

LATE

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

"Building Better Communities"

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Ryan Engle
Bays Lung Rose & Holma

Scotty Anderson
Pacific Rim Partners

W. Bruce Barrett
Castle & Cooke Homes Hawaii, Inc.

Testimony to the Senate Committee on Commerce and Consumer Protection
Wednesday, February 13, 2013
8:30 a.m.
Capitol, Room 229

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

Dear Chair Baker, Vice-Chair Galuteria, and members of the committee:

My name is Gladys Marrone, Director of Government Relations for the Building Industry Association of Hawaii (BIA-Hawaii), the voice of the construction industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, affiliated with the National Association of Home Builders.

BIA-Hawaii offers comments on S.B. 1301, which authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. Redefines "master plumber." Excludes certain work from the owner-builder licensing exemption. Increases the percentage of licensed individuals on a job necessary to perform certain work.

We understand that certain issues were addressed by the Board of Electricians and Plumbers in a S.D. 1. We support the amendments to section 444-2.5, HRS, as stated in Section 1 of the proposed Senate Draft 1.

Thank you for the opportunity to express our views.

LATE

SB1301

Submitted on: 2/12/2013

Testimony for CPN on Feb 13, 2013 08:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
<i>Rena Kawakami</i>	Sheet Metal Union- Local 293	Oppose	Yes

Comments: On 02/01/12 The Contractors License Board testified. 1. Prohibiting owner-builders from performing work under these new classifications. The Contractors License Board questions the need for these provisions, as they are not aware of any reason these particular areas should be singled out for legislation, 2. We do not feel that these amendments to our statute are warranted. The General Contractors Assn. strongly recommends that this bill be held for the following reasons. 1. This measure proposes to regulate a trade that already is overregulated by the Cont. License board under chapter 444HRS and each existing specialty license. 2. The added regulations & requirements will not likely protect consumers because of additional monitoring, licensing, & enforcement activity. Installation for such work is already regulated requiring a license outlined in chapter 444 to perform the installation of air-conditioning ventilation. The new proposed bill will attempt to regulate craft-union jurisdiction which has already been assigned by the Building Construction Trade Dept and Const. Trades Council AFL-CIO. It is neither the responsibility nor the authority of this legislation body to regulate or assign work on our local construction projects. The NBTD already has the plan for the settlement of jurisdiction disputed

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Hawai'i Construction Alliance

P.O. Box 179441
Honolulu, HI 96817
(808) 348-8885

February 24, 2013

The Honorable Rosalyn H. Baker, Chair
and members
Committee on Commerce and Consumer Protection
Hawai'i State Senate
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Testimony opposing SB1301, relating to professions and occupations.

Dear Chair Baker, Vice Chair Galuteria, and members of the committee:

The Hawai'i Construction Alliance is opposed to SB1301, relating to professions and occupations.

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Hawai'i Masons Union, Local 1 and Local 630; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local 3. Together, the four member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the four basic crafts of Hawai'i's construction industry.

We find this bill to be unnecessary, as it aims to regulate trades already under the purview of the Contractors License Board under HRS Chapter 444 and existing "C" specialty licenses. The creation of new license categories and the imposition of new examination, experience, and education requirements will only result in increased costs and regulatory burdens.

We are also concerned that SB1301 includes multiple instances of the term "pipefitter," which is not defined anywhere in the Hawai'i Revised Statutes, Hawai'i Administrative Rules, or in the bill itself. The lack of a definition for either "pipefitter" or "pipefitting work" in the bill is troubling, as there would be no way to determine whether existing rules and regulations that apply to plumbers would also apply to those who are categorized as "pipefitters" or perform "pipefitting work."

Without such a definition, the bill may then have the inadvertent and undesirable effect of changing industry standards over the well-established "five-feet" rule, which allows other properly licensed contractors besides plumbers to perform exterior piping work five feet or more outside of a building (HAR §16-80-3). If the bill does have such an effect, it would likely incite a jurisdictional dispute amongst the trades who currently perform such work.

Mahalo for the opportunity to testify on this matter.

Aloha,



Tyler Dos Santos-Tam
Executive Director
Hawai'i Construction Alliance
execdir@hawaiiconstructionalliance.org



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(808)845-3149 (ofc) / (808)847-3148 (fax) / aldrin@amvair.com (email) / www.amvair.com (url)

February 24, 2013

Honorable Senator Roz Baker, Chair
Honorable Senator Brickwood Galuteria, Vice Chair
Committee on Commerce and Consumer Protection
State Capitol
415 South Beretania Street
Honolulu, Hi 96813 / CPNtestimony@capitol.hawaii.gov

Re: Testimony SB1301 Tuesday 2.26.2013 @ 10:00 am Room 229 at the State Capitol

Chair Roz Baker,

My name is Aldrin M. Villahermosa. I hold a C-52 Air Conditioning and Ventilation license and am the RME of AMV Air Conditioning Inc. that has been in business since 1997.

