, is flawed.

Summary of Findings

1. The regulation of refrigeration and air conditioning mechanics is not warranted. We found no documented evidence that they harm consumers, and the costs of regulation would be substantial.
 2. Other protections against harm exist in both the public and private sectors.
 3. The bill is flawed. Its definitions are confusing and licensure requirements are restrictive.
-

Regulation of Refrigeration and Air Conditioning Mechanics Is Not Warranted

The Sunset Law says that professions and vocations should be regulated only when reasonably necessary to protect the health, safety, and welfare of consumers. In assessing the need for regulation, evidence of abuses is to be given great weight. The law also asks the Auditor to consider whether consumers are at a disadvantage in choosing the provider and to consider the benefits and costs of regulation to taxpayers.

There is little evidence that regulation is needed. We found no evidence of abuses by refrigeration and air conditioning mechanics. Few states regulate them. We also found that the businesses that use refrigeration and air conditioning mechanics are not at a disadvantage. In addition, the projected costs of instituting regulation are considerable.

No documented evidence of harm

We found no documented evidence that refrigeration and air conditioning mechanics have caused harm to the public's safety, health, or welfare.

Proponents of regulation claim that an incompetent mechanic could harm the public in many ways. They contend that faulty servicing and maintenance of air conditioning systems could foster Legionnaires' disease, spread indoor air pollutants, cause and spread fires, and contaminate drinking water. They further argue that poorly serviced refrigeration units could cause food spoilage, making consumers ill.

Finally, proponents say that mechanics could negligently release refrigerants containing chlorofluorocarbons into the air, damaging the ozone layer and the world's future. We found these arguments to be speculative and not well supported.

Legionnaires' disease is harmful—sometimes fatal—and has been traced to air conditioning cooling towers. But we found no documented evidence that incompetent mechanics have caused the disease. Factors that contribute to the growth of the legionella bacteria and the spread of the disease include locating the cooling tower too close to air ducts, the absence of good drift eliminators to reduce the amount of spray leaving the cooling tower, the lack of monthly inspections for slime and algae growth, and most important, the lack of automatic and continuous chemical treatment of cooling tower water.

The above factors are controlled not by the mechanic but by others. The designer of the air conditioning system determines the location of the cooling tower and the use of drift eliminators. The building owner controls monthly inspections and the chemical treatments performed by qualified chemical companies. Refrigeration and air conditioning mechanics do not and are not qualified to test for the presence of legionella or to determine the chemicals needed for effective treatment of cooling tower water.

We also found no documented evidence that mechanics have caused poor indoor air quality including the "sick building" syndrome. Proponents of regulation say an incompetent mechanic might cut off outside air to improve cooling without realizing the impact on indoor air quality. But more significant determinants of indoor air quality are the presence of pollutants (such as dry cleaning chemicals, new carpets, disinfectants, or strong perfume), the design of the air conditioning system (including proper filters, appropriate vent locations, and efficient air paths), and the arrangement of interior space (partitions and interior walls installed after placement of the air conditioning system). The Department of Health has logged 12 complaints of poor indoor air quality since March 1993; most were resolved when the building owner installed a new air conditioning system or added equipment such as air filters.

The claim by proponents of regulation that fires are caused and spread by improper servicing and maintenance of air conditioners is not supported by evidence. Proponents say an incompetent mechanic may cause a short circuit and fire by improper wiring. They also say a mechanic may disable a fire detector, with the result that the air conditioner fails to shut down and the fan escalates the fire and circulates smoke throughout the building. They claim the mechanic may carelessly handle refrigerants, which are highly flammable and toxic.

However, none of the four to six fires per year that the Honolulu Fire Department has linked to refrigeration and air conditioning systems was associated with refrigerants. Short circuits caused the majority of the fires, but the department could not say whether the fires resulted from faulty maintenance or mechanical failure. The department also could not say that any of these fires were escalated because an air conditioning system failed to shut off.

