

Testimony of the Board of Electricians and Plumbers
Before the
House Committee on Consumer Protection & Commerce
Friday, February 25, 2022
1:00 p.m.
Via Videoconference

On the following measure:
H.B. 1597, RELATING TO ELECTRICAL CONTRACTORS

Chair Johanson and Members of the Committee:

My name is Phillip Lucero, and I am the Chairperson of the Board of Electricians and Plumbers (Board). The Board opposes this bill.

The purpose of this bill is to extend until 2033: (1) 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; and (2) the reporting requirements under Act 60, SLH 2018, regarding high voltage electrical contractors.

The Board opposes this bill because the exemption for employees of electrical contractors retained by the public utility to perform all high voltage electrical work is too broad. Although the Board recognizes the need for appropriately trained and certified individuals to perform specific phases of high voltage projects, such as line work performed by public utility companies, it has serious concerns that the intent of the bill is to seek exemption from licensure for all high voltage electrical work.

As an example, journey worker electricians work alongside cable splicers to prepare the cables prior to splicing and final termination. Cable splicers require additional training to perform that phase of high voltage work (twelve hundred volts and higher) but, under this measure, the work that licensed journey workers are currently performing will be exempt from the requirements of licensure. Electricians are licensed to perform work under the National Electrical Code, which covers voltages over six hundred volts, and they are qualified to perform work such as cable splicing and line work, with additional training. The Board believes this work should be performed by licensed electricians.

For the Committee's information, there are contractors in the State who are licensed to perform high voltage electrical work and they employ licensed electricians who are certified to perform high voltage electrical work. When Act 65 (2013) was enacted, there was an insufficient number of high voltage power line projects in the State to give licensed journey worker electricians the necessary on-the-job training that is required to be certified, which may have warranted the limited exemption from electrician licensing requirements. However, given the current prevalence of high voltage projects being performed in the State, including photovoltaic and solar wind farms, as well as the ongoing availability of training programs, the Board believes there is sufficient high voltage power line work available to train licensed journey worker electricians to perform specific high voltage work that the public utilities require.

As the number of high voltage projects fluctuates, licensed journey worker electricians who are certified to perform high voltage work can adapt to market demands. If the number of high voltage projects decreases, licensed journey worker electricians are authorized to work on other electrical projects in the State.

Additionally, this bill requires the Board to submit to the Legislature reports regarding high voltage electrical contractors. However, the report requires information outside of the purview of the Board: the Board does not register high voltage training programs, does not register continuing education specific to high voltage work, does not license electricians to perform specifically high voltage work, and opportunities for growth in the high voltage work specialty is typically an industry issue. Thus far, the Board has had to request information directly from the Department of Labor and Industrial Relations, as well as the specific training programs that are registered with that department, in order to address the items in the report. As such, if the Committee is inclined to pass this measure, the Board believes the Department of Labor and Industrial Relations may be the more appropriate reporting entity.

The Board would welcome an opportunity to work with the various parties to clarify and delineate the specific high voltage electrical work for which the public utilities are seeking to hire unlicensed workers, such as line work.

Thank you for the opportunity to testify on this bill.

Testimony of the Contractors License Board

**Before the
House Committee on Consumer Protection & Commerce
Friday, February 25, 2022
1:00 p.m.
Via Videoconference**

**On the following measure:
H.B. 1597, RELATING TO ELECTRICAL CONTRACTORS**

WRITTEN TESTIMONY ONLY

Chair Johanson and Members of the Committee:

My name is Neal Arita, and I am the Legislative Committee Chairperson of the Contractors License Board (Board). I apologize for not being able to attend the hearing to present the Board's testimony. The Board is meeting today from 9 a.m. until late this afternoon. The Board opposes this bill.

The purpose of this bill is to extend until 2033: (1) the sunset date of Act 65, Session Laws of Hawaii (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; and (2) the reporting requirements under Act 60, SLH 2018, regarding high voltage electrical contractors.

The Board opposes this bill because the exemption is overly broad. The Board respectfully requests clarification on the type of high voltage work that will be included in the exemption.

For a point of reference as to the difference between a C-63 High voltage electrical contractor's license and a journey worker electrician's (EJ) license: (1) a C-63 contractor's license is required to contract for work to install lines that transmit, transform, or utilize electrical energy of more than 600 volts; and (2) an EJ license is required to perform any electrical work, including overhead and underground high voltage power line electrical work.

