

**SB 2494**

**SD-2**

**RELATING TO  
ELEVATOR  
MECHANICS**

---

# A BILL FOR AN ACT

RELATING TO ELEVATOR MECHANICS.

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

1           SECTION 1. The legislature finds that elevators are one of  
2 the safest modes of transportation. There are an estimated  
3 eighteen billion elevator trips taken per year in the United  
4 States. With the continued vertical growth of urban Honolulu,  
5 including some condominium developments that exceed forty  
6 floors, it is important for Hawaii to ensure that state laws  
7 governing repair and maintenance of elevators remain current.  
8 The legislature notes that the elevator mechanics' statute,  
9 chapter 448H, Hawaii Revised Statutes, has not been updated in  
10 more than ten years.

11           The legislature further finds that, like many other  
12 sectors, the elevator industry is undergoing rapid technological  
13 advancements, which require elevator mechanics to expand their  
14 knowledge and skills through training and education to ensure  
15 that licensing standards and core competencies are met. Given  
16 these technological advancements, it is necessary for elevator  
17 mechanics to demonstrate core competencies when installing,



1 repairing, and maintaining all elevators, escalators, and other  
2 vertical transportation.

3 The purpose of this Act is to strengthen regulatory  
4 oversight of the licensed profession of elevator mechanics by  
5 amending the permissible scope of work, apprenticeship and  
6 licensing requirements, and remote interaction requirements.

7 SECTION 2. Chapter 448H, Hawaii Revised Statutes, is  
8 amended by adding five new sections to be appropriately  
9 designated and to read as follows:

10 "§448H-A Examination. Every applicant shall pass an  
11 examination prescribed by the board for licensure. Every  
12 applicant shall:

13 (1) Pass the examination with no less than seventy per  
14 cent correct; and

15 (2) Not be allowed to review any of the applicant's failed  
16 examinations.

17 §448H-B License renewals; continuing education. (a)  
18 Licenses shall expire on June 30 of each even-numbered year.  
19 Licensees seeking renewal shall pay all applicable fees and  
20 complete the continuing education requirements pursuant to  
21 subsection (b).



1        (b) Prior to each license renewal, all licensed elevator  
2 mechanics shall complete:

3        (1) An educational course, approved by the board, of no  
4        less than eight hours related to the elevator  
5        industry; or

6        (2) A qualified elevator inspector continuing education  
7        course of no less than eight hours offered by a  
8        certifying organization accredited by the American  
9        National Standards Institute.

10       (c) An elevator mechanic initially licensed within one  
11 year prior to the applicable renewal date shall not be required  
12 to complete the eight hours of continuing education to renew the  
13 elevator mechanic's license.

14       (d) The board may conduct random audits to determine  
15 compliance with the continuing education requirement. The board  
16 shall provide written notice of an audit to a licensee randomly  
17 selected for audit. Within sixty days of notification, the  
18 licensee shall provide the board with documentation verifying  
19 compliance with the continuing education requirement established  
20 by this section.



1        §448H-C Elevator mechanics; scope of work. All  
2        construction; reconstruction; alteration, including flooring;  
3        and all elevator cab work, maintenance, repair, troubleshooting,  
4        mechanical, or electrical work or adjustments, which includes  
5        but is not limited to updating software, changing parameters,  
6        resetting faults, and operation of all systems and functions, of  
7        any conveyance shall be performed by a licensed elevator  
8        mechanic.

9        Work on adjustment of the structure or facility, of which  
10       the conveyance may be part or to which the conveyance may be  
11       attached, including any construction; reconstruction;  
12       alteration, including flooring; and all elevator cab work  
13       necessary for proper completion of the work on the conveyance  
14       shall be performed by a licensed elevator mechanic.

15       §448H-D Exemptions. Licensure as an elevator mechanic  
16       shall not be required for:

17       (1) Dismantling or removing a conveyance; provided that  
18       the conveyance is not reused and the building or  
19       structure, as defined by its foundation outline, is  
20       totally secure from public and unauthorized access and



1           the entire building is being completely demolished  
2           down to and including the foundation; and  
3       (2) Employees of an elevator contractor, duly licensed  
4           under chapter 444, who enters into the contract to  
5           install, repair, or remove the platform lift or  
6           stairway lift within a private residence not  
7           accessible to the general public or to other occupants  
8           in the building.

9           **§448H-E Remote interaction.** Remote interaction of a  
10 conveyance shall not be permitted without the express permission  
11 of a licensed elevator mechanic who shall be physically present  
12 at the conveyance; provided that this section shall not preclude  
13 remote interaction with the conveyance from within the building  
14 or complex in which the conveyance is located if the interaction  
15 is for the sole purpose of securing, locking, or providing  
16 private use of the conveyance."

17           SECTION 3. Section 448H-1, Hawaii Revised Statutes, is  
18 amended as follows:

19           1. By adding two new definitions to be appropriately  
20 inserted and to read:



1       "Conveyance" means any elevator, dumbwaiter, stage lift,  
2 mechanized parking garage elevator, escalator, moving walk or  
3 ramp, or lift.

4       "Remote interaction" means an action to manipulate or  
5 interact with the controls of a conveyance remotely, or from  
6 within the building or complex in which the conveyance is  
7 located."

8       2. By amending the definition of "apprentice elevator  
9 mechanic" to read:

10       "Apprentice elevator mechanic" means any person who is  
11 [in]:

12       (1) Enrolled in an apprenticeship program for the elevator  
13 industry that is registered with the state  
14 apprenticeship council or the Bureau of Apprenticeship  
15 and Training, United States Department of Labor;

16       (2) Actively training to acquire the skill to become an  
17 elevator mechanic; and [who is required]

18       (3) Required to work for [at least four years] no less  
19 than four and one-half years full-time or its  
20 equivalent, but no less than nine thousand hours,



1 under the supervision of an elevator mechanic duly  
2 licensed under section 448H-6."

