

SB 512

Measure Title: RELATING TO ELECTRICAL CONTRACTORS.
Report Title: Electrical Contractors; Licensing; Exception
Description: Provides an exception to the licensing requirements for electrical contractors in situations when an electric utility must hire contractors licensed in another state to assist with high voltage work.
Companion: [HB1129](#)
Package: None
Current Referral: CPN
Introducer(s): BAKER, Keith-Agaran

<u>Sort by</u> <u>Date</u>		Status Text
1/18/2013	S	Introduced.
1/22/2013	S	Passed First Reading.
1/22/2013	S	Referred to CPN.
1/31/2013	S	The committee(s) on CPN has scheduled a public hearing on 02-13-13 8:30AM in conference room 229.

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

**TO THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION**

**TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013**

**Wednesday, February 13, 2013
8:30 a.m.**

**TESTIMONY ON SENATE BILL NO. 512, RELATING TO ELECTRICAL
CONTRACTORS.**

**TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:**

My name is Peter Lee, and I am the Chair of the Contractors License Board's Legislation Committee. Thank you for the opportunity to testify on Senate Bill No. 512, Relating to Electrical Contractors, which amends Chapter 448E, HRS, which relates to the Board of Electricians and Plumbers, by excluding electrical contractors from the Board of Electricians and Plumbers' licensing requirements.

The Contractors License Board ("Board") is opposed to this bill, as its intent is unclear. Chapter 448E, HRS, relates to the qualification and licensure of electricians and plumbers, yet this bill seeks to exclude contractors (who are licensed pursuant to Chapter 444, HRS) from the requirements of Chapter 448E, HRS. If the purpose of this bill is to exempt out-of-state electricians from the license requirements of Chapter 448E, then the language of the bill needs to be amended to clearly state that intent.

The Board finds this bill to be confusing; therefore, we are opposed to this measure.

Thank you for the opportunity to testify on Senate Bill No. 512.

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

TO THE SENATE COMMITTEE ON COMMERCE
AND CONSUMER PROTECTION

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Wednesday, February 13, 2013
8:30 a.m.

**TESTIMONY ON SENATE BILL NO. 512, RELATING TO ELECTRICAL
CONTRACTORS.**

TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Peter Akamu, Co-Chairperson of the Legislation Committee of the Board of Electricians and Plumbers ("Board"). Thank you for the opportunity to testify in opposition to Senate Bill No. 512, which amends Section 448E-5, Hawaii Revised Statutes, to exempt electrical contractors retained by a public utility to perform high voltage electrical work, including emergency repair or maintenance work, from the licensing requirements of Chapter 448E and section 444-9.5 of the contractors licensing statute.

Chapter 448E, relating to electricians and plumbers, regulates electricians and plumbers and does not regulate electrical contractors. The inclusion of electrical contractors in the licensing section of 448E-5 is inappropriate and misplaced. In addition, the language of the proposed bill exempts the electrical contractors from licensing under Chapter 448E, instead of the electricians performing the work which Chapter 448E governs and hence the Board is unclear as to the proponent's intent with this bill.

Section 448E-13 already provides an exemption from licensure for public utility employees performing public utility work. The Board determined at its August 3, 1999 meeting, and reaffirmed this decision at its December 14, 2004 meeting, that public utility work contracted to private contractors is not exempt and licensed journey worker electricians are required to perform the work. The Legislature in its wisdom provided the public utilities with an exemption for its employees because they are directly supervised by the public utility. However, private contractors who are contracted by the public utility provide supervision of their own employees and are only indirectly supervised by the public utility. Therefore, the Board feels employees of private contractors must be qualified and licensed to perform electrical work in Hawaii. To exempt out-of-state license holders from meeting qualifications for licensure others must meet to perform electrical work in this state, subjects consumers to potential harm and establishes an uneven playing field.

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

**Testimony before the Senate Committee On
Commerce and Consumer Protection**

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

February 13, 2013

**Senate Bill 512
Relating to Electrical Contractors**

Chair Baker, Vice Chair Galuteria, and Members of the Committee:

My name is Leroy Chincio and I am testifying on behalf of the Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company.

Senate Bill 512 seeks to exempt out-of-state electricians performing high-voltage (over 480 volts) work for a public utility from licensing laws for electricians; and from quotas governing contractors on construction sites. We fully support this bill.

Most in-state electrical workers are only experienced in low voltage (120 to 480 volt) work common in most homes and commercial buildings. High voltage work requires additional skills, training, tools, and equipment. An example of high-voltage work includes the replacement of one hundred and thirty-eight thousand volt poles, hardware, and conductors, located in the mountains which are only accessible by helicopter. To safely and properly perform this work, contractors working for an electric utility may need to use specialized and experienced personnel from the mainland who are not licensed in the state of Hawaii even though they are authorized to work in other states to perform this and other types of high-voltage work.

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

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

Thank you for the opportunity to testify on this matter.



**International Brotherhood of Electrical Workers
LOCAL UNION NO. 1186 • Affiliated with AFL-CIO**

1935 HAU STREET, ROOM 401 • HONOLULU, HI 96819-5003
TELEPHONE (808) 847-5341 • FAX (808) 847-2224

February 11, 2013

TO: **SENATE COMMERCE & CONSUMER PROTECTION COMMITTEE**
For Hearing on Wednesday, February 13, 2013, at 8:30 a.m., in Room 229

RE: **TESTIMONY IN STRONG OPPOSITION TO SB512**

Honorable Chair Baker, Vice Chair Galuteria, and Committee Members,

The **International Brotherhood of Electrical Workers Local Union 1186** represents over 3,400 members working in electrical construction, telecommunications, and with Oceanic Cable. Our members include civil service employees at Pearl Harbor, Kaneohe, Hickam, and at every military installation in Hawaii. IBEW Local 1186 also represents over 110 signatory electrical contracting companies that perform most of the electrical work in the state.

