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**Sent:** Friday, February 24, 2017 10:17 AM  
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**Cc:** jmas808@gmail.com  
**Subject:** \*Submitted testimony for SB865 on Feb 24, 2017 09:30AM\*

**SB865**

Submitted on: 2/24/2017

Testimony for CPH on Feb 24, 2017 09:30AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jeffrey Masatsugu	Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund	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.

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**SB865**

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<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jeffrey Masatsugu	Hawaii Glaziers, Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund	Support	No

Comments:

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<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jeffrey Masatsugu	Hawaii Tapers Market Recovery Trust Fund	Support	No

Comments:

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Testimony for CPH on Feb 24, 2017 09:30AM in Conference Room 229

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jeffrey Masatsugu	Painting Industry of Hawaii Labor Management Cooperation Trust Fund	Support	No

Comments:

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# **Testimony before the Senate Committee On Commerce, Consumer Protection and Health**

**By Paul Nakagawa  
Superintendent, Transmission and Distribution Infrastructure  
Construction and Maintenance Department  
Hawaiian Electric Company, Inc.**

**February 23, 2017**

**Senate Bill 865  
Relating to Contractors**

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

My name is Paul Nakagawa and I am testifying on behalf of the Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company (collectively “Companies”).

Senate Bill 865 seeks to modify the requirement for any person applying for specialty contractor’s license for electrical contractor, pole and line contractor, high voltage electrical contractor, and electronic systems contractor, to possess at a minimum, a journey worker electrician license or an electrical engineering degree. We respectfully oppose this bill because we feel that the current law is sufficient with respect to licensure requirements. Additionally, with respect to pole and line contractor and high voltage electrical contractor, we believe that the additional requirement will only create additional obstacles for companies that are actually qualified from performing such work from being able to do so and conduct business in the State of Hawaii.

Under the current law, the requirements for licensure in any contractor classification are four years of supervisory level work experience. Additionally, only with respect to electrical or plumbing work, the current law requires that at least half of all individuals performing such work on a construction job site be licensed in accordance with HRS Chapter 448E. As such, we believe that the current law is sufficient to safeguard the public and workers with respect to any electrical work being performed in the State of Hawaii.

The current licensure law for electricians (HRS Ch. 448E) addresses trade experience and educational requirements only with respect to low voltage electrical work. Low voltage electrical work is for work common for most homes and commercial buildings (120 to 480

volt). Chapter 448E has no classification for journey workers that are actually trained and educated to perform pole and line and high voltage electrical work. High voltage work requires very specialized skills, requiring different training, tools, and equipment from the more common low-voltage electrician work.

Currently, other than employees of the Companies and Kauai Island Utility Cooperative, there are only a handful of electrical workers in the State that are qualified to perform high voltage work. An example of high voltage work includes the replacement of 138kv poles hardware and conductors, located in the mountains which are only accessible by helicopter. To safely and properly perform this work, the contractors that we retain to perform this work often need to bring in specialized and experienced personnel from the mainland who are not licensed in the state of Hawaii even though they are union members and authorized to work in other states to perform this and other types of high voltage work.

We believe that the current requirements already ensure that contractors performing pole, line, and high voltage electrical work have sufficient supervision when such work is being performed, and the work itself is being performed by qualified workers. Requiring additional qualifications for contractors to perform this work is likely to negatively impact our ability to retain contractors that are actually qualified to perform these types of work, and will ultimately increase the cost of the Companies to conduct business, resulting in an increase in the cost of providing electrical service to our customers across the State.

We also appreciate the consideration given to public utilities in this bill by exempting the application of the proposed change in law to public utilities, and urge that the exemption remain in this bill should this bill move forward. Electrical work performed by our employees, regardless of whether the cost to perform such work is incurred directly by the Companies or paid for by individual ratepayers, are on the utilities' systems that the Companies own and operate. As a public utility, the Companies are regulated and supervised by the State of Hawaii Public Utilities Commission. We believe and trust that the existing regulations and supervision by the PUC over our companies provide sufficient layer of protection for the general public in the event the general public deems our operations to be in need of review.

Thank you for the opportunity to testify on this matter. We appreciate the support of the Legislature in hearing and understanding our concerns.



ELECTRICAL CONTRACTOR'S ASSOCIATION OF HAWAII

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February 23, 2017

To: Senate Committee on Consumer Protection & Health  
Honorable Chairperson Rosalyn Baker & Vice Chairman Clarence Nishihara

From: Al Itamoto, Executive Director  
Electrical Contractors Association of Hawaii  
National Electrical Contractors Association, Hawaii Chapter

Subject: SB 865 Relating to Contractors

Notice of Hearing

Date: Friday, February 24, 2017  
Time: 9:30 AM  
Place: Conference Room 229  
State Capitol  
415 South Beretania Street

Dear Chair Baker and Committee members:

The Electrical Contractors Association of Hawaii (ECAH) is a non-profit association representing over 100 electrical contractors doing business in the State of Hawaii. ECAH **Supports with Amendment** the intent and purpose of SB 865. Requiring a journey worker electrician's license or an electrical engineering degree from an accredited college for a license as an electrical contractor, pole and line contractor, or high voltage contractor and a journey worker specialty electrician license as an electronic systems contractor should be a minimum requirement to ensure that all electrical work is contracted by a knowledgeable licensee for public safety. There are instances where an individual obtains one of the electrical contracting licenses as a sole proprietor thus allowing the licensee to contract for electrical work. The licensee is also performing the electrical work without the proper journey worker electrician license currently required by state law. This bill would close the loophole that allows electrical work performed or supervised by an unlicensed electrician by requiring the Journey workers electrician license or the equivalent knowledge of an electrical engineer.

ECAH suggests that the public utility or community antennae television company exemption provision proposed in 444, (c) eliminate, "All employees employed by" to clarify that the exemption is for the company and not extended to the employees of the company.

Based on the above, ECAH **supports with amendment** the passage of SB 865 and encourage this committee to move this bill forward.

Thank you for the opportunity to provide testimony on this issue.