3 3. By amending the definition of "elevator mechanic" to  
4 read:

5 "Elevator mechanic" means any person who engages in the  
6 construction, reconstruction, alteration, maintenance, repair,  
7 troubleshooting, mechanical, or electrical work or adjustments,  
8 which includes but is not limited to updating software, changing  
9 parameters, resetting faults, and the operation of all systems  
10 and functions, of any [~~elevator, dumbwaiter, stage lift,~~  
11 ~~mechanized parking garage elevator, escalator, moving walk or~~  
12 ~~ramp, lift]~~ conveyance, including any construction,  
13 reconstruction, alteration, or adjustment of the structure or  
14 facility of which the same may be a part or to which the same  
15 may be attached, necessary for proper completion of the work on  
16 the [~~elevator, dumbwaiter, stage lift, mechanized parking garage~~  
17 ~~elevator, escalator, moving walk or ramp, or lift.] conveyance."~~

18 SECTION 4. Section 448H-5, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "**§448H-5 Powers and duties of the board.** In addition to  
21 any other powers and duties authorized by law, the board shall:





- 1           (1) Adopt rules in accordance with chapter 91 to carry out  
2           the purposes of this chapter;
- 3           (2) Develop, apply, review and upgrade appropriate  
4           techniques, including examinations and investigations  
5           for determining whether a person meets the  
6           requirements of this chapter and standards to insure  
7           that elevator mechanics will be persons qualified to  
8           serve as such;
- 9           (3) Prescribe, at a minimum, that a nationally recognized  
10          examination, augmented with locally developed  
11          material, be used in testing for licensure[~~the~~  
12          ~~passing grade for the examination to be not less than~~  
13          ~~seventy per cent~~];
- 14          (4) Issue licenses to persons determined, after  
15          application of those techniques, to have met the  
16          required qualifications and revoke or suspend  
17          licenses[~~the~~] previously issued by the board, pursuant  
18          to hearings held in accordance with chapter 91, in any  
19          case where the individual holding any license is  
20          determined substantially to have failed to conform to



1 the required qualifications, this chapter, or the  
2 rules of the board;

3 (5) Establish and carry out procedures designed to  
4 [~~insure~~] ensure that persons licensed as elevator  
5 mechanics [~~will~~], during any period they serve as  
6 such, shall comply with the requirements of this  
7 chapter, the rules of the board, and chapter 397 and  
8 rules adopted thereunder;

9 (6) Receive, investigate, and take appropriate action with  
10 respect to, any charge or complaint filed with the  
11 board to the effect that any individual licensed as an  
12 elevator mechanic has failed to comply with the  
13 requirements of this chapter regarding any complaint  
14 regarding job performance by mechanics, the rules of  
15 the board, or chapter 397 and the rules adopted  
16 thereunder;

17 [~~(7)~~] ~~Register apprentice elevator mechanics;~~

18 ~~(8)]~~ (7) Maintain a record of its proceedings;

19 [~~(9)]~~ (8) Assist and advise the department of labor and  
20 industrial relations in the adoption of rules relating  
21 to the conditions of work for elevator mechanics,



1 including requirements related to equipment or  
2 facilities essential for the safe installation,  
3 repair, maintenance, or alteration of any [~~elevator,~~  
4 ~~dumbwaiter, escalator, moving walk or ramp, and lift,~~]  
5 conveyance; and

6 [~~10~~] (9) Notify the department of labor and industrial  
7 relations of any fact or situation that, in the  
8 opinion of the board, constitutes a violation of  
9 chapter 397 or of any rule adopted thereunder."

10 SECTION 5. Section 448H-6, Hawaii Revised Statutes, is  
11 amended to read as follows:

12 "**§448H-6 Qualifications for license.** No person shall be  
13 licensed as an elevator mechanic unless the person has  
14 satisfactorily passed the examination administered by the board  
15 and [~~satisfactorily completed at least four years of training~~  
16 ~~under the supervision of a licensed elevator mechanic.~~] has met  
17 the following minimum qualifications:

18 (1) Obtained a certificate of completion from an  
19 apprenticeship program for the elevator industry that  
20 is registered with the state apprenticeship council or  
21 the Bureau of Apprenticeship and Training, United



1           States Department of Labor, and is approved by the  
2           board using standards similar to but no less stringent  
3           than those set forth by the National Elevator Industry  
4           Educational Program; and  
5       (2) Satisfactorily completed no less than four and one-  
6           half years of full-time work or its equivalent, but no  
7           less than nine thousand hours, under the direct  
8           supervision of an elevator mechanic duly licensed  
9           under this section. The board, by rule, shall  
10           establish the terms for the verification of time in  
11           the industry."

12           SECTION 6. Section 448H-7, Hawaii Revised Statutes, is  
13 amended to read as follows:

14           "**§448H-7 Temporary permit.** The board may issue a  
15 temporary permit to [~~any~~] the following:

16       (1) Any person who has qualified as an elevator mechanic  
17           in another state with standards substantially equal to  
18           those of this chapter and who possesses skills or  
19           training not available in the State[~~; provided that~~  
20           the board shall not register any such person as an  
21           apprentice elevator mechanic]. The board [shall], by



1           ~~[rules and regulations,]~~ rule, shall establish the  
2           terms of the temporary permit~~[-]~~; and  
3           (2) An apprentice elevator mechanic who has a minimum of  
4           three years of full-time work experience, but no less  
5           than six thousand hours, under the direct supervision  
6           of an elevator mechanic duly licensed under section  
7           448H-6, if there is a shortage of elevator mechanics  
8           in the State. The board, by rule, shall establish the  
9           terms for the determination of a shortage of elevator  
10           mechanics, the verification of time in the industry,  
11           and the terms of the apprentice's temporary permit."