The Board firmly believes that, at minimum, an EJ license is required to perform any electrical work, including overhead and underground high voltage power line electrical

work because a basic understanding of electrical systems is necessary to safely and properly perform electrical work on high voltage power lines.

When Act 65, SLH 2013 was enacted, there were not enough opportunities for EJs to gain experience performing electrical work on high voltage power lines in Hawaii. Thus, the limited exemption from electrician licensing requirements for individuals employed by electrical contractors who are retained by a public utility within the State to perform electrical work on high voltage power lines for the public utility may have been warranted. However, with the goal of the Hawaii Clean Energy Initiative to achieve 100% clean energy by 2045, there has been an increase in utility grade renewable energy projects such as wind and solar projects that tie into the utility and EJs now have opportunities to gain experience performing electrical work on high voltage power lines. Consequently, the Board believes that the exemption from electrician licensing requirements for employees of an electrical contractor retained by a public utility is no longer necessary.

Currently all non-utility work being contracted by C-62 Pole and line and C-63 High voltage electrical contractors are performed by the contractor's EJ employees that are trained and qualified to perform electrical work on high voltage power lines. Employees of high voltage contractors performing utility grade renewable energy projects are not exempt from electrician licensure because these projects are not being contracted by a public utility. These high voltage electrical contractors are complying with Hawaii Revised Statutes (HRS) section 444-9.5, which requires at least half of all individuals performing electrical work employed on a construction site shall be a licensed electrician in accordance with HRS chapter 448E and are responsible for ensuring that their EJ employees have the proper training and qualifications to perform electrical work on high voltage power lines.

Similarly, the Board strongly believes that employees of contractors that are contracted by the public utility must be held to the requirements of HRS section 444-9.5 for the safety of the employee and the public.

Thank you for the opportunity to testify on this bill.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE**

HB 1597

Relating to Electrical Contractors

Friday, February 25, 2022
1:00 pm CR 329 & via Videoconference

Michael Swanson
Director of Transmission and Distribution Operations
Hawaiian Electric Company, Inc.

Chair Johanson, Vice Chair Kitagawa, and Members of the Committee:

My name is Michael Swanson and I am testifying on behalf of Hawaiian Electric Company, Inc., in **support** of HB 1597, Relating to Electrical Contractors. This bill provides a 10 year extension to a limited exemption to the electrical licensing requirement of HRS 448E, which allows electrical contractors licensed in Hawaii to utilize qualified out-of-state high voltage electrical workers to perform work for a utility without requiring these qualified electrical workers to obtain a journey worker electrician (“EJ”) license.

Without this limited exemption, efforts to ensure a resilient, reliable, and affordable electrical grid could be compromised. Hawaiian Electric is continuously reinforcing and repairing our high voltage lines, especially as we move towards attaining our 100% renewable portfolio goals by 2045, working to modernize our grid, preparing for unexpected extreme weather events, and decarbonizing our electrical facilities.

First and foremost, Hawaiian Electric prefers to hire local labor to perform such high voltage work. However, the reality of the marketplace is such that these

specialized high voltage workers migrate to areas where their work is in demand so the number of available qualified local high voltage electrical workers is often not sufficient to meet our needs.

History of Act 65 (2013)

Nine years ago, the legislature passed Act 65 of Session Laws of Hawaii 2013, which was later amended by Act 60 of Session Laws of Hawaii 2018. Act 65 (2013) created a limited exemption to the electrical licensing requirement of HRS 448E. This limited exemption allowed electrical contractors licensed in Hawaii to utilize qualified out-of-state high voltage electrical workers to perform work for a utility without requiring these qualified electrical workers to obtain an EJ license. This exemption focused on the reality that, in Hawaii, there are a limited number of qualified individuals who are trained and licensed as electricians to perform high voltage electrical work at the utility scale and who are not currently working.

In addition, Act 65, as amended, addresses the fact that Hawaiian Electric does not employ sufficient high voltage linemen, splicers, and substation electricians so that the Company itself can do all the work needed to perform storm restorations, respond to emergencies, perform complex maintenance on high voltage equipment, or construct, repair and maintain the new systems that will be needed to meet Hawaii's renewable energy goals. Hawaiian Electric strives to perform much of this work itself but must rely on licensed electrical contractors who have the expertise and the appropriately trained high voltage personnel to assist in constructing, repairing, and maintaining the Company's high voltage system.

