

IRONWORKERS STABILIZATION FUND

January 28, 2016

Mark Nakashima, Chair
Committee on Labor and Public Employment
House of Representative
State Capitol
415 S. Beretania Street
Honolulu, Hawaii 96813

Dear Honorable Chair Nakashima and Members of the Committee on Labor and Public Employment:

Re: Strong Support for HB 129 – Relating to Contracts

We are in strong support of HB 129, Relating to Contracts; under present practices, the Contractors License Board (CLB) is not required to make public its finding as to why it is granting an applicant a license even if said applicant does **not** possess the necessary experience called for in Hawaii Administrative Rules (HAR) Section 16-77-18 of the rules and regulations pertaining to contractors.

For public safety reasons, we believe the public has a **right** to know **why** an exception is being made, leading to an applicant being granted a license without meeting the experience requirement found in HAR Section 16-77-18. The Board should be mandated to make its findings public.

One example is recently a Vice-President of a large construction firm applied for 5 additional sub-contractors license. This person if he applied as a regular individual would need at least 3 years of hands on experience in each specialized field. This would add up to 15 years of doing work on the job in totally unrelated fields. As such, the CLB waived that requirement and granted him all 5 additional subcontractors license. When we asked the CLB for the information we were rejected saying this is confidential information. How can this be confidential be called for in an age when transparency is so important for the public safety.

Again we strongly support this measure for the safety of the working men and women of Hawaii. Thank you for your time and consideration.

Sincerely,



T. George Paris
Executive Director

**PRESENTATION OF THE
CONTRACTORS LICENSE BOARD**

TO THE HOUSE COMMITTEE ON
LABOR & PUBLIC EMPLOYMENT

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016

Friday, January 29, 2016
10:00 a.m.

WRITTEN TESTIMONY ONLY

TESTIMONY ON HOUSE BILL NO. 129, RELATING TO CONTRACTORS.

TO THE HONORABLE MARK M. NAKASHIMA, CHAIR,
AND MEMBERS OF THE COMMITTEE:

The Contractors License Board (“**Board**”) apologizes for not being at today’s hearing to present our testimony in person. The Board is meeting today from 8:30 a.m. until this afternoon and submits its written testimony.

My name is Peter Lee, and I am the Chair of the Board’s Legislation Committee. Thank you for this opportunity to testify in opposition to House Bill No. 129, Relating to Contractors, which proposes to add a new section to Hawaii Revised Statutes (“**HRS**”) chapter 444, authorizing the Board to accept reasonably equivalent experience in lieu of the specific experience requirement for licensure.

The Board is not clear on the intent of this measure, as its current rules already include similar language, as follows:

§16-77-20 Power of board to accept equivalent knowledge. The board in its discretion may accept any reasonably equivalent knowledge, training, or experience of the applicant in lieu of a specific experience requirement if upon investigation it makes a detailed finding to that effect.

Therefore, the Board already has the authority to accept equivalent knowledge, and creating a new section in the statute for that purpose is unnecessary and unwarranted.

If the purpose of this bill is to make written findings available for public inspection, please note that the Board makes all of its information available to the public in compliance with the Uniform Information Practices Act under HRS chapter 92F. Furthermore, the Board has serious concerns about providing detailed findings regarding an applicant's experience to the public. HRS section 92F-14 states that applicants for licensure have a significant privacy interest in the information they submit for consideration by the Board. Therefore, pursuant to that law, divulging details regarding an applicant's knowledge, training, and experience may constitute a clearly unwarranted invasion of personal privacy.

In summary, amending our law to accept equivalent knowledge, training, and experience is unnecessary, as the Board already has this authority, and requiring disclosure of detailed information regarding an applicant's qualifications may violate HRS chapter 92F. For these reasons, the Board is opposed to House Bill No. 129 and respectfully requests that it be **held**.

Thank you for the opportunity to testify on House Bill No. 129.