12           SECTION 7. Section 448H-8, Hawaii Revised Statutes, is  
13           amended to read as follows:

14           "**§448H-8 Fees.** Application, examination, license,  
15           temporary permit, and biennial renewal fees shall be as provided  
16           in rules adopted by the director of commerce and consumer  
17           affairs pursuant to chapter 91. A fee is required for each  
18           reexamination. Application fees are not refundable.

19           ~~[Licenses shall expire on June 30 of each even numbered~~  
20           ~~year.] "~~



1           SECTION 8. In codifying the new sections added by section  
2 2 of this Act, the revisor of statutes shall substitute  
3 appropriate section numbers for the letters used in designating  
4 the new sections in this Act.

5           SECTION 9. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7           SECTION 10. This Act shall take effect on July 1, 2018;  
8 provided that section 448H-B, Hawaii Revised Statutes, as added  
9 by section 2 of this Act, and section 5 of this Act shall take  
10 effect on July 1, 2020.



**Report Title:**

Elevator Mechanics; Apprenticeship; Licensure; Continuing Education; Requirements; Scope of Work

**Description:**

Updates requirements for apprenticeship and licensure of elevator mechanics, including examination, license renewal, continuing education, scope of work, exemptions, remote interaction, and qualifications for licensure. Clarifies powers and duties of the elevator mechanics licensing board and requirements for temporary permits. Effective 7/1/2020: license renewal, continuing education, and qualifications for licensure. (SD2)

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



**SB 2494**

**SD-2**

**TESTIMONY**



**PRESENTATION OF THE  
ELEVATOR MECHANICS LICENSING BOARD**

TO THE HOUSE COMMITTEE ON  
LABOR AND PUBLIC EMPLOYMENT

TWENTY-NINTH LEGISLATURE  
Regular Session of 2018

Tuesday, March 13, 2018  
10:30 a.m.

**TESTIMONY ON SENATE BILL NO. 2494 S.D. 2, RELATING TO ELEVATOR MECHANICS.**

TO THE HONORABLE AARON LING JOHANSON, CHAIR, AND MEMBERS OF THE  
COMMITTEE:

My name is Kedin Kleinhans, and I am the Executive Officer of the Elevator Mechanics Licensing Board ("Board"). Thank you for the opportunity to testify on S.B. 2494, S.D. 2, Relating to Elevator Mechanics, which is a companion to H.B. 1630. The Board supports the measure and is providing comments, as set forth in this testimony.

This measure updates the requirements for apprenticeship and licensure of elevator mechanics, including examination, license renewal, continuing education, scope of work, exemptions, remote interaction, and qualifications for licensure. This measure also clarifies the powers and duties of the Board and requirements for temporary permits.

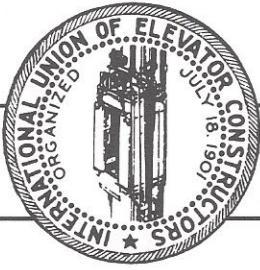
Regarding Hawaii Revised Statutes ("HRS") section 448H-D Exemptions, subsection 2, the Board recommends amending line 3 on page 5 to read, "Employees of ~~[an elevator]~~ a contractor duly licensed ..." The Board is aware that the C-16 elevator contractor license classification is intended for work on all types of conveyances, and small businesses that wish to solely engage in the lift industry might have difficulty in obtaining the license classification. This amendment will alleviate the burden small businesses might have in obtaining licensure, while ensuring that they are properly insured and bonded.

Regarding the definition of "Apprentice elevator mechanic" on page 6, the Board recommends the language on lines 13-14 be amended to read "...registered with ~~[the]~~ a state apprenticeship council". Correspondingly, the Board also recommends amending the language in HRS section 448H-6 subsection (1) on page 10, line 20. As currently drafted, it could be interpreted that the apprentice elevator mechanic seeking licensure must attend the apprenticeship program registered with the Hawaii apprenticeship council, which would preclude qualified out-of-state applicants from obtaining a license.

Senate Bill No. 2494, S.D. 2  
March 13, 2018  
Page 2

And finally, the Board respectfully suggests the word "direct" be added before the word "supervision" on page 7, line 1 to accurately reflect the on-the-job-learning process pertaining to apprenticeships.

Thank you for the opportunity to provide testimony on S.B. 2494, S.D. 2.



LOCAL UNION NO. 126



OF THE

# International Union of Elevator Constructors

AFFILIATED WITH THE AFL-CIO

SUITE 215, 707 ALAKEA STREET • HONOLULU, HI 96813 • TELEPHONE (808) 536-8653 • FAX (808) 537-3779

The Twenty-Ninth Legislature  
Regular Session of 2018  
House of Representatives  
**Committee on Labor and Public Employment**

Tuesday, March 13, 2018  
10:30 AM, Conference Room 309

## **Senate Bill No. 2494, SD2 – Relating to Elevator Mechanics**

The Honorable Aaron Ling Johanson, Chair, Daniel Holt, Vice-Chair, and Esteemed Members of the House Committee on Labor and Public Employment

SB 2494, SD2 proposes to amend the current statutes that govern the licensing of elevator mechanics within the State of Hawaii. It has been numerous years since the statute has been updated and during this same period technology has advanced exponentially. In order for elevator mechanics to keep pace with this technology they must show and exhibit continued competence in their craft. Not only does this hone the skillset of the elevator mechanic but it will necessitate the elevator mechanic to stay current with the latest codes and technology.

