

## **Testimony of the Contractors License Board**

**Before the  
Senate Committee on Commerce and Consumer Protection  
Friday, February 4, 2022  
9:30 a.m.  
Via Videoconference**

**On the following measure:  
S.B. 2644, RELATING TO ELECTRICAL CONTRACTORS**

Chair Baker and Members of the Committee:

My name is Neal Arita, and I am the Legislative Committee Chairperson of the Contractors License Board (Board). The Board opposes this bill.

The purposes of this bill are to make permanent to make permanent: (1) Act 65, Session Laws of Hawaii 2013 (Act 65), 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 requirement for the Board of Electricians and Plumbers to submit to the Legislature reports regarding high voltage electrical contractors.

The Board opposes this bill because the exemption is overly broad and requests clarification on the type of high voltage work that will be included in the exemption. Page 2, line 4 to line 11, states that the Legislature enacted Act 65, to address the need for individuals qualified to work with high voltage power lines. Therefore, it appears that the exemption was intended to be limited to work involving high voltage power lines. The Board firmly believes that, at minimum, a journey worker electrician's (EJ) license is required to perform high voltage work because a basic understanding of electrical systems is necessary to safely and properly perform high voltage electrical work.

When Act 65 was enacted, there were not enough opportunities for EJs to gain experience performing high voltage work 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 high voltage work for the public utility may have been warranted. However, with the goal of the Hawaii Clean Energy Initiative to achieve 100 percent 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 in high voltage electrical work. 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 with additional high voltage electrical training. 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 must comply 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.

Similarly, 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.

**Testimony of the Board of Electricians and Plumbers**

**Before the  
Senate Committee on Commerce and Consumer Protection  
Friday, February 4, 2022  
9:30 a.m.  
Via Videoconference**

**On the following measure:  
S.B. 2644, RELATING TO ELECTRICAL CONTRACTORS**

Chair Baker 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 are to make permanent: (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 requirement for the Board to submit to the Legislature reports regarding high voltage electrical contractors.

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. However, the Board is concerned that the intent of the bill is to seek exemption from licensure for all high voltage work.

The exemption to perform high voltage work is too broad and the Board would welcome an opportunity to work with the various parties to clarify and delineate the specific high voltage work for which the public utilities are seeking to hire unlicensed workers.

For the Committee's information, there are contractors in the State who are licensed to perform high voltage work and they employ licensed electricians who are certified to perform high voltage work. When Act 65 (2013) was enacted, there was an insufficient number of high voltage 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 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.

Lastly, 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.

Thank you for the opportunity to testify on this bill.



**Hawaiian  
Electric**

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

**SB 2644**

**Relating to Electrical Contractors**

Friday, February 4, 2022

9:30 a.m.

Hawaii State Capitol, Conference Room 229 &  
Via videoconference

Michael Swanson

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

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

My name is Michael Swanson and I am testifying on behalf of the Hawaiian Electric Company in **strong support** of SB 2644, Relating to Electrical Contractors.

Act 65 of Session Laws of Hawaii 2013, as amended by Act 60 of Session Laws of Hawaii 2018, created a limited exemption to the electrician licensing requirements in Hawaii. 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. Other than the employees of Hawaiian Electric and Kauai Island Utility Cooperative, there are only a handful of electrical workers in the State that are qualified to perform high voltage work. These non-utility, in-state, high voltage workers are qualified to do underground line work but few, if any, are qualified to perform overhead line work. 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 requires very specialized skills, requiring different training, tools, and equipment from the more common low-voltage electrician.

An example of high-voltage work includes the replacement of one hundred and thirty-eight thousand volt poles/structures, hardware, and conductors, located in the mountains which are only accessible by helicopter. To safely and properly perform this work, contractors working for an electric utility may need to use specialized and experienced personnel from the mainland who are not licensed as electricians in the state of Hawaii even though they are authorized to work in other states to perform this and other types of high-voltage work.