The availability of High voltage electrical workers in Hawaii is limited

There are only a handful of electrical workers in the State, outside of those that work for Hawaiian Electric or Kauai Island Utility Cooperative, that are qualified to perform the high voltage work that these utilities perform. The workers who are available do not have Hawaiian Electric's specialized training and qualifications, which is obtained through the Company's apprenticeship programs, and are not qualified to work on Hawaiian Electric's high voltage electrical system.

The reason for this lack of a bench is simple - high voltage linemen, splicers and substation electricians who work for a utility frequently leave Hawaii to find other work if their initial work is completed. Their skills are in high demand across the entire country. So, if work dries up in Hawaii, these electricians can go to a local union in another state that has available work.

Under HRS 444-9.5, at least half of the employees of an electrical contractor who perform electrical work in Hawaii must possess an EJ license under HRS 448E. This license requirement is in addition to the requirement that the electrical contractor itself possess an appropriate contractor's license to perform the work in question under HRS 444. Hawaiian Electric, and its employees who are electricians, as well as other utilities in Hawaii and their electrical workers, are exempt from this separate licensing requirement, as stated under HRS 448E-13. Under this statute, electricians who work for a utility like Hawaiian Electric do not have to possess an EJ license.

Most in-state electrical workers are only experienced in low voltage (120 to 480 volt) work common in most homes and commercial buildings. High voltage work on a utility scale requires very specialized skills, requiring different training, tools, and equipment from the more common low-voltage electrician. An electrician that holds an

EJ license will have only touched lightly on the training required to perform work for Hawaiian Electric or another utility. An EJ license alone will not qualify someone to work on Hawaiian Electric's high voltage system.

For all these reasons, we ask the Committee to pass HB 1597. Thank you for the opportunity to testify on this matter.



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

TO: HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Hearing: Friday, February 25, 2022 at 1:00p.m., Room 329 & Videoconference

RE: TESTIMONY IN **OPPOSITION** OF HB1597

Honorable Chair Aaron Ling Johanson, Vice Chair Lisa Kitagawa, and Members
of the Committee on Consumer Protection & Commerce:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is comprised of over 3,600 men and women working in electrical construction, telecommunications, Spectrum, civil service employees, and educator and faculty associations.

IBEW 1186 is in **OPPOSITION** to this bill which seeks to extend a temporary license exemption set to sunset on June 30, 2023.

IBEW 1186 is concerned that the bill language does not expressly limit the stated intent of the exemption, but rather broadly exempts electrician licensing requirements for all “high voltage” work for the public utility, that may lead to unlicensed activity for work regularly performed by qualified and licensed Journeyworker Electricians in the State of Hawaii, of which there are no shortages according to annual reports to the Legislature produced by the Electricians and Plumbers Board pursuant to Act 60, SLH 2018.

We are concerned that the focus of this bill tends to center around a specifically described type of “high voltage” work performed by utility linemen on transmission and distribution lines, yet the broad application of this exemption, even referenced in testimony by the utility company, is to construct, repair and maintain new systems built to meet Hawaii’s renewable energy goals. Utility scale Photovoltaic (PV) farms, high voltage PV systems, and other renewable energy projects such as bio, wind, and thermal energy production have aspects in high voltage that have regularly been constructed using Hawaii licensed electricians.

Our local electrical contractors employ hundreds of licensed electricians that are qualified to work on various equipment and systems that are “high voltage” by definition because the equipment may operate above 600 volts. Licensed Journeyworker Electricians are trained in the National Electric Code (NEC) and qualified and licensed to perform all work under the jurisdiction of this code. The NEC covers the installation of equipment that is over 600 and 1000 volts, and specifically addresses PV installations.

For those reasons, our opposition continues to be due this broad reaching language. We encourage the proponents of this bill to identify if there is a specific niche area of electrical work, that by definition is “high voltage” simply because it may operate above

600 volts, which may reveal a lack of licensed electricians suited for this narrowly described scope of work. However, claiming that there is a shortage of electricians to perform any work that is “high voltage” by definition is just not factual.