I, along with other HVAC RME's who hold the same license classification are opposing **SB1301** with its current language.

With reference to PAGE 2 LINE 9, the reference used as "pipefitter" has a broad definition. My interpretation of a "pipefitter" is one who does pipefitting work, one that involves using mechanical fittings to join two pipes together to carry a large volume of water, waste line, drain lines, etc., which on all construction sites has always been installed in the walls by the plumbers.

Since the nexus of this bill has not been a direct response to a recent PUBLIC HEALTH AND SAFETY INCIDENT. We understand the "intent of this bill is to ENSURE THE SAFETY AND HEALTH to the general public in reference to the proper use and handling of "gray water" in future commercial buildings to be built", but there is no mention of term "gray water" in the bill.

With reference to the CLB or Contractor License Board, the license for Heating Ventilation Air Conditioning also referred to as HVAC is classified as a C-52 license. The classification for a refrigeration contractor is a C-40 license. There is a distinct difference between a HVAC Contractor and a Refrigeration Contractor, some companies on this island will do only HVAC work and not refrigeration work and vice versa while larger companies hold both licenses cause

they have the capacity to respond to urgent refrigeration trouble calls within hours of receiving them to prevent damage to the refrigerated products.

The definition of "pipefitter" as stated in the language of this bill is too broad. The UNINTENDED CONSEQUENCE of this bill will automatically include the smaller C-52 HVAC contractor that due to the make up of their SMALL BUSINESS, they mainly focus on the smaller residential and light commercial installation, service and repair. The smaller HVAC shops DO NOT WORK on COOLING TOWER SYSTEMS and SCREW CHILLER that require a plumber pipe fitter to install all water lines associated with these type of large commercial HVAC systems.

Bottom line is I have no intention of becoming a NON UNION PLUMBING CONTRACTOR which is an UNINTENDED CONSEQUENCE of this bill as stated. Under section 448E-1, page 3 line 6 to 22, all C-52 and C-40 license holders will need to hire a Journeyman Plumber that meets the requirements stated in this bill to perform a scope of work that Journeyman Plumbers have not associated themselves with installing small residential split systems and light commercial HVAC systems.

The UNINTENDED CONSEQUENCE of this bill will LIMIT THE CONSUMERS CHOICES for residential HVAC projects, doing minor home repairs such as replacing your garbage disposal units as stated on page 21 line 1-13.

It will force consumers to pay higher cost for installation, repair and maintenance for residential and light commercial HVAC systems. A Journeyman requirement will have to be met just to service or repair your small residential HVAC system. The cost do any mechanical repair work in your home from a simple dishwasher repair, to a garbage disposal repair, to your small bedroom AC system, the unintentional consequence of this bill will force Hawaii's consumers to pay higher cost associated with these repairs, as stated on page 21, line 1-13

The bill will put SMALL HVAC CONTRACTORS, SMALL APPLIANCE REPAIR COMPANIES and ROTO ROOTER TYPE DRAIN CLEANING COMPANIES which have been in business for over 15 plus years at a major disadvantage, even out of business, by forcing them to have to provide funding to staff a qualified "Journey man plumber"

These type of companies mentioned will need to be certified to perform a scope of work they will never perform in the first place due to the make up of their company.

The UNINTENDED CONSEQUENCE of this bill will force smaller HVAC companies to comply with these additional certifications designed for large high rise commercial and major industrial work that smaller HVAC companies do not have the capacity to perform, end result will be these smaller HVAC companies that have been in business for over 15-20 years, being

forced to go out of business; eliminating their ability to provide the monetary support for their families.

In regards to REGULATIONS AND OVERSIGHT for HVAC projects:

- The Federal Government through the Federal Clean Air Act of 1990, mandates that all technicians be certified to properly use, recycle and recovering refrigerants in accordance with the Federal Mandate.
- Specifications on a HVAC projects to be in compliance with the Department of Health Code and Hawaii State Energy Codes are controlled by the consulting Mechanical Engineer and included in the project plans and specification booklet. These codes and specs are not dictated nor modified by the HVAC contractor.
- Mechanical engineers are responsible to oversee the project to ensure work has been done in accordance with written HVAC specifications. Upon completion of the project, a punch list is issued, items on the punch list are addressed prior to calling for final inspections on the project. Once all inspections are complete project is turned over to the consumer.
- New equipment introduced to the HVAC industry in reference to Mechanical Equipment Design Applications, Installation and Service procedures has always been managed by the manufacturers through its local suppliers, by requiring its contractors and its techs pay a fee to attend specific factory certification classes. For a nominal fee, companies like Trane, Carrier and Mitsubishi Electric offer yearly continuing education classes that are open to all companies to attend.