LOCAL UNION NO. 126



OF THE

International Union of Elevator Constructors

AFFILIATED WITH THE AFL-CIO

SUITE 314, 707 ALAKEA STREET • HONOLULU, HI 96813 • TELEPHONE (808) 536-8653 • FAX (808) 537-3779

The Twenty-Eighth Legislature
Regular Session of 2016
Hawaii State House of Representatives
Committee On Labor and Public Employment

Friday, January 29, 2016
10:00 AM, Conference Room 309

House Bill No. 129 - Relating to Contractors

The Honorable Mark Nakashima, Chair, Jarrett Keohokalole, Vice-Chair, and Members of the House Committee On Labor and Public Employment

HB 129 proposes to allow the contractors license board to accept in lieu of a specific experience requirement for licensure, equivalent knowledge, training, or experience, including self-employed or unlicensed experience.

The International Union of Elevator Constructors, Local 126 represents the men and women installing, repairing, and maintaining all elevators, escalators, and other vertical transportation in the State of Hawaii.

The majority of the Elevator Contractors, such as Otis, Schindler, ThyssenKrupp, etc., have been operating in Hawaii for decades and their employees that hold the C-16 License have all come out of the Elevator Trade and are former Elevator Constructors. The Elevator Constructor is a highly skilled craft with some of the most stringent standards and extensive education in the construction industry. Our training is demanding from day one. By the time an Apprentice becomes a Journeyperson they will have gone through a minimum of 4 ½ years of schooling and at least 8,000 hours of on-the-job training.

Under HB 129, the possibility that an individual will be able to acquire a Specialty C-16 Elevator Contractor's License without any physical experience of installing, repairing, or maintaining an elevator is very concerning. Education **and** on the job training go hand in hand and the skillset needed to provide safe running elevators to the general public cannot be acquired strictly through the acquisition of knowledge and training. To allow an individual to become an RME or C-16 License holder without the experience criteria or even considering using unlicensed experience in lieu of the proper experience criteria is irresponsible and taking the safety of the riding public very lightly.

I ask you this in all honesty, how many of you would want to ride on the elevators at the capitol knowing that they are being serviced and maintained by a company that got their C-16 License by circumventing the experience requirement?

Licensing is in place for the safety of the general public and the "watering down" of the qualifications to acquire a contractor's license will only serve to hurt the Elevator Industry. I feel that any degradation in our current licensing laws will directly compromise the safety of the riding public. And for these reasons the International Union of Elevator Constructors, Local 126 is **strongly opposed** to HB 129.

Respectfully submitted,

Marc Yamane
Business Representative
International Union of Elevator Constructors, Local 126

Hawai'i Construction Alliance

LATE

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

January 28, 2016

The Honorable Mark M. Nakashima, Chair
The Honorable Jarrett Keohokalole, Vice Chair
and members
House Committee on Labor and Public Employment
Hawai'i State Legislature
Honolulu, Hawai'i 96813

Dear Chair Nakashima, Vice Chair Keohokalole, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of our state's construction industry.

The Hawai'i Construction Alliance **is opposed to HB129**, which would allow the Contractors License Board to accept in lieu of a specific experience requirement for licensure, equivalent knowledge, training, or experience, including self-employed or unlicensed experience, if the board investigates and makes a detailed written finding available for public inspection..

We concur with the Contractors License Board's own Legislation Committee, which found that the Contractors License Board is already empowered to accept equivalent knowledge, and raised concerns about the privacy interests of applicants for licensure. Therefore, we support the Contractors License Board's Legislation Committee's recommendation that this bill be **held**.

Mahalo for the opportunity to provide this testimony.

Aloha,



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

2016 OFFICERS

PRESIDENT
CRAIG WASHOFSKY
SERVCO HOME & APPLIANCE
DISTRIBUTION

PRESIDENT-ELECT
EVAN FUJIMOTO
GRAHAM BUILDERS, INC.

VICE PRESIDENT
DEAN UCHIDA
SSFM INTERNATIONAL, INC.

TREASURER
MICHAEL WATANABE
JW, INC.

SECRETARY
PETER ELDRIDGE
RAYNOR OVERHEAD DOORS &
GATES, INC.

