

**SB 2297**

**HD1**

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# A BILL FOR AN ACT

RELATING TO ELECTRICAL CONTRACTORS.

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

1           SECTION 1. The legislature finds that most in-state  
2 electrical workers are experienced in low voltage work, which  
3 includes wiring buildings at one hundred twenty/two hundred  
4 forty volts. High voltage electrical work requires highly  
5 trained and skilled electrical workers. In the event of a  
6 catastrophic occurrence requiring electrical workers who possess  
7 that level of skill, Hawaii must import such workers from the  
8 mainland since there are not enough electricians, splicers, and  
9 linemen in the State who are experienced and qualified to work  
10 with high voltage and who could respond in the event of a  
11 catastrophic occurrence or complex maintenance work affecting an  
12 electric utility.

13           The legislature further finds that Act 35, Session Laws of  
14 Hawaii 2010, established new minimum qualification licensing  
15 requirements for electricians effective July 1, 2013. One of  
16 the unintended consequences of Act 35 was that because the high  
17 voltage electrical workers from the mainland are usually not



1 licensed as electricians in Hawaii, they are prohibited from  
2 being contracted by electric utilities in the State to perform  
3 the work.

4 The legislature further finds that Act 65, Session Laws of  
5 Hawaii 2013, provides a limited exemption to the licensing  
6 requirements for certain individuals in situations when an  
7 electric utility must retain qualified individuals to work with  
8 high voltage (six hundred volts or higher) who are not licensed  
9 in the State but are otherwise deemed qualified by the electric  
10 utility. However, Act 65 sunsets on June 30, 2018.

11 The purpose of this Act is to extend the sunset date of Act  
12 65, Session Laws of Hawaii 2013.

13 SECTION 2. Act 65, Session Laws of Hawaii 2013, is amended  
14 by amending section 4 to read as follows:

15 "SECTION 4. This Act shall take effect upon its approval;  
16 provided that on June 30, [~~2018~~] 2023, this Act shall be  
17 repealed and section 448E-13, Hawaii Revised Statutes, shall be  
18 reenacted in the form in which it read on the day before the  
19 effective date of this Act."

20 SECTION 3. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



**1** SECTION 4. This Act shall take effect on January 1, 2050.



**Report Title:**

Electrical Contractors; Licensing; Exemptions; High Voltage

**Description:**

Extends the sunset date of Act 65, SLH 2013, which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (600 volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility. (SB2297 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



STATE OF HAWAII  
DEPARTMENT OF DEFENSE  
OFFICE OF HOMELAND SECURITY

TESTIMONY ON SENATE BILL 2297, HD 1  
A BILL RELATED TO ELECTRICAL CONTRACTORS

PRESENTATION TO  
COMMITTEE ON INTERSTATE COMMERCE

BY  
MAJOR GENERAL ARTHUR J. LOGAN  
ADJUTANT GENERAL  
AND DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY AND  
DIRECTOR OF HOMELAND SECURITY  
MARCH 21, 2018

Good afternoon Chairperson Representative Takashi Ohno and Vice Chair Representative Isaac W. Choy and members of the Committee on Interstate Commerce.

I am MG Arthur J. Logan, Adjutant General, Director of Emergency Management and Director of Homeland Security. Thank you for the opportunity to submit testimony in **SUPPORT** of SB 2297 HD1.

The State Department of Defense supports HB 2297, which extends the sunset date of Act 65, SLH 2013, providing a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (600 volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Thank you for allowing me to provide testimony in **SUPPORT** of Senate Bill 2297 HD1.

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

TO THE HOUSE COMMITTEE ON INTRASTATE COMMERCE

TWENTY-NINTH LEGISLATURE  
Regular Session of 2018

Wednesday, March 21, 2018  
9:00 a.m.

