

HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

(808) 451-6648
energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
**SENATE COMMITTEES ON
ENERGY AND INTERGOVERNMENTAL AFFAIRS
AND
LABOR AND TECHNOLOGY**

Monday, February 3, 2025
3:20 PM
State Capitol, Conference Room 224 & Videoconference

In Support of
SB 997

RELATING TO ENERGY.

Chairs Wakai and Aquino, Vice Chairs Chang and Lee, and Members of the Committees, the Hawai'i State Energy Office (HSEO) supports SB 997, which would establish labor standards for renewable energy projects one megawatt or larger.

This measure could help ensure workers can earn a living wage and be motivated to pursue a long-term career in Hawai'i's utility renewable energy construction sector.

SB 997 directs the Department of Business, Economic Development and Tourism (DBEDT) to retain the required attestation or declaration in a manner consistent with the department's record retention rules. While HSEO is not specifically referenced to perform this function in SB 997, HSEO has the capability and experience in filing records for energy efficiency and renewable energy programs and currently has the capacity to maintain the records (e.g., attestations, declarations) required by SB 997 if the measure were to pass and DBEDT were to request HSEO's assistance.

HSEO suggests the committee's consideration to combine the content of this measure with that of SB 743 which gives the Public Utilities Commission the ability to

authorize preferential rates for the purchase of renewable energy from projects that meet certain prevailing wage requirements.

Thank you for the opportunity to testify.

SB-997

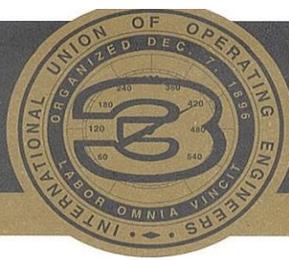
Submitted on: 1/31/2025 10:17:05 PM

Testimony for EIG on 2/3/2025 3:20:00 PM

Submitted By	Organization	Testifier Position	Testify
Hawaii LECET	Testifying for Hawaii Laborers & Employers Cooperation and Education Trust	Support	Written Testimony Only

Comments:

Hawaii LECET supports SB997.



January 31, 2025

Honorable, Glenn Wakai, Senate Committee on Energy and Intergovernmental Affairs, Chair
Honorable, Stanley Chang, Senate Committee on Energy and Intergovernmental Affairs, Vice Chair
Honorable Members of the House Committee on Energy and Intergovernmental Affairs

Honorable, Henry J.C. Aquino, Senate Committee on Labor and Technology, Chair
Honorable, Chris Lee, Senate Committee on Labor and Technology, Vice Chair
Honorable Members of the House Committee on Labor and Technology

RE: SB 997- RELATING TO ENERGY

Chair Wakai and Chair Aquino,

My name is Ana Tuiasosopo. I am the District Representative and Trustee for Operating Engineers Local 3. We are the largest Construction Trades Local in the United States. **I and the members of Operating Engineers Local 3 supports SB 997**, requiring attestation or declaration regarding project labor standards for large-scale renewable energy projects, including state-approved apprenticeship programs and prevailing wage requirements.

The prevailing wage requirement in SB 997 will provide Hawaii's residents with an opportunity to earn a living wage with benefits to keep up with Hawaii's high cost of living. Prevailing wages help keep residents off welfare and other government assistance programs, stimulate Hawaii's economy, and provide economic stability for workers and their families.

It also requires contractors and subcontractors working on a project to use apprentices enrolled in or graduated from a state-approved apprenticeship program. This requirement will provide valuable training opportunities to Hawaii's residents, allowing them to pursue a long-term career path building renewable energy projects. These training programs will strengthen the overall skill levels of Hawaii's workforce to be compatible with the renewable energy industry, providing Hawaii with a workforce that can help meet its clean energy goals.

Lastly, SB 997 also includes provisions requiring contractors and subcontractors to demonstrate a history of compliance with labor laws and building codes. These provisions are important to ensure that contractors play by the rules and do not take advantage of workers and evade laws that protect the public.

We humbly ask for your support and approval of SB 997.



LATE

**Testimony to the Committee Energy and Intergovernmental Affairs and
Committee on Labor and Technology
February 3, 2025, 3:30 PM
VIA Video Conference & Conference Room 224, Hawaii State Capitol**

SB 997

Chair Wakai, Chair Aquino, Vice Chair Chang, Vice Chair Lee and members of the committee,

Hawaii Clean Power Alliance (HCPA) provides comments on SB997, which Requires an attestation or declaration regarding project labor standards, including adherence to state-approved apprenticeship programs and prevailing wage requirements, for covered large-scale renewable energy generation projects.

Hawaii Clean Power Alliance is a nonprofit alliance organized to advance and sustain the development of clean energy in Hawaii. Our goal is to support the state's policy goal of 100 percent renewable energy by 2045. We advocate for utility-scale renewable energy, which is critical to meeting the state's clean energy and carbon reduction goals.

Hawaii is at a cross roads to quickly provide affordable and reliable energy. Support of labor standards and safety is also extremely important to the state.

The federal government has provided incentives to encourage and stimulate the use of apprenticeships and qualified labor. Projects are motivated to utilize contractors who will utilize this.

We recognize that developers are not the ones who contract with labor, and that is the responsibility of general and subcontractors. Additionally, in order to meet contractual obligations of speed to delivery and costs, we appreciate the exemptions included in the bill.

We offer up additional amendments for your consideration.

Thank you for the opportunity to testify.

A BILL FOR AN ACT

RELATING TO ENERGY.