We strongly oppose SB512. Under the guise of satisfying an emergency need, a high-voltage public utility is seeking wholesale exemptions for its out-of-state and unlicensed subcontractors, at any time, from the entire HRS Chapter 448E, which covers the licensing of all electrical and plumbing workers. Please note that there is currently already an exemption under HRS §448E-13: *"All employees of a public utility within the State under a franchise or charter granted by the State which is regulated by the public utilities commission and community antennae television company, while so employed, shall be exempt from the provision of this chapter."*

In addition, existing HRS §444-10.6 already addresses cases of state emergency: *"(a) Notwithstanding any other provision of law to the contrary, the board may issue emergency contractor's licenses during a state of emergency or disaster duly declared by the governor under chapter 209 upon a determination by the board that a shortage of Hawaii licensed contractors exists."* SB512 also seeks a complete exemption for their out-of-state subcontractors from HRS §444-9.5 requiring a minimum number of state-licensed electrical workers on the job site, as well as any classroom requirements for attaining the Hawaii state license. Again, please note that there is already an exemption under the existing HRS §444-9.5 worker licensing law for such emergencies: *"(a) The board may waive this requirement in any county when there are insufficient licensed electrical or plumbing workers in that county to comply with this section."*

If passed, the exemptions proposed in SB512 would be in effect at all times, not just in cases of emergency. These perpetual exemptions would apply to the public utility's out-of-state subcontractors who would not need a Hawaii contractors license, and their workers would not need to have a Hawaii electrical workers license. We strongly oppose SB512 as it is unnecessary, it jeopardizes public safety, and current law already adequately addresses its concerns. We urge you to hold SB512.

Mahalo and aloha,

Damien Kim
Business Manager – Financial Secretary
International Brotherhood of
Electrical Workers, Local Union 1186



HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO
Gentry Pacific Design Center, Suite 215A * 560 N. Nimitz Highway, #50 * Honolulu, Hawaii 96817
(808) 524-2249 - FAX (808) 524-6893

February 12, 2013

KIKA G. BUKOSKI
Executive Director

EXECUTIVE BOARD

REGINALD CASTANARES
President
Plumbers & Fitters Local 675

DAMIEN T.K. KIM
Vice President
International Brotherhood of
Electrical Workers Local 1186

MARC YAMANE
Secretary Treasurer
Elevator Constructors Local 126

RYDEN VALMOJA
Sergeant At Arms
District Council 50
Painters & Allied Trades Local 1791
Carpel, Linoleum, & Soft Tile
Local 1826
Drywall, Tapers & Finishers
Local 1944
Glaziers, Architectural Metal &
Glassworkers Local 1889

DOUGLAS FULP
Trustee
International Assoc. of Heat & Frost
Insulators & Allied Workers Local 132

JOSEPH O'DONNELL
Trustee
Iron Workers Local 625

GARY AYCOCK
Boilermakers, Ironship Builders
Local 204

ART TOLENTINO
Sheet Metal Workers I.A. Local 293

RONAN KOZUMA
Hawaii Teamsters & Allied
Workers Local 996

VAUGHN CHONG
Roofers, Waterproofers & Allied
Workers United Union of Roofer
Local 221

Honorable Senator Rosalyn Baker, Chair- Committee on Commerce and Consumer Protection
Honorable Senator Brickwood Galuteria, Vice Chair- Committee on Commerce and Consumer Protection
Hawaii State Senate- Committee on Commerce and Consumer Protection
State Capitol
Honolulu, Hawaii 96813

Re: SB512 RELATING TO ELECTRICAL CONTRACTORS.

Provides an exception to the licensing requirements for electrical contractors in situations when an electric utility must hire contractors licensed in another state to assist with high voltage work.

Hearing: Wednesday, February 13, 2013, 0830, Room 229

Aloha Chair Baker, Vice Chair Galuteria and Committee Members;

My name is Kika G. Bukoski, testifying on behalf of the Hawaii Building & Construction Trades Council, AFL-CIO. The Council is comprised of various construction trade unions and represents the interests of over 15,000 of Hawaii's unionized construction trades men and women throughout the state.

The Council opposes Senate Bill 512 which proposes to provide an exception to the licensing requirements for electrical contractors in situations when an electric utility must hire contractors licensed in another state to assist with high voltage work.

The intent of such licensing requirements is to preserve and protect the integrity and standards of our regulated construction industries for the overall protection of the public and their safety. In extreme cases where catastrophic circumstances exist and it is deemed necessary to import such labor, such exemptions, if needed, can be exercised by the Governor under HRS 444-10.6 and HRS209. If such "emergency" powers are deemed unapplicable in such extreme circumstances, then maybe expanding such powers in a situation where such catastrophic needs exist might be more prudent than the permanent exemptions this Bill seeks to provide.

The HBCTC, chartered in 1953, is a recognized member of, and sanctioned by the AFL-CIO and our parent organization the Building and Construction Trades Department which is a national organization representing the organized construction trades and created by the AFL-CIO in 1901. HBCTC has and continues to serve its members through the advocacy and education of construction trades in Hawaii. HBCTC has played an integral role in the social and economic fabric of Hawaii through its efforts and its membership and sincerely appreciate the opportunity to share our opposition to Senate Bill 512.

Mahalo;

Kika G. Bukoski
Hawaii Building and Construction Trades Council, AFL-CIO