So in reference to regulations the industry offers enough regulations to ensure the proposal installation, service and maintenance are being applied to its RESIDENTIAL AND LIGHT COMMERCIAL HVAC equipment.

We are requesting this measure be held. However, if this measure should move forward, we highly recommend further review to clearly state the definition of a "pipefitter" as well as clearly state the role of a SPECIFIC SPECIALITY TRADE CONTRACTOR in regards to properly labeling or color coding a "gray water" piping system and also the proper installation, repair, service and maintenance of the "gray water" piping system in a building.

Thank you for your time and consideration.

Respectfully,



Aldrin M. Villahermosa, President and RME
AMV Air Conditioning Inc.



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www.ccs-hawaii.com

February 24, 2013

**Testimony to the Senate Committee on Commerce and Consumer Protection
Tuesday, February 26, 2013
10:00am
Capitol, Room 229**

RE: S.B. 1301, RELATING TO PROFESSIONS AND OCCUPATIONS

Dear Chair Baker, Vice-Chair Galuteria, and members of the Committee,

I am Greg Thielen, President and RME of Complete Construction Services. I am a Small Business Owner and have over 20 years experience in the Construction Industry. I am also the 2013 President of BIA Hawaii.

I **strongly oppose** S.B. 1301, Proposed SD1, as written. The bill authorizes the board of electricians and plumbers to regulate plumber air conditioning and refrigeration pipefitters and plumber fire sprinkler pipefitters. Redefines "master plumber." Excludes certain work from the owner-builder licensing exemption. Increases the percentage of licensed individuals on a job necessary to perform certain work.

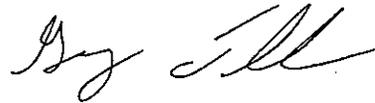
I am opposed for the following reasons:

- 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 seem to address this issue as no mention of gray water is even included. Furthermore the proper place to address health and safety issues is in building and plumbing codes, not licensing laws.
- 2) This measure inserts "pipefitting" in the new respective definitions under Section 2, which amends Section 448E-1, Hawaii Revised Statutes. However, no definition of pipefitting is provided in this measure and different crafts have different interpretations. If the true intent is to prevent cross contamination, then the bill should be specific, addressing the point where connection is made to gray water, and not the entire installation of an air conditioning or refrigeration system.

- 3) Section 2 of the bill expands the licensing requirements under Section 448E to many other trades including; boiler hot-water heating and steam fitting contractor, fire protection contractor, refrigeration contractor and ventilation and air conditioning contractor. All companies currently licensed as Contractors will now be required to hire only licensed employees. This jeopardizes existing jobs and existing businesses by forcing new unnecessary regulation upon industries that are already sufficiently regulated.

I **strongly oppose** SB1301, Proposed SD1, and respectfully request that it be **held**. Thank you for the opportunity to share with you my views.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Thielen". The signature is fluid and cursive, with a large initial "G" and "T".

Greg Thielen
President/RME

Testimony in Opposition to SB1301
Relating to Professions and Occupations
By Al Lardizabal, Government Relations
Hawaii Laborers' Union
To the Senate Committee on Consumer Protection
February 26, 2013, 10:00 a.m. Rm. 229
Hawaii State Capitol

Chair Baker; Vice Chair Galuteria and members of the committee:

The Hawaii Laborers' Union opposes SB1301. It is over regulation of a trade that is currently under the oversight of the Contractor's Licensing Board under HRS Chapter 444 and existing C specialty licenses.

The State Auditor's report of October 1994 analyzed the refrigeration and air condition situation and concluded that, "...licensing is not necessary, exiting protections are sufficient..." in Report No. 94-15.

The report further states that, "...professions and vocations should be regulated only when reasonably necessary to protect the health, safety and welfare of consumers. In assessing the need for regulation, evidence of abuses is to be given great weight". I repeat, **evidence of abuses is to be given great weight.**

Unless documented evidence of abuse and public safety problems is presented, the bill is an over reach of a system that is reasonably efficient and effective thus keeping cost to the consumer down.