Proponents of regulation also contend that chemically treated air conditioning water will contaminate drinking water if a mechanic bypasses or disables the "backflow preventer," the device used to prevent air conditioning water from flowing into the drinking water supply. They claim that mechanics sometimes bypass the backflow preventer to speed the pumping of water into the air conditioning system. They say a bypass allowed air conditioning water to contaminate the drinking water at a local elementary school in 1986.

However, we found no documented evidence that any mechanic has contaminated drinking water by bypassing a backflow preventer. In the 1986 elementary school incident, the Safe Drinking Water Branch of the Department of Health discovered a bypass but could not determine who inserted it. Generally, the department holds building owners responsible for periodically inspecting and testing the operations of backflow preventers and removing any bypasses.

We also found no documented evidence of food spoilage due to inadequate servicing and repair of refrigeration units by mechanics. The Sanitation Branch and the Food and Drug Branch of the Department of Health, which inspect commercial refrigeration units at establishments where food is stored, reported no complaints that faulty servicing of refrigeration units has caused spoilage.

Finally, proponents of regulation charge that mechanics could release refrigerants that contain chlorofluorocarbons into the atmosphere. However, federal regulations are being developed to prevent such harm, including the phasing out of chlorofluorocarbon refrigerants.

The Professional and Vocational Licensing Division, Office of Consumer Protection, and Regulated Industries Complaints Office (all in the Department of Commerce and Consumer Affairs, or DCCA), the Better Business Bureau, and the state Ombudsman reported no complaints against refrigeration and air conditioning mechanics.

Few states license

Only 9 states license refrigeration and air conditioning mechanics: Connecticut, Kansas, Maryland, Massachusetts, New Mexico, Ohio, Oklahoma, Rhode Island, and Virginia. The states we contacted had

little evidence that regulating refrigeration and air conditioning mechanics has provided greater protection to the public.

Consumers not disadvantaged

The proposed regulation does not focus on the disadvantaged consumer who may need protection due to a lack of expertise. Instead, it focuses on those who are not at a disadvantage: engineers, contractors, supermarket managers, restaurant establishments, and apartment managers or associations. These parties have the experience and technical knowledge to protect themselves. It is not necessary for the State to institute regulation to protect them.

House Bill No. 2661 covers only refrigeration appliances with a refrigerant charge of at least five pounds and air conditioning systems with a cooling capacity in excess of 51,000 British thermal units (BTUs) per hour or whose aggregate cubic feet per minute exceeds 2,100. This excludes most residential refrigerators and residential room air conditioning units.

Considerable cost of regulation

Regulation would be costly. Under the Sunset Law, the proposed regulation of refrigeration and air conditioning mechanics should be avoided because its benefits to consumers are outweighed by its cost to taxpayers and because it unreasonably restricts entry into the occupation by all qualified persons.

DCCA informed us that one year prior to commencement of the regulatory program, it would need general fund support up to \$132,000 to start up the program and prepare for implementation.

DCCA estimates that it would need \$87,000 a year to regulate refrigeration and air conditioning mechanics under House Bill No. 2661. For the first year, another \$45,000 would be needed to develop an examination unless a valid and reliable national examination could be found. These figures assume that 600 mechanics would need to be licensed. DCCA also assumes that an unknown number of apprentices/trainees/helpers would have to be registered.

Subsequently, DCCA would establish fees designed to recover the \$87,000 a year in program costs. Section 26-9(1), HRS authorizes DCCA to assess fees on applicants and licensees so long as the fees bear a reasonable relationship to the cost of services provided. Assuming there would be 600 new licensees in the first year and 80 license applicants in each subsequent year, DCCA estimates that in the first biennium of the program, a licensure fee of \$256 per person would be needed. In addition, a separate assessment up to \$110 per person would be required to support the Compliance Resolution Fund. In the second

biennium of the program, with an increasingly large pool of licensees to support the program, the license fee is estimated to be \$215, plus the Compliance Resolution Fund assessment. (These figures do not include additional fees for taking the licensing examination. However, they also do not reflect potential revenue from registering apprentices/trainees/helpers, which could reduce the license fees.)