IBEW 1186 and our signatory high voltage electrical contractors stand ready to work with the public utility to meet its needs and strengthen the local workforce with already available training programs and experienced workers. We see an opportunity to invest in our local workers and their families as opposed to seeking exemptions that may allow out of state unlicensed workers to perform work that our State licensed electricians perform.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Kim', with a stylized flourish at the end.

Damien T.K. Kim
Business Manager/
Financial Secretary



INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL UNION 1260 ORGANIZING THE FUTURE

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

HEARING DATE: Friday, February 25, 2022
TIME: 1:00 p.m.
PLACE: Via Video Conference
Conference Room 329

RE: TESTIMONY IN SUPPORT OF HB1597

Aloha Chair Johanson, Vice Chair Kitagawa, and Members of the Committee:

This testimony is being submitted by the International Brotherhood of Electrical Workers Local 1260 (IBEW 1260). IBEW 1260, is comprised of nearly 3,000 hardworking union members. Our members are a diverse workforce that largely consist of highly skilled and trained individuals working 24 hours a day, 7 days a week, to generate and transmit electricity here in the State of Hawai'i.

IBEW 1260 is in **SUPPORT** of this bill which seeks to extend until 2033 the sunset date of Act 65, SLH 2016, 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 electricity who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Training a person to become qualified to work on the high voltage lines owned and operated by the Utility takes many years of specialized training. IBEW 1260 and the utilities have joint apprenticeship programs to successfully complete this type of training. The Utilities employ a workforce to handle its base-load operations, but at times, does require additional resources, therefore almost every individual qualified to do the specialized energized work is already employed by the Utility.

IBEW 1260 agrees with the urgency to build a local workforce to address the needs of the electrical utility industry here in Hawai'i. We recognize and have experienced the difficulties faced with keeping the highly specialized skills of the high voltage electrical utility worker home, in Hawai'i. The demand for the high voltage electrical utility worker has skyrocketed throughout the nation as states look to reinforce their electrical infrastructure. As we move towards a renewable energy future, utilities across the nation are taking incentivizing measures to attract high voltage electrical workers to meet their labor demand. High voltage electrical work, specifically Utility Lineman, is constantly ranked as one of the top 10 most dangerous jobs in the nation. As a result of these factors, we've witnessed a steady flow of high voltage electrical workers leave Hawai'i for the continental U.S. and had trouble retaining those qualified in the trade due to the dangerous nature of the profession.

IBEW 1260 understands that the high voltage utility electrician is a unique, specialized skill. This craft requires working in very hazardous conditions, working on energized lines as much as 138,000 volts, being transported by helicopter to the mountain tops, working in underground vaults with energized cables right next to the person, etc. Currently, there is only one license certifying an electrician. We believe in the future, expanding the license designations to the different specialties of electricians will be beneficial.



**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION 1260
ORGANIZING THE FUTURE**

Through collaborative efforts, we've recently taken steps to build this specialized workforce here locally, to have a sustainable workforce to keep the lights on. We are committed to actively addressing the shortage of high voltage electrical workers in Hawai'i. We agree that progressive steps to resolve the issues at hand are necessary, therefore, we support this limited exemption continuing on a 10 year period.

We sincerely thank The Committee for their time, consideration, and dedication to a renewable and reliable energy future.

Sincerely,

A handwritten signature in black ink, appearing to read "Leroy Chinzio, Jr.", written in a cursive style.

Leroy Chinzio, Jr.
Business Manager and Financial Secretary
International Brotherhood of Electrical Workers Local 1260
700 Bishop Street, Suite 1600
Honolulu, HI 96813



**HOUSE COMMITTEE ON FINANCE
State Capitol, Via Videoconference
415 South Beretania Street
1:00 PM**

February 25, 2022

RE: HB 1597, RELATING TO ELECTRICAL CONTRACTORS

Chair Luke, Vice Chair Yamashita, and members of the committee:

My name is Daryl Takamiya, 2022 President of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA Hawaii is in support of HB 1597, Relating to Eletrical Contractors. This bill would continue to provide 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.

As this bill would help ensure that there remains an adequate amount of electrical contractors qualified to perform necessary utility services in Hawaii, we are in support of this measure.

Thank you for the opportunity to comment on this matter.