**TESTIMONY ON SENATE BILL NO. 2297, H.D. 1, RELATING TO ELECTRICAL CONTRACTORS.**

TO THE HONORABLE TAKASHI OHNO, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Peter Akamu, and I am the Chairperson of the Board of Electricians and Plumbers ("Board"). I appreciate the opportunity to testify in support of S.B. 2297, H.D. 1, Relating to Electrical Contractors. This measure is similar to H.B. 1880, H.D. 2, which passed out of your committee on February 14, 2018, with an amendment to defect the date to January 1, 2050.

S.B. 2297, H.D. 1 extends the sunset date of Act 65, Session Laws of Hawaii 2013, which provides a limited exemption from the electrician licensing requirements for individuals who are employed by electrical contractors who are retained by a public utility within the State to perform high-voltage (600 volts or higher) electrical work and are deemed qualified by the public utility. The Board discussed this proposal during its December 12, 2017, and February 13, 2018, board meetings.

The current law has been in effect for the past five years, and since the Board has not heard of any public safety concerns, it supports the law's continuation to June 30, 2023.

Thank you for the opportunity to provide testimony in support of S.B. 2297, H.D. 1.



# International Brotherhood of Electrical Workers

**LOCAL UNION NO. 1186 • Affiliated with AFL-CIO**

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March 19, 2018

**TO: HOUSE COMMITTEE ON INTRASTATE COMMERCE**

**For: SB 2297 HD1 Relating to Electrical Contractors**

Hearing on Wednesday, March 21, 2018, at 09:00 a.m., in Conference Room 429

**Honorable Chair Ohno, Vice Chair Choy and Committee Members,**

The **International Brotherhood of Electrical Workers Local Union 1186** represents nearly 4,000 members working in electrical construction, telecommunications, and with Oceanic Cable. Our members include civil service employees at Pearl Harbor, Hickam, Kaneohe, and military facilities throughout Hawaii. IBEW Local 1186 also represents over 120 signatory electrical contracting companies that perform most of the electrical work in our state.

IBEW 1186 would like to provide the following testimony in **OPPOSITION** to **SB2297 HD1**.

Act 65 (2013)'s limited exemption for contractors and its employees was scheduled for repeal on June 30, 2018. Justification at the time, was based largely on a shortage of qualified in-state personnel to perform high voltage work. The five-year exemption has nearly passed and to our knowledge, no factual evidence or data has been presented to indicate any efforts made to strengthen the local labor force needed to perform such high voltage work, yet SB2297 HD1 seeks to extend an exemption that allows out of state workers to compete with Hawaii's local workforce.

Hawaii is facing a growing crisis where the cost of living is increasingly outpacing our local workforce's ability to earn a living wage. A recent study (the ALICE Report) released by Aloha United Way reports that 48% of Hawaii's residents are significantly cost burdened and considered working poor, barely able to make ends meet and some on the verge of becoming working homeless. Situations that once justified the need for a limited exemption as found in Act 65 (2013), can also present great opportunities for our local industries to re-invest in our local workforce, our local families and our local economy. IBEW Local 1186 stands ready to work with our local industries to strengthen its workforce and to provide our local working families with the opportunity to earn a living wage.

IBEW 1186 **OPPOSES** the extension of Act 65 (2013), however, should the extension be granted, we respectfully request that SB2297 HD1 be amended to include prescriptive language that requires the establishment of high voltage training programs and documented and measurable increases in a trained local workforce for such high voltage work. Thank you for the opportunity to provide testimony on this measure in **OPPOSITION** with recommended amendments.

Mahalo and aloha,

**Damien Kim**

Business Manager – Financial Secretary

International Brotherhood of

Electrical Workers, Local Union 1186



**LATE**

**Testimony before the House Committee on  
Intrastate Commerce**

**By Paul A. Nakagawa  
Superintendent, T&D Infrastructure  
Construction and Maintenance Department  
Hawaiian Electric Company, Inc.**

**Wednesday, March 21, 2018  
9:00 a.m., Conference Room 429**

**Senate Bill 2297 HD1  
Relating to Electrical Contractors**

Chair Ohno, Vice Chair Choy, and Members of the Committee:

My name is Paul Nakagawa, and I am testifying on behalf of the Hawaiian Electric Company, Inc. and its subsidiaries, Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited (collectively, the “Hawaiian Electric Companies”) in strong support of SB 2297 HD1.