We believe the State should not allocate its scarce resources to establish regulation of an occupation that poses so little harm. Moreover, charging fees to licensees to cover the State's costs could restrict entry into the occupation, especially when added to the impending costs of being certified in refrigerants under federal EPA requirements as described in the following section.

Other Protections Are in Place

We find that both the public and private sectors already provide protections against the kinds of harm identified by proponents of regulating refrigeration and air conditioning mechanics. The federal government, state government, and the private sector all have programs to protect the public. Moreover, the federal government is considering additional regulations for public protection.

Federal protection

Regulations of the federal Environmental Protection Agency (EPA) prohibit individuals from knowingly releasing ozone-depleting refrigerants (chlorofluorocarbons) into the atmosphere while servicing, maintaining, or repairing air conditioning and refrigeration equipment. The EPA also requires that refrigerant recycling and recovery equipment meet EPA certification requirements.

As further protection against ozone depletion, the EPA requires chlorofluorocarbon refrigerants to be phased out by January 1, 1996. To protect the public from the mishandling of refrigerants, EPA regulations, effective November 14, 1994, will require all persons who service equipment containing refrigerants to be certified and will restrict the sale of refrigerants to certified technicians only.

The federal Occupational Safety and Health Administration (OSHA) has proposed regulations to protect the public from the health effects of poor indoor air quality. The regulations would require employers to establish an indoor air quality compliance program. The program covers building systems components that directly affect indoor air quality. It requires designating a compliance officer to coordinate or supervise building maintenance activities, training maintenance workers, performing and recording inspections and maintenance, and recording all indoor air quality complaints.

State protection

A number of state requirements help to ensure adequate and healthful design, construction, installation, and operation of air conditioning systems. Under Chapter 39, Title 11, of its rules, the Department of Health reviews blueprints and specifications to insure that designs meet national standards for ventilation and construction meets national fire prevention standards. The department then issues a permit to install and operate the air conditioning system. A state-licensed engineer is responsible for proper design, installation, and initial operation. The owner of the building must operate the system to provide proper air quality or face criminal charges and permit revocation. The department has inspection authority.

Under Section 132-9, HRS, of the state fire protection law, the county fire chief must approve the plans and specifications before construction begins.

Additional protection against faulty workmanship is provided by Chapter 444, HRS, the contractors licensing law. It states that only licensed contractors may install, alter, improve, or repair any building, project, development, or any part of these if the contract price exceeds \$1,000. This includes air conditioning systems. The Department of Commerce and Consumer Affairs licenses specialty contractors in refrigeration (classification C-40) and in ventilating and air conditioning (classification C-52).

Under Act 234 of 1994, the Department of Health has responsibility for an indoor air pollution program. The department is to establish and coordinate a government-wide network of state agencies and managers of publicly owned buildings to identify, assess, and correct indoor air pollution problems. The department will also provide information and educational material about indoor air pollution to managers, owners, and occupants of publicly owned and non-publicly owned buildings. The department may also set up a program for approving and inspecting construction of ventilation systems and for monitoring their proper maintenance.

To protect against harm caused by a bypass to a backflow preventer, Section 11-21-8 of the Department of Health's rules requires building owners or authorized agents to remove any arrangement to bypass a backflow prevention device. If the bypass is not removed, water service may be terminated and fines imposed on the building owner. The department has the authority to inspect building premises for bypasses.

The Department of Health also protects the public from food spoilage caused by defective refrigeration units. The Sanitation Branch inspects food service establishments (restaurants and any other establishment where food is served to the public) to ensure adequate temperatures in refrigeration units. The Food and Drug Branch inspects refrigeration

units at food establishments (such as supermarkets, grocery stores, packaging plants) for correct operations. The department penalizes establishments for noncompliance with the rules.

