
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, the State 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17 repealed and section 448E-13, Hawaii Revised Statutes, shall be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 Statutory material to be repealed is bracketed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, Session Laws of Hawaii 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 HD2)

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



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

TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE

TWENTY-NINTH LEGISLATURE
Regular Session of 2018

Wednesday, March 28, 2018
2:00 p.m.

**TESTIMONY ON SENATE BILL NO. 2297, H.D. 2, RELATING TO ELECTRICAL
CONTRACTORS.**

TO THE HONORABLE ROY TAKUMI, 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. 2, Relating to Electrical Contractors. This measure is similar to H.B. 1880, H.D. 2, which passed out of your committee on February 21, 2018, with amendments.

S.B. 2297, H.D. 2 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 testify in support of S.B. 2297, H.D. 2.

Testimony before the House Committee on Consumer Protection & Commerce

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

**Wednesday, March 28, 2018
2:00 p.m., Conference Room 329**

**Senate Bill 2297 HD2
Relating to Electrical Contractors**

Chair Takumi, Vice Chair Ichiyama, 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 HD2.

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 HD2 seeks a 5 year extension of this limited exemption.

The Hawaiian Electric Companies need this exemption and respectfully request that SB2297 HD2 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 Consumer Protection & Commerce
Wednesday, March 28, 2018 at 2:00 P.M.
Conference Room 329, State Capitol**

RE: SENATE BILL 2297 HD2 RELATING TO ELECTRICAL CONTRACTORS

Chair Takumi, Vice Chair Ichiyama, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2297 HD2, 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.



LATE

March 28, 2018

TO: REPRESENTATIVE ROY M. TAKUMI, CHAIR COMSUMER PROTECTION
AND COMMERCE
REPRESENTATIVE LINDA ICHIYAMA, VICE-CHAIR COMSUMER
PROTECTION AND COMMERCE
MEMBERS OF THE COMMITTEE ON COMSUMER PROTECTION AND
COMMERCE

FROM: BRUCE CONWAY, SR. DIRECTOR OF OPERATIONS
POWER CONTRACTING LLC

RE: SENATE BILL 2297 HD2 RELATING TO ELECTRICAL CONTRACTORS –
SUPPORT

Dear Chair Takumi, Vice-Chair Ichiyama and Members of the Committee:

I am Bruce Conway, Sr. Director of Operations for POWER Contracting LLC testifying in strong support of SB2297 HD2 Relating to Electrical Contractors. We are a licensed electrical contractor in Hawaii with C-62 and C-63 license under Chapter 444. Our Journeyman Lineman hold Journeyman Lineman cards from the IBEW and have completed extensive apprenticeship training that includes field training, class time, and successfully passing a Journeyman Lineman exam.

We are in strong support SB2297 HD2, and the extension of the repeal date from June 30, 2018 to June 30, 2023 or later. Our industry works on the construction and maintenance of high voltage power lines both overhead and underground with distribution and transmission voltages requiring the specialized skills of Journeyman Lineman, Foreman and General Foreman who are all trained certified Journeyman Lineman. Public utilities like HECO and others contract with local and mainland companies to perform work on high voltage powerlines. Extension of the repeal date continues to enable Hawaii to have access to additional experienced high voltage Journeymen Lineman to provide the necessary capacity to meet the public utilities infrastructure construction and maintenance.

To summarize, SB2297 HD2 extends the repeal contained in section 448E-13 to June 30, 2023. Thank you for the opportunity to testify in support of SB2297 HD2, and we ask that your committee pass this short term measure to continue providing critical capacity to public utilities throughout the state.



LATE

March 27, 2018

Representative Roy Takumi, Chair
Representative Linda Ichiyama, Vice Chair
House Committee on Consumer Protection & Commerce

Support of SB 2297, HD2 Relating to Electrical Contractors (Extends the sunset date of Act 65, Session Laws of Hawaii 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.)

Wednesday, March 28, 2018, at 2:00 p.m., in Conference Room 329

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of SB 2297, HD2.**

SB 2297, HD2. This bill proposes to extend the sunset date of Act 65 SLH 2013), which provides the limited exemption from licensing requirements for 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; requires reports to the Legislature on workforce development activities for qualified high voltage electrical contractors; and takes effect on January 1, 3000.

LURF's Position. LURF understands that this measure is necessary, because other than the employees of the major electric utilities, there is a shortage of electrical workers in the state that are qualified to perform high voltage work, as most in-state electrical workers are experienced in only low voltage work, which includes wiring residences and buildings at one hundred twenty/two hundred forty volts.

According to the testimony of Hawaiian Electric Company, Inc. in support of this measure, there is a need for additional electrical workers from the Mainland who possess the level of skill required for such high voltage work in the event of a storm restorations, complex and specialized maintenance, and other emergency restorations that potentially impact the health and safety of the State and its residents,

LURF understands that for the past four years, the exemption provided in Act 65 (SLH 2013), has worked well, without any problems, has benefited the public by providing reliable electrical energy service, and has furthered the State's efforts to reach its renewable energy goals. However, Act 65 (SLH 2013) sunsets on June 30, 2018; and the extension provided by this bill is necessary to allow continued benefits to the residents of the State and progress toward the State's renewable energy goals.

For the above reasons, LURF **supports SB 2297, HD2** and respectfully urges your favorable consideration.

Thank you for the opportunity to present testimony regarding this matter.

LATE



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

March 27, 2018

TO: HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

For: SB 2297 HD2 Relating to Electrical Contractors

Hearing on Wednesday, March 28, 2018, at 2:00 p.m., in Conference Room 329

Honorable Chair Takumi, Vice Chair Ichiyama 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 OPPOSES SB2297 HD2.

Act 65 (2013)'s "limited exemption" for contractors and its employees who perform work for the electric utility during emergency situations was scheduled for repeal on June 30, 2018. Justification at the time Act 65 became law, was based largely on an expressed shortage of qualified in-state personnel to perform high voltage work during times of disaster and/or emergencies. As evidenced in testimony provided by the electric utilities Superintendent of its Construction Management Division on March 27, 2013 (SB512 SD1 HD1), it was cited that, *"The exemption is in the 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, when there is a shortage of local experience."*

Should this bill continue, IBEW 1186 respectfully requests your Committee's consideration of amendments similar to that found in HB1880 HD3 which requires annual reporting that includes the current state of vocational training programs, the number of licensed electricians performing high-voltage work in the State and existing partnerships that promote the growth of persons locally licensed to perform high-voltage electrical work. 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 is concerned that the current bill language does not expressly address the intent of the exemption for emergencies and/or catastrophic events and may lead to the unintended consequences of unlicensed activity while exempting licensing requirements for work that is regularly performed by qualified and licensed Journeyworker Electricians in the State of Hawaii, of which there are no shortages.

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

Mahalo and aloha,

Damien Kim

Business Manager – Financial Secretary

International Brotherhood of

Electrical Workers, Local Union 1186