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 Elevator Constructor is a highly skilled craft with some of the most stringent and extensive education within the elevator industry and the construction industry as a whole. However, the current State of Hawaii licensing requirements does not coincide with the standards and the level of technology that are currently being introduced and installed.

The proposed amendments to HRS 448H are meant to strengthen the licensing law and help to discourage unlicensed activity by adding continued competency, increasing and defining the qualifications to become licensed, adding a 9000 hour on the job training requirement which, will remove the task of apprenticeship registration by the Department of Commerce and Consumer Affairs, better defining an elevator mechanic's scope of work, and better defining the powers and duties of the elevator mechanic's licensing board.

Licensing is in place for the safety and protection of the consumer and strengthening the elevator mechanic's licensing laws can only serve to benefit our industry as a whole by raising the bar for elevator mechanics which in turn will provide a better and safer product to the riding public. When it comes to safety there is no compromise and for these reasons the International Union of Elevator Constructors, Local 126 is in **strong support** of SB 2494, SD2.

Respectfully submitted,

Marc Yamane

Business Representative

International Union of Elevator Constructors, Local 126



Government Affairs Office

5537 SW Urish Road • Topeka Kansas 66610 • Office: 785.286.7599 • Cell: 785.580.5070

---

## Statement of the National Elevator Industry, Inc. in OPPOSITION to S.B. 2494 Hawaii House Committee on Labor & Public Employment

March 13, 2018

The National Elevator Industry Inc (“NEII”) is the premier trade association representing the interests of elevator manufacturers across the United States. NEII member companies, which include KONE, Mitsubishi, Otis, Schindler and thyssenkrupp, have significant operations across Hawaii and represent approximately 85 percent of the total industry work hours. NEII implores the Committee to reject S.B. 2492 due to its potentially crippling impact on the state of Hawaii, building owners and managers, Hawaii’s tourism industry and the elevator industry itself. In addition, this bill legislates issues already negotiated through the industry’s collective bargaining agreement with the International Union of Elevator Constructors (“IUEC”) and creates legal issues best addressed outside of the legislative process.

Safety for the riding public and industry personnel is the top priority for NEII and member companies. In pursuit of that goal, NEII supports licensing requirements, which set minimum standards for the training, education and proficiency of elevator mechanics. Around the country, NEII collaborates with labor to secure the adoption of standards that ensure elevator mechanics have the appropriate education and training required for complicated and technical equipment. In fact, the current law in Hawaii was developed with input from an industry coalition of NEII member companies, labor representatives and others, and is based on nationally developed industry standards and model legislation supported by both management and labor.

S.B. 2494, however, goes beyond the industry standards and circumvents well-established labor management law and the industry’s collective bargaining agreement. Without a clear validation and empirical data, there is no need to modify current law and risk negative impacts on Hawaii and its elevator industry. In fact, industry data confirms that the current regulations are working. From 2005 through 2016, the OSHA Lost Time Incident Rate decreased by 69 percent and the OSHA Recordable Incident Rate decreased by 60 percent for NEII member companies.

### **S.B. 2494 Will Have a Negative Impact on Safety**

The proposed legislation threatens to severely impede our members' ability to use remote interaction technology designed specifically to improve reliability and enhance safety for the people of Hawaii and industry workers. By making it difficult and costly to use this technology, Hawaii is rejecting innovation developed specifically to protect riders and elevator workers. This is not new technology; it has been in use – safely and effectively – for decades and continues to improve as technology advances. Remote interaction can protect the equipment, reduce the costs of maintenance and repairs, and correct issues that may otherwise result in equipment being taken out of service.

### **Senate Amendments Do NOT “fix” S.B.2494**

The bill was modified during consideration in the Senate to remove references to “monitoring” and “diagnosing” as it related to the definition of remote interaction. Removing these terms may appear to address industry concerns raised previously but is a misleading action. S.B. 2494 would still prevent many forms of remote functionality that have been used since the 1980s.

The terms “interact” and “interaction” are overly broad and could restrict the use of a remote interface technology currently used on conveyances throughout Hawaii. This service is provided to customers 24/7 and delivers valuable data to ensure the safe operation of equipment and address issues in real time. S.B. 2494 not only impedes the application and use of this important safety tool in Hawaii, but directly conflicts with the fundamental right of the employer to manage its workforce, negotiate customer contracts and service equipment for its clients.

### **Elevator Industry has a Unique Labor-Management Agreement**

The elevator industry is one of only a few unions to negotiate a national contract. The National Elevator Bargaining Association (“NEBA”) and the International Union of Elevator Constructors enter into a collective bargaining agreement (“CBA”) every five years on behalf of all signatory companies and a list of local unions, including Local #126 Honolulu Hawaii. As a result, the CBA applies nationwide. Unlike most unions, our industry does not negotiate with each local to set individual parameters for scope of work, wages, benefits, etc. The most recent CBA went into effect on July 9, 2017 and expires on July 8, 2022.

The CBA explicitly states that no local union listed as a party to the CBA (i.e., Local #126 Honolulu Hawaii) shall, through its by-laws, constitution, or otherwise, change any of the articles of the CBA or its intent unless a separate agreement is negotiated under specific parameters delineated in the CBA as well. NEII supports this process and encourages the legislature not to interfere.

### **Collective Bargaining Rights Need to be Maintained**

S.B. 2494 intrudes on the area of law left solely to federal labor policy and the parties' collective bargaining rights. The CBA specifically enumerates the details of the work to be performed exclusively by elevator mechanics, elevator helpers and elevator apprentices. Any change or expansion of worker duties in this draft bill such as those set forth in Section 448H-C regarding scope of work related to “electrical work or adjustments” and in Section 448H-E related to “remote interaction” should be left to the collective bargaining and arbitral processes pursuant to the CBA and not be the subject of state regulation.