SPECIAL APPOINTEE-BUILDER
PAUL D. SILEN
HAWAIIAN DREDGING
CONSTRUCTION CO, INC

SPECIAL APPOINTEE-BUILDER
MARK KENNEDY
HASEKO CONSTRUCTION
MANAGEMENT GROUP, INC.

SPECIAL APPOINTEE-ASSOCIATE
GARY T. OKIMOTO
HONOLULU WOOD TREATING, LLC

IMMEDIATE PAST PRESIDENT
RICHARD HOBSON, JR.
GENTRY HOMES, LTD.

CHIEF EXECUTIVE OFFICER
GLADYS MARRONE
BIA-HAWAII

2016 DIRECTORS

ANTHONY BORGE
RMA SALES

BEAU NOBMANN
HPM BUILDING SUPPLY

DOUGLAS E. PEARSON
CASTLE & COOKE HOMES
HAWAII, INC.

CHRIS CHEUNG
CC ENGINEERING &
CONSTRUCTION, INC.

CLIFTON CRAWFORD
C&J CONTRACTING, INC.

CURT KIRIU
CK INDEPENDENT LIVING BUILDERS

DWIGHT MITSUNAGA
DM PACIFIC, INC.

JACKSON PARKER
D.R. HORTON, SCHULER DIVISION

JENNIFER ANDREWS
COLDWELL BANKER PACIFIC
PROPERTIES

MARK HERTEL
INTER-ISLAND SOLAR SUPPLY,
OAHU-MAUI-HAWAII-KAUAI

MARSHALL HICKOX
HOMEWORKS CONSTRUCTION, INC.

SARAH LOVE
BAYS LUNG ROSE & HOLMA

MAILING
P.O. BOX 970967
WAIPAHU, HAWAII
96797-0967

STREET
94-487 AKOKI STREET,
WAIPAHU, HAWAII 96797

P 808.847.4666
F 808.440.1198
E INFO@BIAHAWAII.ORG

RE: HB 129, RELATING TO CONTRACTORS. Allows the contractors license board to accept in lieu of a specific experience requirement for licensure, equivalent knowledge, training, or experience, including self-employed or unlicensed experience, if the board investigates and makes a detailed written finding available for public inspection.

Dear Chair Nakashima, Vice-Chair Keohokalole, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer 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, and affiliated with the National Association of Home Builders.

BIA-Hawaii opposes HB 129, because it is not needed. The current rules of the Contractors License Board already contain similar language. The Board currently has the authority to accept equivalent knowledge, so it is not necessary to create a new section in the HRS to establish this.

In regards to the section which makes written findings available for public inspection, this is already done in compliance with the Uniform Information Practices Act. If the intent of this bill is to broaden the scope of the information made available to the public, there would be serious concerns with regards to the privacy of the applicant.

Thank you for the opportunity to express our views on this matter.

LATE

Testimony of Brooke Wilson
The Pacific Resource Partnership

State of Hawaii
House Committee on Labor & Public Employment

Representative Mark Nakashima, Chair
Representative Jarrett Keohokalole, Vice Chair

HB 129 – Relating to Contractors
Friday, January 29, 2016
10:00 a.m.
Conference Room 309

Aloha Chair Nakashima, Vice Chair Keohokalole and Members of the Committee:

We are in **opposition** of HB 129. This bill allows the Contractors License Board (CLB) to accept in lieu of a specific experience requirement for licensure, equivalent knowledge, training, or experience, including self-employed or unlicensed experience, if the board investigates and makes a detailed written finding available for public inspection.

Amending the law to accept equivalent knowledge, training, or experience is unnecessary as the CLB already has the authority to do so and creating a new section in the statute for that purpose is unnecessary and unwarranted.

Thank you for the opportunity to share our opinion and we respectfully request HB 129 be held in committee.

About PRP

Pacific Resource Partnership (PRP) is a not-for-profit organization that represents the Hawaii Regional Council of Carpenters, the largest construction union in the state, and more than 240 of Hawaii's top contractors. Through this unique partnership, PRP has become an influential voice for responsible construction and an advocate for creating a stronger, more sustainable Hawaii in a way that promotes a vibrant economy, creates jobs and enhances the quality of life for all residents.

