

# SB2297

**Measure Title:** RELATING TO ELECTRICAL CONTRACTORS.

**Report Title:** Electrical Contractors; Licensing; Exemptions; High Voltage

Extends the sunset date of Act 65, SLH 2013, which provides a limited exemption to the licensing requirements

**Description:** must retain qualified individuals in situations when an electric utility (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

**Companion:**

**Package:** None

**Current Referral:** LBR/TRE, CPH

**Introducer(s):** BAKER, INOUYE, English, Galuteria, Nishihara

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

TO THE SENATE COMMITTEE ON  
COMMERCE, CONSUMER PROTECTION, AND HEALTH

TWENTY-NINTH LEGISLATURE  
Regular Session of 2018

Friday, February 23, 2018  
11:00 a.m.

**WRITTEN TESTIMONY ONLY**

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

TO THE HONORABLE ROSALYN H. BAKER, 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, Relating to Electrical Contractors. This measure is similar to H.B. 1880.

S.B. 2297 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, board meeting.

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 written testimony in support of S.B. 2297.



**Testimony to the Senate Committees on Consumer Protection & Health  
Friday, February 23, 2018 at 11:00 A.M.  
Conference Room 229, State Capitol**

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

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

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

We are in strong support of S.B. 2297, and appreciate the opportunity to express our views on this matter.

Thank you for the opportunity to testify.

# **Testimony before the House Committee on Commerce, Consumer Protection, and Health**

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

**Friday, February 23, 2018  
11:00 a.m., Conference Room 229**

**Senate Bill 2297  
Relating to Electrical Contractors**

Chair Baker, Vice Chair Tokuda, 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.

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 seeks a 5 year extension of this limited exemption.

The Hawaiian Electric Companies need this exemption. 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 on this matter.



# International Brotherhood of Electrical Workers

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

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February 22, 2018

**TO: HOUSE COMMITTEE ON COMMERCE CONSUMER PROTECTION AND HEALTH**

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

Hearing on Friday, February 23, 2018, at 11:00 a.m., in Conference Room 229

**Honorable Chair Baker, Vice Chair Tokuda, 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** of **SB2297**.

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 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 be amended to require an annual report documenting measurable efforts to develop partnerships and/or programs that promote the use of Hawaii's local workforce for such high voltage work. Thank you for the opportunity to provide testimony on this measure in **OPPOSITION**.

Mahalo and aloha,

**Damien Kim**

Business Manager – Financial Secretary

International Brotherhood of

Electrical Workers, Local Union 1186

STATE OF HAWAII  
DEPARTMENT OF DEFENSE  
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 2297  
**RELATING TO EMERGENCY MANAGEMENT**

BY

BRIGADIER GENERAL MOSES KAOIWI  
Interim Administrator, Hawaii Emergency Management Agency (HI-EMA)

Before the Senate Committee on  
**COMMERCE, CONSUMER PROTECTION, AND HEALTH (CPH)**

Chair Baker, Vice-Chair Tokuda, and Members of the Committee:

The Hawaii Emergency Management Agency (HI-EMA) provides the following testimony *in support* of Senate Bill 2297.

SB 2297 extends the sunset date of Act 65, SLH 2013, which provides a limited exemption to the licensing requirements for certain individuals in situations where an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State of Hawaii but are otherwise deemed qualified by the electric utility.

Energy resilience is a critical factor in preparing for, responding to, and recovering from any major disaster striking the state of Hawaii. Responding to energy shortfalls after a major disaster in Hawaii is greatly handicapped by our remote location in the Pacific. Restoring and sustaining energy requirements post disaster is a key to response and recovery. This was the case in our responses to Hurricane Iniki in 1992 and more recently Tropical Storm Iselle in 2014. Once sustained power was finally restored and distributed, the emergency was significantly reduced.

Our ability to augment the capabilities available to our state and county utilities with out-of-state resources is critical to the timely restoration of power and prompt return to normalcy after a disaster.

Thank you for the opportunity to **SUPPORT** SB 2297.

Moses Kaoiwi: Moses.Kaoiwi@hawaii.gov; 808-733-4300