The consumer will end up paying more for these services. Furthermore, the bill makes it much more difficult for workers to obtain licensure thus restricting the inflow of new workers.

Finally, this bill if enacted into law, will rob many Laborers' Union workers and other basic trades workers of work that they have been performing under the guidance and supervision of the general contractor for many years. Clearly, this is a jurisdictional issue and not a public safety issue.

We desperately need jobs, not more bureaucratic regulation that takes away work.

Thank you for the opportunity to submit this testimony

February 25, 2013

Kerry Kopp, Partner
Guss and Kopp Development
967 Kapiolani Blvd.
Honolulu, HI 96814

Honorable Senator Roz Baker, Chair
Honorable Senator Brickwood Galuteria, Vice Chair
Committee on Commerce and Consumer Protection
State Capitol
415 South Beretania Street
Honolulu, HI 96813 / CPNtestimony@capitol.hawaii.gov

Re: Testimony SB1301 Tuesday 10:00 am Room 229 at the State Capitol

Chair Roz Baker,

My name is Kerry Kopp. I am a businessman and owner of several small commercial buildings.

I am opposed to **SB1301** with its current language.

With reference to PAGE 2 LINE 9, the reference used as “pipefitter” has a broad definition. My interpretation of a “pipefitter” is one who does pipefitting work, one that involves using mechanical fittings to join two pipes together to carry a large volume of water, waste line, drain lines, etc. I associate pipefitters with building large scale physical plants on ships and buildings.

I understand the “intent of this bill is to ENSURE THE SAFETY AND HEALTH to the general public in reference to the proper use and handling of “gray water” in future commercial buildings to be built”, but there is no mention of term “gray water” in the bill.

With reference to the CLB or Contractor License Board, the license for Heating Ventilation Air Conditioning also referred to as HVAC is classified as a C-52 license. The classification for a refrigeration contractor is a C-40 license. There is a distinct difference between a HVAC Contractor and a Refrigeration Contractor. Usually smaller companies in Hawaii will do only HVAC, C-52 license work and not refrigeration, C-40 work. The larger companies generally will hold both licenses.

Re: Testimony SB1301 Tuesday 10:00 am Room 229 at the State Capitol

“they have the capacity to respond to urgent refrigeration trouble calls within hours of receiving them to prevent damage to the refrigerated products.”

The definition of “pipefitter” as stated in the language of this bill is too broad. The UNINTENDED CONSEQUENCE of this bill is that it will encompass the smaller C-52 HVAC contractors that focus on the small residential and light commercial installation, service and repair of HVAC. These small HVAC contractors do NOT WORK COOLING TOWER SYSTEMS and SCREW CHILLERS which require a plumber/pipefitter to install all water lines associated with these type of large commercial HVAC systems.

Under section 448E-1, page 3 line 6 to 22, will require all C-52 and C-40 license holders to have a Journeyman Plumber that meets the requirements stated in this bill. Please note that in our town, Journeyman Plumbers have not associated themselves with the installation of small residential split systems and light commercial HVAC systems.

The UNINTENDED CONSEQUENCE of this bill will LIMIT THE CONSUMERS CHOICES for residential HVAC projects, doing minor home repairs such as replacing your garbage disposal units as stated on page 21 line 1-13 and create a substantial increased cost burden for homeowners and small commercial building owners. Passage of the current language in this bill will force consumers to pay higher cost for installation, repair and maintenance for typical residential and light commercial HVAC systems. The “Journeyman requirement” will have to be met just to service or repair my small residential HVAC system. The cost do any mechanical repair work in my home from a simple dishwasher repair, to a small bedroom AC system will force Hawaii’s consumers to pay higher cost associated with these repairs, as stated on page 21, line 1-13

The current bill will put SMALL HVAC CONTRACTORS, SMALL APPLIANCE REPAIR COMPANIES and ROTO ROOTER TYPE DRAIN CLEANING COMPANIES local small businesses at a major disadvantage, even out of business, by forcing them to have to provide funding to staff a qualified “Journeyman plumber”

These types of companies will need to be certified to perform a scope of work they will never perform in the first place due to the make up of their company.

The UNINTENDED CONSEQUENCE of this bill will force smaller HVAC companies to comply with these additional certifications designed for large high rise commercial and major industrial work that smaller HVAC companies do not have the capacity to perform. The end result will be these smaller HVAC companies that have been in business for over 15-20 years, being forced to go out of business and lay their employees off.