Private sector protection

The Joint Apprentice & Training Committee (made up of representatives of the Plumbing and Mechanical Contractors Association of Hawaii and the Plumbers and Fitters Local 675) offers an apprenticeship training program in refrigeration and air conditioning equipment operation. The apprenticeship program began in 1962 and has been approved by the Department of Labor and Industrial Relations.

The apprenticeship program helps ensure that union refrigeration and air conditioning mechanics are adequately trained, and that they are supervised by experienced mechanics during their training. Since most refrigeration and air conditioning mechanics in Hawaii are union members, the public is protected.

The program requires apprentices to complete 10,000 hours of on-the-job training, including 1,500 to 6,000 hours in preventive maintenance, troubleshooting, and field repairs; 1,500 to 6,000 hours in system equipment installation; 500 to 3,000 hours in pipefitting and prefabrication; and 300 to 2,000 hours in general shopwork. Apprentices also spend 1,080 hours in the classroom. Journeymen supervise the apprentices while they gain experience. The program takes five years to complete.

In addition to the training program, the collective bargaining agreement between the contractors and Local 675 offers other protections. Individuals registering with the union describe the type of work sought and their qualifications. Contractor requests for mechanics specify any special skills required for the particular job. The union then dispatches the registrants who have the necessary qualifications. The contractor may terminate any employee who does not meet the specified qualifications in the request.

The Honolulu Community College and the New York Technical Institute also provide training in refrigeration and air conditioning. The Honolulu Community College offers a two-year program consisting of 69 credit hours, which is equivalent to 2,000 contact hours. Graduates receive an associate of science degree in refrigeration and air conditioning. The New York Technical Institute offers a six-month training program that combines 750 classroom hours with 750 hands-on lab work hours.

In addition, several national organizations affiliated with refrigeration and air conditioning mechanics provide certification testing for the

occupation. They are the Air-Conditioning & Refrigeration Institute (ARI), the Refrigerating Engineers Technicians Association (RETA), and the Refrigeration Service Engineers Society (RSES).

Furthermore, under the doctrine of master-servant, employers may be legally liable for damages and for violations of safety standards by mechanics whom they employ. Since they can be held responsible for the actions of incompetent refrigeration and air conditioning mechanics, it is in their interest to ensure that their refrigeration and air conditioning mechanics are qualified.

Finally, engineers, building owners, and operators may also be legally liable for damages and for not meeting national standards for indoor air quality. Primary causes of action include breach of contract and express warranties, breach of quiet enjoyment and habitability, negligence, and strict product liability.

House Bill No. 2661 Is Flawed

The bill has several deficiencies. Its definitions are confusing and requirements for licensure are unreasonably restrictive.

The definition of refrigeration and air conditioning mechanic is confusing. It excludes persons who work on electrical wiring on air conditioning or refrigeration systems. Mechanics, however, state that 80 percent of their work is electrical work. Thus the bill appears to exclude all mechanics from licensing, which cannot have been the intent.

The definition of a refrigeration and air conditioning apprentice or trainee is also unclear. The bill exempts an apprentice or trainee who is "learning the trade" from licensing, but the term "learning the trade" is not defined. Furthermore, although it limits a licensed mechanic to supervising no more than one apprentice or trainee concurrently, the bill does not *require* apprentices to work under supervision. Therefore, because apprentices are exempt, the bill appears to allow apprentices to work unsupervised without being licensed.

The bill also restricts qualified persons from entering the profession. To qualify for licensure, a person must have at least five years of full-time experience, but not less than 10,000 work hours, as an apprentice or helper. However, mechanics have been graduating from far shorter training programs and working unsupervised without problems. These include graduates of the Honolulu Community College's two-year program and the New York Technical Institute's six-month program. Yet under House Bill No. 2661, these persons would not be eligible to sit for the licensing examination.