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

SECTION 1. Chapter 196, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

"§196- ~~Project labor standards for large-scale electric renewable energy projects; attestation or declaration.~~ (a) A ~~person-contractor~~ who constructs a covered project sited in the State ~~shall~~may, ~~within thirty days from the date construction begins,~~ provide a ~~signed attestation or~~ declaration to the department stating to the best of that ~~person's-contractor's~~ knowledge and belief, ~~under penalty of perjury,~~ that during all periods of construction all contractors and subcontractors working on the covered project ~~will~~may:

(1) Use apprentices who are enrolled in or have graduated from an apprenticeship program pursuant to chapter 372;

(2) Have policies in place that are designed to limit or prevent workplace harassment and discrimination and that promote workplace diversity, equity, and inclusion;

(3) Be licensed, be in good standing to perform the work, and remain eligible to receive a contract or subcontract for public works under chapter 104;

~~—(4) Demonstrate a history of compliance in the previous seven years or, for new businesses, provide available history of compliance with the rules and other requirements of state agencies with oversight regarding workers' compensation, building codes, and occupational safety and health;~~

~~—(5) Demonstrate a history of compliance in the previous seven years or, for new businesses, provide available history of compliance with federal and state wage and hour laws;~~

~~—(6) Provide quarterly reporting and recordkeeping to the covered project's owner or applicable electric utility and respond to records requests and verification;~~

(7) Comply with chapter 104; and

(8) Offer health care and retirement benefits to the employees performing the labor on the covered project.

(b) In addition to the requirements described in subsection (a), the ~~attestation or~~ declaration shall include the following information:

(1) The megawatt capacity and physical footprint in acres of the covered project;

(2) The geographic location of the covered project;

(3) The estimated workforce requirements of the covered project;

(4) A collated list of good faith effort documentation regarding use of apprentices.; and

~~—(5) A description of any policies in place for ensuring the person meets the requirements of this section.~~

~~—(c) A person constructing a covered project shall notify the purchaser of the covered project or the purchaser of the~~

~~energy from the covered project of the existence of the signed attestation or declaration required pursuant to subsection (a).~~

~~(cd)~~ The department shall retain the ~~attestation or~~ declaration required under this section in a manner consistent with the department's record retention rules.

~~—(e)—~~ The ~~attestation or declaration provided to the~~ department pursuant to this section shall be subject to public records disclosure pursuant to chapter 92F, and the department shall provide a copy of the ~~attestation or declaration upon~~ request.

~~(df)~~ An ~~attestation or~~ declaration filed under this section shall be for reporting purposes only, and the department shall not ~~have the authority to, use an attestation or a~~ declaration to investigate, regulate, ~~verify compliance with or~~ enforce matters addressed in ~~the attestation or the~~ declaration.

~~(eg)~~ Nothing in this section shall prohibit the inclusion of labor standards in addition to those required by subsection (a) in contracts that are subject to this section.

~~(fh)~~ If:

(1) ~~Contractors and subcontractors are unable or unwilling to meet the requirements under subsection (a); or~~

(2) ~~Enforcing the requirements of this section will prevent the completion of the covered project in accordance with an existing or a new contract including, but not limited to the completion date or financial terms; and or~~

(3) ~~All reasonable attempts have been made to procure contractors and subcontractors who are able and willing to meet the requirements under subsection (a), or~~

(4) the covered project is subject to Critical Energy/Electric Infrastructure Information (CEII).

then the ~~person~~ contractor completing the covered project may be exempt from the requirements of subsection (a), (b), (c) (d), and (e).

(i) As used in this section:

"Apprentice" has the same meaning as defined in section 372-2.

"Construction" includes on-site construction and fabrication, excludes ~~pre-construction, post-construction equipment testing or inspection, , and any other specialized labor~~ and shall be effective thirty days after covered project completion.

"Contractor" has the same meaning as defined in Hawaii Revised Statutes Section 104-1. ~~means any person furnishing construction under a contract with any person, governmental contracting agency, general contractor, subcontractor, individual, partnership, firm, corporation, joint venture, or other legal entity, acting directly or through an agent, employee, consultant, corporate officer, or corporate director.~~

"Covered project" means a facility for ~~electric~~ renewable energy generation, ~~electric~~ renewable energy storage, ~~or carbon sequestration~~ with a capacity rating of ~~one~~ 120 megawatt or greater.

"Department" means the department of business, economic development, and tourism.

"Renewable energy" has the same meaning as defined in section 269-91."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

INTRODUCED BY: _____

Report Title:

Energy Resources; Electric Renewable Energy; Large-Scale Energy Projects; Labor Standards

Description:

Requires ~~an attestation or~~a declaration regarding project labor standards, including adherence to state-approved apprenticeship programs and prevailing wage requirements, for covered large-scale electric renewable energy generation projects.

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

Hawai'i Construction Alliance

P.O. Box 179441
Honolulu, HI 96817
(808) 220-8892

February 3, 2025

The Honorable Glenn Wakai, Chair
The Honorable Stanley Chang, Vice Chair
and members
Senate Committee on Energy & Intergovernmental Affairs
415 South Beretania Street
Honolulu, Hawai'i 96813



RE: Strong Support for SB997, Relating to Energy

Dear Chair Wakai, Vice Chair Chang, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Laborers' International Union of North America, Local 368; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

As you know, the high cost of living in Hawai'i is a major concern for our state and residents. We have all seen the reports about people leaving the state for better opportunities in other states. A crucial tool in addressing this issue is increasing wages for our local workforce. While the state has made great efforts to move us to a clean energy future, that future must include the workers who build these projects that we all need to sustain our quality of life here.

Therefore, we strongly ask for your committee's favorable action on SB997.

Mahalo,

Malama Minn
Executive Director
Hawai'i Construction Alliance
execdir@hawaiiiconstructionalliance.org