Act 65 (2013) created a sunset date for the limited exemption until June 30, 2018, and Act 60 (2018) extended the sunset date until June 30, 2023. Because there has not been an increase in the number of electrical workers in Hawaii that are qualified to perform high voltage electrical work, Hawaiian Electric and its subsidiaries strongly support this bill. This bill would make permanent the exception created by Act 65 (2013). Making this limited exemption permanent is appropriate because qualified high voltage electrical workers are in high demand and frequently move to where the work is available. Because a large demand for high voltage work is not present in the state of Hawaii, qualified high voltage electrical workers generally do not live in Hawaii, but they follow the work. These electrical workers will come to Hawaii when work is available, but these qualified electricians should not be required to obtain a separate electricians license to work in Hawaii, so long as Hawaiian Electric has determined that the electrical workers are qualified.

The exemption is in the state's best interest because it allows contractors to utilize qualified out-of-state high-voltage electrical workers who are qualified to perform

the work to safely assist utilities in activities such as storm restorations, complex maintenance, and emergency situations, when there is a shortage of local experience.

We appreciate the support of the Legislature in hearing and understanding our concerns. Thank you for the opportunity to testify in support of SB 2644.



ELECTRICAL CONTRACTOR'S ASSOCIATION OF HAWAII

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February 2, 2022

To: Senate Committee on Commerce and Consumer Protection  
Honorable Chairperson Senator Rosalyn H. Baker  
Vice Chairman Senator Stanley Chang

From: Al Itamoto, Executive Director  
Electrical Contractors Association of Hawaii  
National Electrical Contractors Association, Hawaii Chapter

Subject: SB 2644 Relating to Electrical Contractors

#### Notice of Hearing

Date: Friday, February 4, 2022  
Time: 9:30 AM  
Place: Conference Room 229 and Videoconference  
State Capitol  
415 South Beretania Street

Dear Chair Baker and Committee members:

The Electrical Contractors Association of Hawaii (ECAH) is a non-profit association representing over 100 electrical contractors doing business in the State of Hawaii. ECAH **opposes** the intent and purpose of SB 2644 making Act 65 permanent and providing an exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage who are not licensed in the State but are otherwise deemed qualified by the electric utility. The preamble of this measure states that recent severe storms require the provisions of Act 65 in order to restore the electric grid for the health and welfare of the State's residents, visitors and employees. Currently, there are policies in place that allow for the utility to secure contractors and their electricians to work for the utility without a Hawaii license. This measure is redundant and not necessary.

The preamble also mentions the need for continued maintenance due to an aging electrical infrastructure to keep the electric grid resilient. Act 60 has been in place since 2013 and scheduled to sunset in 2023 with the enactment of Act 65. In the nine years since allowing this exemption, what has the utility companies done to address the shortage of high voltage line workers? What is the status of their training efforts to bring their workforce to meet the needs of maintaining the electric grid? Allowing a permanent exemption from licensing requirements will only prolong and enable the utility companies from bringing their workforce to meet the needs of providing a resilient grid system and responding to all emergencies to keep the electric grid operational.



It has been our contention that this measure is too broad in scope and would allow an exemption beyond what is cited in the preamble. The most damaging aspect of this measure is that it allows any and all high voltage work to be exempt from licensing requirements to the detriment of electrical contractors licensed in the State of Hawaii and employing licensed journeymen electricians. For the record, all licensed electrician journeymen in the State of Hawaii can and do perform high voltage (600volts and higher) work. Why would this legislature allow unlicensed electrical workers to perform work that can be performed by local licensed electricians?

Based on the above, ECAH **opposes** the passage of SB 2644 in its present form.

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

Al Itamoto



# International Brotherhood of Electrical Workers

LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

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TO: SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION  
Hearing on Friday, February 4, 2022 at 9:30a.m., Room 229 & Videoconference

RE: TESTIMONY IN **OPPOSITION** OF SB 2644

Honorable Chair Rosalyn H. Baker, Vice Chair Stanley Chang, and Members of the Committee  
On Commerce and Consumer Protection:

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 make permanent 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.

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,

Damien T.K. Kim  
Business Manager/  
Financial Secretary