Further, the CBA explicitly states that any difference or dispute regarding the application and construction of the agreement shall be referred to as a "grievance" and shall be resolved under specific arbitration procedures. The scope and duties of elevator mechanics, apprentices and helpers can be and has been the subject of collective bargaining negotiations between the IUEC (union) and NEBA (employer group) over many decades.

Although NEII recognizes the State of Hawaii's role in licensing, S.B. 2494 goes well beyond the purpose of the Act (establishing minimum standards and licensure requirements) by determining work jurisdiction, required job duties and the scope of work of elevator mechanics. The intended restrictions to remote interaction is unrelated to the regulatory oversight of a licensed mechanic and has already been fully delineated between the parties in their collective bargaining agreement.

The National Labor Relations Act, 29 U.S.C. § 151 et seq. ("NLRA") preempts state regulation that conflicts with the federal system of collective bargaining between private sector unions and employers. Since collective bargaining is a protected right under Section 7 of the NLRA, the State's jurisdiction to act on S.B. 2494 as outlined is displaced.

The reason preemption is necessary in this instance is that Congress envisioned the NLRA regulating a uniform national labor policy. There is no compelling state interest in the regulation of the job duties and work jurisdiction of elevator mechanics in Hawaii that are expressly provided for in the parties' existing national collective bargaining agreement. The Supreme Court in Building Trades Council (San Diego) v. Garmon, 359 U.S. 236, 246 (1959) held:

*The governing consideration is that to allow the State to control activities that are potentially subject to federal regulation involves too great a danger of conflict with national labor policy.*

This Supreme Court holding has specific application to the attempts in the draft bill to modify scope of work, work jurisdiction, and the proposed direct involvement of mechanics in remote elevator "interaction."

### **S.B. 2494 Will Disrupt the Workforce and Have Significant Cost Impacts**

The National Elevator Industry Education Program ("NEIEP") is recognized in the CBA as the industry authority on training and education. The NEIEP program has been collectively developed since 2002 and is supported by industry stakeholders, including the IUEC. Local representatives administer the NEIEP apprenticeship program, but do not have the unilateral authority to change it. Changes can be considered, negotiated and approved by the NEIEP Trustees (comprised of union and company representatives) and staff, and then disseminated to the Joint Apprenticeship Committee (again including union and company officials) across the country, including Hawaii.

NEIEP, through its Trustees, set 8,000 hours, which includes the initial 6-month probationary period, as the necessary amount of on-the-job training needed to be an elevator mechanic. All parties agree that 8,000 hours is both substantial and adequate to prepare apprentices for their work as an elevator industry mechanic and to ensure their safety as well as the safety of the riding public. The NEIEP program, curriculum and materials have been approved by the U.S.



Department of Labor or its state equivalent using this number. Currently, 33 states have elevator mechanic licensing programs based on the 8,000 training hours and at least four more are considering legislation to create a program using this standard. No justification has been put forth to demonstrate that an additional 1,000 hours of training is needed or supports any state, industry or business objective.

Personnel currently working in Hawaii who have completed the requisite program and are deemed qualified by NEIEP standards will be prevented from sitting for the mechanics' exam until an additional 1,000 OJT hours are obtained (see Article X of CBA). As a result, these workers will not be in the "correct" job and will delay the addition of full mechanics into the workforce. Hawaii is a remote market and already faces workforce challenges – additional strain on the number of mechanics could also delay construction, modernization and repair projects impacting development and tourism.

The costs associated with this bill will have a significant negative impact on both workers and businesses in Hawaii. Workers who are delayed in sitting for the mechanic's exam and moving up to the position of mechanic will not be paid the appropriate wage for their skills. Specifically, the salary for these workers will be 20 percent less than what they could earn as a mechanic.

For the business community, increased costs will be realized when licensed mechanics are required for work currently performed safely and more economically by a variety of personnel including engineers, building security or facility staff and/or other operational employees. In addition, Section 448H-E requires an elevator mechanic to be onsite for "remote interaction" to occur. Remote interaction can be utilized at any time, but it is unlikely businesses will opt to have a mechanic onsite 24 hours every day to give permission for its use.

#### **Additional Concerns with S.B. 2494**

- Expands the scope of work for mechanics beyond what is prescribed in any other state.
- Regulates "work done by others" that may not be under the elevator company contract.
- Reverses 35 years of industry practices and standards.
- Is not supported by safety data or other justification for the proposed changes to current law.
- Impedes workforce and contract management.

I am available to address any questions or provide additional information as needed. Please do not hesitate to contact me at 785-286-7599 or via e-mail at [ajblankenbiller@neii.org](mailto:ajblankenbiller@neii.org). We also have local representatives from the NEII member companies and Capitol Consultants of Hawaii (CCH) available to assist the Committee as they work through these important issues. Ross Yamasaki (CCH) is our local point of contact and can be reached at 808-227-3650 or via email at [ryamasaki808@gmail.com](mailto:ryamasaki808@gmail.com).

NEII is confident that once the House Committee on Labor & Public Employment reviews the information provided in this testimony and carefully considers the broad and potentially damaging impacts S.B. 2494 may have on the State of Hawaii, business owners, tourism, and the elevator industry, it can reach no other conclusion than to defeat S.B. 2494.

Respectfully submitted,



Amy J. Blankenbiller  
Vice President, Government Affairs



Statement of  
thyssenkrupp Elevator Corporation  
in  
OPPOSITION to S.B. 2494  
House Committee on Labor and Public Employment

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
March 13, 2018

thyssenkrupp Elevator Corporation is one of the world's leading elevator companies. We design, build, install, upgrade and maintain smart and innovative mobility systems for a wide variety of applications in Hawaii and around the world.

