

March 9, 2013

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LATE TESTIMONY LATE TESTIMONY TESTIMONY Testimony to the House Committees on Labor & Public Employment and Econom **Development & Business** Tuesday, March 12, 2013 11:30 a.m. Hawaii State Capitol, Room 309

RE: S.B. 1301, S.D. 1, Relating to Professions and Occupations

Dear Honorable Chairs, Mark M. Nakashima and Clift Tsuji Honorable Vice Chairs, Mark J. Hashem and Gene Ward

My name is Kay Tantog, I hold a C-52 Air Conditioning and Ventilation license and/or C-40 Refrigeration license and am the RME (Responsible Managing Employee) of NS Air Conditioning Inc. that has been in business for 8 years.

I, along with other HVAC RME's who hold the same license classification are opposing SB1301. S.D. 1 and respectfully request the measure be held.

NS Air Conditioning Inc. strongly opposes S.B. 1301, S.D. 1, and respectfully requests the measure be held. The bill proposes to authorize the board of electricians and plumbers to regulate journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers. Establishes minimum qualifications for licensure beginning July 1, 2016. Establishes that journey worker air conditioning and refrigeration plumbers and journey worker fire sprinkler plumbers shall renew their license every three years effective June 30, 2018, and shall meet new requirements for licensure prior to the June 30, 2021, renewal deadline. Effective 07/01/2050.

NS Air Conditioning Inc. is strongly opposed for the following reasons:

- 1) Upon reviewing supporting testimony submitted on this measure, it is clear the intent of the proponents is to address the issue of health and safety regarding gray water. However, as written, this bill DOES NOT address this issue as no mention of gray water is even included. Instead, the bill inappropriately attempts to address gray water and the "public's safety" through expanding regulation to trades that are already adequately regulated.
- The appropriate place to address health and safety issues is in building and plumbing codes, not licensing laws. As an example, the language in S.D. 454, S.D. 1, is clear that its intent is to utilize gray water and properly references the standards included in the Uniform Plumbing Code ("UPC"). The 2006 UPC, which was just adopted by the State Building Code Council in 2012, includes an entire chapter addressing the use, materials, design, installation, and inspection of gray water systems.

- 3) Section 2 of this bill expands the licensing requirements under Section 448E to many other trades including: fire sprinkler, refrigeration and ventilation, and air conditioning contractors. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses, especially smaller contractors, by forcing new and unnecessary regulation upon industries that are already sufficiently regulated.
- 4) Several industries and small business owners to be affected by this measure is astronomical. Any home and office appliance or mechanical device that has a drain line will no longer be able hire a company perform the maintenance, repair or service without this new license. The hotel and condo maintenance workers will no longer be able to perform basic cleaning and service of the air handing units because it has a condensate drain line. Your appliance repair technician will no longer qualify to repair or replace your dishwasher, garbage disposal and washing machine because it has a drain line. These are the UNINTENDED CONSEQUENCES of Senate Bill 1301, S.D. 1.
- 5) If passed, S.B. 1301, S.D. 1 will significantly increase the cost of construction and basic home repair services, which will ultimately be bome by the consumer.
- 6) Page 14, line 13 and 14, the author of Senate Bill 1301, S.D. 1.has conveniently inserted the word "plumber" to a trade name that is recognized by University of Hawaii's Associate Degree curriculum at Honolulu Community College. The graduates of this RAC (<u>Refrigeration <u>Air Conditioning</u>) Program will receive an Associate Degree In Air Conditioning and Refrigeration Technology. The U.H. curriculum nor the degree you receive upon graduation doesn't associate the graduate with the "plumbers" trade name. Bottom line is I did not educate myself to work as a "PLUMBER".</u>
- 7) Grey Waste Water scope of work will be referenced by a Consulting Engineer through the 2012 Uniform Plumbers Code. All projects associated with Grey Water Work will have job specifications prepared by a Consulting Mechanical Engineer that will specifically determine what trade will be responsible for doing all of this Gray Waste Water work in the walls. This scope of work will never be assigned to an Air Conditioning (C-52) or Refrigeration (C-40) contractor. Nor will the plumber do the Grey Water work with no written specification or guidelines by a Consulting Engineer.
- 8) Why is there a need to license a C-40 and C-52 contractor when the condensate drain never makes a solid connection to the funnel drain that is piped by the plumbers to the Gray Water Waste system. Also all make up water water lines to a closed loop system has a BACKFLOW PREVENTION device that is installed by certified plumber.
- 9) Once the Gray Water waste pipes are behind the drywall, only the PLUMBERS doing this scope of work during NEW CONSTRUCTION or a RENOVATION could a CROSS CONTAMINATE THE GREY WATER. BTW - Plumbers are already regulated.
- 10) The Sunset Law or Hawaii Regulatory Licensing Reform Act of 1977 contains a provision that requires that measures proposing to regulate professions or vocations be referred to the State Auditor for analysis prior to enactment. The State Auditor is responsible for reporting the results of the analysis to the Legislature. In 1994, then State Auditor Marion Higa concluded, "we found no documented evidence that the Air Conditioning and Refrigeration Industry harms the consumers and the cost of regulation

will be substantial" Bottom line here is why isn't the RULE OF LAW being applied to this measure, why was no STATE AUDIT done within the past 2 or 3 years and presented at these hearing to substantiate the need to REGULATE the industries stated in the language of S.B. 1301, S.D. 1.

Based on the foregoing reasons, NS Air Conditioning, Inc. <u>strongly opposes</u> S.B. 1301, S.D. 1. This bill is unnecessary if its intent is to address gray water. Therefore, we respectfully request this measure be **held**.

Thank you for the opportunity to share my views with the committee.

Respectfully,

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Kay Tantog, Corporate Officer V NS Air Conditioning, Inc.