Recommendation

The Legislature should not enact House Bill No. 2661.

Response of the Affected Agency

Comments on Agency Response

We transmitted a draft of this report to the Department of Commerce and Consumer Affairs on September 13, 1994. A copy of the transmittal letter is included as Attachment 1. The department did not submit a response.



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March 9, 2013

LATE TESTIMONY

House Committee on Labor
Rep. Mark Nakashima, Chair
Rep. Mark Hashem, Vice-Chair

House Committee on Economic Development and Business
Rep. Cliff Tsuji, Chair
Rep. Gene Ward, Vice-Chair

Tuesday, Mar. 12, 2013
11:30 AM, Room 309

Re: Support of SB1301, SD1

Aloha Chairs Nakashima and Tsuji, Vice-Chairs Hashem and Ward and Members of the Committees:

Stephen and I are writing regarding SB 1301. Dorvin D. Leis Co., Inc., (DDL) is the leading Mechanical Contractor in the State of Hawaii employing close to 400 individuals. DDL self-performs the installation of Plumbing, Fire Sprinkler and Air Conditioning & Refrigeration systems on construction projects throughout Hawaii. We have reviewed SB1301 as proposed and, based upon our understanding, support the bill from the standpoint of public health and safety.

The significantly expanded applications of non-potable water in the 2012 Uniform Plumbing Code (UPC) includes uses in air conditioning systems and fire sprinkler systems, and provides for the recapture of condensate from air conditioning and refrigeration equipment for reuse within the plumbing system. These new uses and sources of non-potable water will result in a complex network of both potable and non-potable water piping within a building, and drastically increases the possibility of cross connection if the individuals working on the systems are not properly trained. Licensing of air conditioning, refrigeration, and fire sprinkler workers will insure that the tradesperson has the required knowledge and expertise to safely integrate these systems with the newly created plumbing and non-potable water technologies and processes. We embrace "Green" technology and sustainability but also recognize that these systems require expertise and training that exceed traditional system implementation. Public safety and protection is critically important.

For these reasons we support and endorse the Proposed SD1.

Respectfully,

Dorvin D. Leis,
Founder & Chairman

Stephen T. Leis,
President



98-055 KAMEHAMEHA HWY., C-6, AIEA, HI 96701 · PHONE (808) 831-5050 · FAX (808) 831-5055 · LIC # C-19800

LATE TESTIMONY

House Committee on Labor
Rep. Mark Nakashima, Chair
Rep. Mark Hashem, Vice-Chair

House Committee on Economic Development and Business
Rep. Clift Tsuji, Chair
Rep. Gene Ward, Vice-Chair

Re: Support of SB1301, SD1

Aloha Chairs Nakashima and Tsuji, Vice-Chairs Hashem and Ward and
Members of the Committees,

My name is Owen T. Muramatsu representing Elite Mechanical, Inc. Elite Mechanical, Inc. performs Air Conditioning, Refrigeration Installation and Servicing in the State of Hawaii. We support SB1301, SD-1 because of Public Health & Safety is very important.

Thank you for this opportunity to testify

Mahalo,

A handwritten signature in black ink, appearing to read "Owen T. Muramatsu", written over a horizontal line.

Owen T. Muramatsu
President

LATE TESTIMONY



Fire Protection Contractor * Contractor's License No. C-23708
91-329 Kauhi Street, D-1 Kapolei, HI 96707 Ph: (808) 836-8772 Fax: (808) 836-8781

March 11, 2013

House Committee on Labor
Rep. Mark Nakashima, Chair
Rep. Mark Hashem, Vice-Chair

House Committee on Economic Development and Business
Rep. Clift Tsuji, Chair
Rep. Gene Ward, Vice-Chair

Tuesday, March 12, 2013
11:30 a.m., Room 309

Re: Support of SB1301, SD1

Aloha Chairs Nakashima and Tsuji, Vice-Chairs Hashem and Ward and Members of the Committees.