Our company shares the Committee's goal to ensure that the elevator industry continues to exceed its high safety standards. However, we have grave concerns over S.B. 2494 and feel that, if enacted, it will set the state of Hawaii back several decades in terms of innovation, with no commensurate gain in safety, and raise the cost of elevator service and maintenance for Hawaii's business owners, including the state's vast tourism industry. Also, the legislation addresses training and workplace issues that have already been negotiated through the industry's Collective Bargaining Agreement (CBA) with the International Union of Elevator Constructors (IUEC), of which thyssenkrupp is a signatory.

Thank you for the opportunity to provide our expertise on elevator safety issues. We look forward to working with you to ensure the continued safety of our mechanics and the riding public.

**Increase of Training Hours Unnecessary and Penalizes Assistant Mechanics**

Safety has always been one of thyssenkrupp Elevator's primary goals. As such, we actively support stringent safety standards and licensing requirements to ensure our mechanics are able to meet the needs of Hawaii's building owners and the riding public. Currently, the IUEC program, administered through the National Elevator Industry Education Program (NEIEP), provides a minimum of 8,000 hours of on-the-job training (in addition to classroom training) through an apprenticeship program. By the time an individual has completed the requirements and passed the exam, they are highly skilled mechanics. There is no indication that our current mechanics are undertrained or that the requirement of an additional 1,000 hours would correlate to improved safety.

thyssenkrupp Elevator Corporation  
2880 Ualena St., Honolulu, Hawaii 96819





Once an apprentice completes the minimum training requirements (established through the CBA), he/she is able to sit for the exam. By requiring an additional 1,000 hours of on-the-job training, you would impede them from becoming fully licensed mechanics and delay their 20 percent salary raise. You would also delay entry into the workforce of qualified mechanics, further exacerbating Hawaii's workforce shortage.

### **Remote Interaction Requirements Impede Innovation and Safety and Raise Costs**

For the past several decades, thyssenkrupp Elevator- and our competitors - have been working to develop and improve technology to monitor and assess all of the elevator equipment we put into service. These technologies allow us to perform much more preventive and predictive maintenance. By learning from machine data as to when adjustments or replacements of parts are needed before their end of life, our elevators are more reliable with less down time and less emergency calls.

There are clearly a wide array of tasks and qualifications to complete each task. Some of these are jobs for licensed mechanics, while others may be jobs for professional engineers or software developers, none of whom needs to be onsite to collect and analyze the data. The over-simplified approach outlined in S.B. 2494 is misguided and dangerous. With no safety data to indicate that this would benefit the industry and the state's businesses, it is irresponsible to dictate these complex issues through the legislative process. This bill would set innovation back by twenty years to "fix" a nonexistent problem. Also, consumers would see higher costs if licensed mechanics were required in all instances.

Thank you again for the opportunity to submit our comments on S.B. 2494. LeifKjonegaard is available to answer any questions you may have as the Committee works to address these important issues. He can be reached at 808-839-8122.

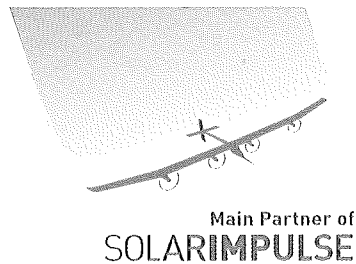
Best regards,

A handwritten signature in black ink, appearing to read "Leif Kjonegaard", written over a circular stamp or seal.

Leif Kjonegaard  
Branch Manager, Honolulu Hawaii

## Schindler Elevator Corporation

Landon Mizuguchi  
District Manager  
Honolulu, Hawaii  
landon.mizuguchi@schindler.com  
808-547-8501



March 9, 2017

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Committee on Labor and Public Employment  
State Capitol, Room 309  
Honolulu, HI 96813

Re: Schindler Elevator Corporation Comments in Opposition to Hawaii S.B. 2494

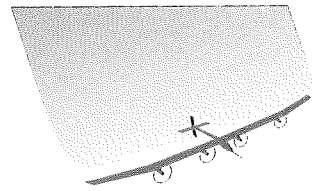
Dear Chairman Johanson, Vice Chairman Holt and members of the Committee:

Schindler is one of the world's leading providers of elevators, escalators, and moving walks, as well as maintenance and modernization services. Schindler manufactures, installs, services and modernizes elevators, escalators and moving walks for almost every type of building requirement worldwide, including Hawaii. Schindler strongly encourages the Committee to disapprove S.B. 2494 for the reasons outlined below.

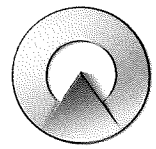
Safety for the riding public and industry workers is very important to Schindler. We believe the best way to ensure safety of the public and industry workers is to maintain the current requirements and disapprove the changes proposed by S.B. 2494. Schindler supports the licensing requirements that are currently utilized by the state of Hawaii which set minimum requirements for training and continuing education of elevator mechanics. These current requirements are consistent with those used in other states and with the requirements outlined in the industry's collective bargaining agreement ("CBA") with the International Union of Elevator Constructors ("IUEC"). No substantiation has been provided to support any increase in safety or other benefit from the proposed rule. Schindler encourages the Committee to disapprove the changes and retain the current requirements.

This bill also attempts to legislate requirements that are already part of the CBA. This could adversely impact the collective bargaining rights of both the workers and signatory companies. These issues should be dealt with in the bargaining process and not the legislature.