Act 35, Session Laws of Hawaii 2010, had the unintended consequence of preventing an electric utility in the state of Hawaii from retaining the services of qualified high voltage (600 volts or higher) electrical workers who are otherwise not licensed in the state. To address the need for an electric utility to retain the services of such individuals qualified to work with high voltage power lines, the legislature passed Act 65, Session Laws of Hawaii 2013. Act 65 provided a 5 year limited exemption from electrician licensing requirements for individuals employed by electrical contractors who were retained by and deemed qualified by a public utility to perform high voltage work. Act 65 is scheduled to be repealed on June 30, 2018. SB 2297 HD1 seeks a 5 year extension of this limited exemption.

The Hawaiian Electric Companies need this exemption and respectfully request that SB2297 HD1 be amended to take effect on June 29, 2018. Currently, other than the employees of the Hawaiian Electric Company, Hawaii Electric Light Company, Maui Electric Company, and Kauai Island Utility Cooperative, there are only a handful of electrical workers in the state that are qualified to perform high voltage work and a majority of them are either already employed or retired. Other than utility electrical workers, most in-state electrical workers are only experienced in low voltage (120 to 480 volts) work common in most residential homes and commercial buildings. High voltage work

requires additional skills, training, and experience with related tools and equipment, gained through a specific apprenticeship program. Examples of high voltage work include, but not limited to, the replacements of one hundred and thirty-eight thousand volt (e.g. 138KV) poles, structures, hardware, and electrical wires, located atop our Koolau mountain ridge and only accessible by helicopter or hiking. To safely and properly perform this work, we may need to bring in specialized out-of-state contractors whose electrical workers are not individually licensed under chapter 448E in the state of Hawaii, but whom are properly qualified and authorized to perform this type of work and other high voltage work in other states.

This exemption is also in the state's best interest because it allows an electric utility in the state of Hawaii to retain the services of qualified out-of-state high voltage workers to safely assist the utility in activities such as storm restorations, complex and specialized maintenance, and emergency restorations that potentially impact the health and safety of the State and its residents when there is a shortage of local experience.

Thank you for the opportunity to testify in support on this matter.



**Testimony to the House Committee on Intrastate Commerce  
Wednesday, March 21, 2018 at 9:00 A.M.  
Conference Room 429, State Capitol**

**RE: SENATE BILL 2297 HD1 RELATING TO ELECTRICAL CONTRACTORS**

Chair Ohno, Vice Chair Choy, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2297 HD1, which proposes to extend the sunset date of the limited exemption from licensing requirements for electrical contractors retained by an electric utility to work with high voltage and who are deemed qualified by the electric utility.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The bill limits the exemption to electric utility companies, and is a pro-active means to insure the State has access to qualified "high voltage" electricians, splicers, and linemen.

Due to the current lack of electricians, splicers, and linemen in the State who are experienced and qualified to work with high voltage, it may be necessary for an electric utility to contract and retain qualified personnel from other jurisdictions in the United States to perform such high voltage work. Where the electric utility retains such qualified personnel, the electric utility would have direct supervision of such personnel and would have the contractual authority to inspect and approve of all high voltage work prior to acceptance by the electric utility. Further, the operations of the electric utility are regulated and supervised by the public utilities commission. Such regulation and general supervision provides an additional layer of protection for the general public in the event the operations of the electric utility require review.

We understand the exemption has only been used a few times over the last five (5) year period due to the lack of experienced high voltage personnel for specialized work that was being done by the electric utility company.

Thank you for the opportunity to testify.