Bernadette and I are writing this letter in support of SB 1301, SD1 as owners of Ekahi Fire Protection, LLC.

Since SB 1301, SD1 is a proposed bill to ensure all of our journey workers are licensed in fire sprinkler systems, this will confirm that our journey workers are trained and experts in the fire sprinkler systems which include installation, servicing and inspections. We also support the public safety and protection policies which are critical to the training of the journey workers.

For these reasons, we support and endorse the SB 1301, SD1.

Sincerely,

Alfred Patinio
Managing Member

Bernadette Patinio
Managing Member

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 11, 2013 2:14 PM
To: LABtestimony
Cc: rayf@hawaiiantel.net
Subject: *Submitted testimony for SB1301 on Mar 12, 2013 11:30AM*

LATE TESTIMONY

SB1301

Submitted on: 3/11/2013

Testimony for LAB/EDB on Mar 12, 2013 11:30AM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Ray Fontanilla	A & I Refrigeration, Inc	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



TESTIMONY BY PETER LEE
HAWAII LECET FOR
SENATE BILL NO. 1301, SD1 (SSCR 627)

LATE TESTIMONY

COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Rep. Mark M. Nakashima, Chair
Rep. Mark J. Hashem, Vice Chair

COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Rep. Clift Tsuji, Chair
Rep. Gene Ward, Vice Chair

DATE: Tuesday, March 12, 2013
TIME: 11:30 a.m.
PLACE: Conference Room 309
State Capitol
415 South Beretania Street

TO THE HONORABLE MARK NAKASHIMA, CHAIR, AND MEMBERS OF THE LABOR & PUBLIC COMMITTEE:

TO THE HONORABLE CLIFT TSUJI, CHAIR, AND MEMBERS OF THE ECONOMIC DEVELOPMENT & BUSINESS COMMITTEE:

Good Morning,

My name is Peter Lee, and I am the Construction Compliance Officer for Hawaii LECET (Laborers Employers Cooperation and Education Trust). Hawaii LECET is the labor-management trust fund between the Hawaii Laborers Union, Local 368, and its unionized contractors.

Hawaii LECET **STRONGLY OPPOSES** Senate Bill No. 1301, SD1 (SSCR 627). This bill has nothing to do with gray water. In fact, this measure in both original and SD1 form, makes no mention to gray water, however, the proponents of this bill claimed that the 2012 UPC (Uniform Plumbing Code) and gray water usage was sole reason for it.

Also, Hawaii LECET believes the SD1, as written, continues to have unintended consequences which affects other contractor classifications and their respective jurisdiction of work...particularly the "A" General Contractor who have traditionally perform pipe work outside 5 ft of the building line for over five decades.

Mahalo for the opportunity to testify and we respectfully ask that this measure be held.

LATE TESTIMONY



AIR CONDITIONING • SERVICE • AUTOMATION

**House Committee on Labor
Rep. Mark Nakashima, Chair
Rep. Mar Hashem, Vice Chair**

March 11, 2013

**House Committee on Economic Development and Business
Rep. Clift Tsuji, Chair
Rep. Gene Ward, Vice-Chair**

**Tuesday, March 12, 2013
11:30am, Room 309**

Re: Support of SB 1301, SD1

**Aloha Chairs Nakashima and Tsuji, Vice-Chairs Hashem and Ward and
Members of the Committees:**

I'm am supporting SB 1301. As an Air Conditioning contractor we understand the hazards and safety issues that face us everyday. We believe that individual licensing of air conditioning workers is the right thing to do to protect the public. The air conditioning industry is faced with continuous challenges with new products, procedures and refrigerants that can adversely affect both the public and the environment.

For these reasons we support the passage of SB 1301 SD1.

Mahalo,

Kenneth J Richardson

**Kenneth J Richardson
President**