The proposal, S.B. 2494, would establish new requirements that would significantly impact the elevator industry in Hawaii without any support for this proposal. Increasing the minimum training requirement from 8,000 to 9,000 hours is unnecessary and there is no evidence that it will provide any benefit. The current requirement of 8,000 hours has been utilized for many



Main Partner of  
**SOLARIMPULSE**



**Schindler**


years and is consistent with the requirements in other states and in the CBA with the IUEC. Changing the requirement will negatively impact industry workers in Hawaii who have recently completed or are currently participating in the industry training programs. It could also discourage workers from seeking positions in Hawaii. This could have significant effects on the availability of a trained workforce in the state.

The bill also includes requirements that would require licensed mechanics to perform work currently performed safely and more economically by other personnel. This is specific to the requirement for an elevator mechanic to be onsite for "remote interaction" to occur. Remote monitoring of equipment has been around for approximately 35 years and is a means to identify potential issues and alert companies before a problem occurs. This can protect the equipment, reduce the costs of maintenance and repairs, and correct issues that may otherwise result in equipment being taken out of service. Remote monitoring occurs 24/7 and having a mechanic on site to monitor the equipment is not feasible.

In summary, Schindler strongly encourages the Committee to disapprove the proposed bill and retain the current requirements. No substantiation has been provided for the proposed rule and it unnecessarily expands the requirements beyond those found in other states and in the CBA. In addition, Schindler is a member of the National Elevator Industry, Inc. (NEII) and supports the comments provided by NEII regarding the bill.

Thank you for the opportunity to provide our comments on this matter. Please feel free to contact me via phone at 808-265-7872 or email at [landon.mizuguchi@schindler.com](mailto:landon.mizuguchi@schindler.com) if you have any questions or would like more information.

Sincerely,

  
Landon Mizuguchi  
District Manager

Honolulu Branch Office



March 09, 2018

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Committee on Labor and Public Employment  
State Capitol, Room 309  
Honolulu, HI 96813

KONE Inc.  
Honolulu Office  
3375 Koapaka St., Suite D-160  
Honolulu, HI 96819  
Tel. (808) 833-3299  
**Mobile: (808) 479-9660**  
Fax (808) 836-7952  
www.kone.com  
*Mike.Nagao@kone.com*

**Re: Opposition to S.B. 2494**

Dear Chairman Johanson, Vice Chairman Holt and Members of the Committee:

KONE Inc. (KONE) appreciates the opportunity to submit comments and convey our company's strong opposition to S.B. 2494, a bill labeled to be related to elevator mechanic licensing, but really going far beyond licensure and minimum requirements. We urge your committee to oppose S.B. 2494 and avoid the legal, financial and business interruption issues that result if this bill is passed.

First and foremost, KONE is an active and integral member of the National Elevator Industry, Inc. (NEII) and fully supports the attached written statement submitted to your committee by NEII. These detailed comments outline the key concerns with S.B. 2494 and are consistent with our company position on these critical issues.

More specifically, KONE wants to be on the record opposing S.B. 2494 as it would be in conflict with and/or impose additional requirements than industry standards, the model elevator law developed by NEII and the International Union of Elevator Constructors (IUEC), the Collective Bargaining Agreement (CBA) between the companies and the IUEC, and the National Elevator Industry Education Program (NEIEP). As a result, the bill will negatively impact elevator industry business operations in Hawaii.

- **Scope of Work** – The language regarding elevator mechanics' scope of work is inconsistent with the industry's collective bargaining agreement (CBA), industry practices and the Model Elevator Law rev3 on which the Hawaii Elevator Act is based.

March 09, 2018

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Committee on Labor and Public Employment  
State Capitol, Room 309  
Honolulu, HI 96813  
Page 2 of 2

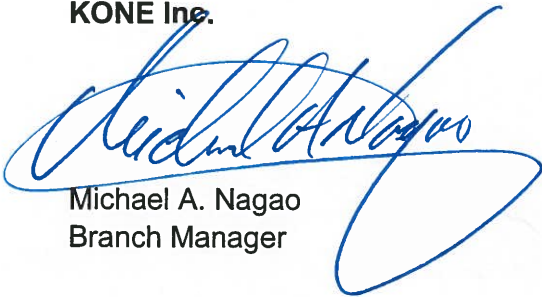
- Remote Interaction – The definition in S.B. 2494 (even as amended during Senate consideration) is overly broad and would prevent the use of remote technologies that have been used safely for decades. And the requirement that an elevator mechanic be physically present at the conveyance and expressly permit the use of remote interaction technologies is unrealistic, costly, beyond the scope of our CBA and completely unjustified.
- Qualifications – NEIEP, which is a nationally recognized program and approved for use in Hawaii, already set the industry requirement to qualify for an elevator mechanics' license at 8,000 hours of on-the-job training (OJT). There is no reason, safety or otherwise, for Hawaii to require 1,000 hours of OJT above and beyond the industry standard. Not only will workers be delayed from sitting for the mechanics' exam, but they face six months or more of being paid 20% less than what they could earn as a mechanic.

KONE unites with NEII and our industry counterparts to oppose the requirements set forth in S.B. 2494. KONE is available to answer any questions or provide any assistance. We request that the Hawaii House Labor and Public Employment reject this bill.

Thank you for your time and attention to this important industry issue.

Sincerely,

**KONE Inc.**



Michael A. Nagao  
Branch Manager



**MITSUBISHI ELECTRIC US, INC.**  
**ELEVATORS & ESCALATORS**

99-075a Koaha Way, Aiea, HI 96701  
Phone: 808.486.0433 Fax: 808.486.2622 | HI State License #C34738  
<https://www.mitsubishielevator.com/>



March 9, 2018

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Hawaii House Committee on Labor and Public Employment  
State Capitol, Room 309  
Honolulu, HI 96813

**Re: Opposition to S.B. 2494**

Dear Chairman Johanson, Vice Chairman Holt and members of the committee:

Mitsubishi Electric US, INC Elevator and Escalator (Mitsubishi) appreciates the opportunity to submit comments related to our position on S.B. 2494. Our company is committed to exceeding the rigorous requirements of the building transportation industry, and as such, Mitsubishi finds S.B. 2494 to be problematic on several levels.

As a member of the National Elevator Industry, Inc. (NEII), Mitsubishi fully supports the comments submitted by NEII on behalf of the industry. It cannot be overstated that while Mitsubishi strongly supports licensing requirements, those listed in S.B. 2494 unnecessarily exceed the industry standard and deviate from the carefully negotiated collective bargaining agreement (CBA) between the elevator manufacturers and the International Union of Elevator Constructors (IUEC). We urge the Committee to honor the parameters in the nationally recognized CBA without changes to worker duties; this process has been in place for many decades.

With a significant business presence in Hawaii, Mitsubishi has strong concerns about the consequences of S.B. 2494 related to our operations in the state. The elevator industry relies on a highly trained and skilled workforce to maintain and repair our equipment and has trusted the National Elevator Industry Education Program (NEIEP) with providing the substantial training required to ensure safety in the field.

By adding requirements to the already comprehensive NEIEP training program recognized as the industry standard, S.B. 2494 will set the already strained elevator mechanic workforce further behind in Hawaii. When mechanics are forced to complete an additional 1,000 of on the job training, companies like ours will be challenged to complete new construction and modernization projects, and this says nothing of the hardships the industry will face in getting repairs performed.

Finally, the technology that S.B. 2494 seeks to eliminate has become standard in modern elevators to enhance the safety of the riding public as well as elevator workers for a generation. Remote technology is critical to the continued innovation of the industry, and if banned will create a wide number of problems in elevator safety and design for the state of Hawaii.

Mitsubishi stands united with NEII and our industry colleagues to oppose the licensing requirements set forth in S.B. 2494 in Hawaii. This bill will negatively impact the state's workforce, business environment and the safety of its citizens.

Our Mitsubishi representatives are available to answer questions or provide assistance.

We request that the Hawaii House Labor and Public Employment Committee defeat this bill. Thank you for your time and attention to this important industry issue.

Sincerely,

  
Kyle Dong  
Sales Manager

Otis Elevator Company  
863 Halekauwila St, Ste #4  
Honolulu, HI 96813

(808) 599-1111



March 13, 2018

Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Committee on Labor and Public Employment  
Hawaii State Capitol, Room 309  
Honolulu, Hawaii 96813

Re: Opposition to S.B. 2494

Aloha Chairman Johanson and Vice Chairman Holt:

On behalf of Otis Elevator, I would like to provide the Committee on Labor and Public Employment with comments opposing S.B. 2494, a bill relating to elevator mechanics. If enacted, S.B. 2494 will make the state's elevators less safe, raise costs for all businesses and building owners, and stifle future development projects in Hawaii.

First and foremost, safety is the number one priority of Otis Elevator. For that reason, we collaborated with labor, and several other industry partners, to establish the licensing requirements that are currently in place in Hawaii. Since their implementation, Hawaii has had a positive track record of safe and reliable equipment. We believe there is no demonstrated need to overhaul the State's licensing requirements as prescribed in S.B. 2494.

Specifically, below are our three primary concerns with the bill:

#### S.B. 2494 Interferes with Federal Labor Law

By expanding the scope of work outlined in Sections 448H-D and 448H-E and by raising minimum requirements outlined in 448H-6, which are all issues specifically enumerated in the collective bargaining agreement (CBA), S.B. 2494 encroaches on the area of law left solely to federal labor law and the parties' collective bargaining rights. Moreover, there is a grievance process to handle unresolved issues in the CBA and unless there is a compelling state interest, of which there is none in this circumstance, the U.S. Supreme Court has expressly disallowed states from interfering with CBAs.

#### Remote Interactions Should Not Be Limited

S.B. 2494 makes it impossible to use longstanding remote monitoring safety technology, which for over 30 years has made conveyances safer for passengers and workers. Standard in most elevators sold today, remote technology serves several important functions that make elevators run more efficiently and protects passengers. If this valuable safety technology is abandoned, building owners will need to find new ways to operate their buildings without it and reverse longstanding, effective industry practices.

#### Increasing Qualifications for Elevator Mechanics Should Not Exceed National Standard

Both labor and industry agree, through provisions in the CBA, that 8,000 "on-the-job-training" hours are both substantial and adequate to prepare apprentices for their work as elevator mechanics and to ensure their safety as well as the safety of the riding public. By requiring an additional 1,000 hours, S.B. 2494 negatively impacts the state's workforce in several ways. First, until mechanics can reach the extra hours of training, their pay scale is lower. Second, it further delays apprentice mechanics from entering the work force, which puts a strain on

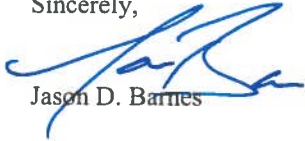
Representative Aaron Ling Johanson, Chair  
Representative Daniel Holt, Vice Chair  
Committee on Labor and Public Employment

Page 2

projecting future development. Third, higher requirements both dissuade able workers in Hawaii from joining the industry and force them to seek work in other states where they can elevate to mechanic sooner.

Due to the legal issues, potential safety risks, high costs, and the enormous impact on the state's business environment, the Committee on Labor and Public Employment should reject S.B. 2494. Please do not hesitate to contact us with any questions or to provide additional information.

Sincerely,



Jason D. Barnes



**SB 2494**

**SD-2**

**LATE**

**TESTIMONY**