Re: Testimony SB1301 Tuesday 10:00 am Room 229 at the State Capitol

In regards to REGULATIONS AND OVERSIGHT for HVAC projects:

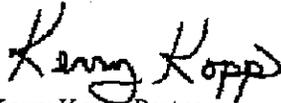
- The Federal Government through the Federal Clean Air Act of 1990, mandates that all technicians be certified to properly use, recycle and recovering refrigerants in accordance with the Federal Mandate.
- Specifications on a HVAC projects to be in compliance with the Department of Health Code and Hawaii State Energy Codes are controlled by the consulting Mechanical Engineer and included in the project plans and specification booklet. These codes and specs are not dictated nor modified by the HVAC contractor.
- Mechanical engineers are responsible to oversee the project to ensure work has been done in accordance with written HVAC specifications. Upon completion of the project, a punch list is issued, items on the punch list are addressed prior to calling for final inspections on the project. Once all inspections are complete project is turned over to the consumer.
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So in reference to regulations the industry offers enough regulations to ensure the proposal installation, service and maintenance are being applied to its RESIDENTIAL AND LIGHT COMMERCIAL HVAC equipment.

I am requesting this measure be held. However, if this measure should move forward, I would highly recommend further review to clearly state the definition of a "pipefitter" as well as clearly state the role of a SPECIFIC SPECIALITY TRADE CONTRACTOR in regards to properly labeling or color coding a "gray water" piping system and also the proper installation, repair, service and maintenance of the "gray water" piping system in a building.

Thank you for your time and consideration.

Respectfully,



Kerry Kopp, Partner
Guss and Kopp Development



**INTERNATIONAL ASSOCIATION OF BRIDGE, STRUCTURAL,
ORNAMENTAL AND REINFORCING IRON WORKERS**

Affiliated with A.F.L.-C.I.O.

LOCAL UNION NUMBER 625

94-497 UKEE STREET • WAIPAHU, HAWAII 96797

T.G. Paris
President Emeritus
Fax No. - 586-6071

February 26, 2013

Rosalyn H. Baker, Chair
Commerce & Consumer Protection
State Senate
Room 230 - State Capitol
Honolulu, HI 96813

Senate Bill No. 1301, Relating to Professions and Occupations
Hearing Date - February 26, 2013, 10:00 a.m., Conference Room 229

Chair Baker and Members of the Committee:

Traditionally, jurisdictional disputes between crafts have been decided by the international unions that are affected. In this instance, the dispute is between the Plumbers & Fitters Union, Local 675, and, the Sheetmetal Workers Union, Local 293, both affiliates of the A.F.L.-C.I.O. In reading SB 1301, it appears that the underlying facts are centered around a jurisdictional dispute in which the plumbers union is seeking legislation to settle the dispute. We respectfully argue that the legislature should defer to the internationals of these respective locals to settle the dispute.

Similarly, in the 2008 session, a bill was introduced wherein legislation was sought to settle another jurisdictional dispute. Senate Bill 1248 was introduced to settle a dispute between the International Brotherhood of Electrical Workers, Local 1186, and, the Plumbers & Fitters Union, Local 675. In this 2008 bill, the electrical workers were seeking legislation to settle the dispute with the plumbers on the other side. The 2008 legislature did not pass the measure sought by the electrical workers.

It has been our understanding for the past several years that this committee will not entertain and pass any measure when 2 unions are in disagreement. We believe that this policy should be applied in this instance.

Joseph V. O'Donnell
Financial Secretary/Treasurer and Business Manager
Ironworkers Union, Local 625



Testimony of Clyde T. Hayashi
Director
Hawaii LECET
1617 Palama Street
Honolulu, HI 96817

SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Tuesday, February 26, 2013
10:00 a.m., Conference Room 325

SB 1301 - RELATING TO PROFESSIONS AND OCCUPATIONS..

Aloha Chair BAker, Vice Chair Galuteria, and Members of the Committee:

My name is Clyde Hayashi and I am the director of Hawaii LECET (Laborers-Employers Cooperation and Education Trust). Hawaii LECET is a partnership between the Hawaii Laborers' Union, Local 368 and our union contractors.

I am submitting this testimony in **strong opposition** of the intent and purpose of SB 1301.

Hawaii LECET strongly opposes SB 1301 as it targets our general contractors' licenses. We feel this SB 1301 is unnecessary and it will lead to disruptions and confusion in the construction industry.

SB 1301 also attempts to change over 50 years of construction industry license practice by targeting the automatic "C" licenses of our general contractors

SB 1301 attempts to quantify what is "incidental and supplemental" by arbitrarily assigning it a percentage. This is contrary to the interpretation by the Contractor License Board (CLB) which is that the term "incidental and supplemental" is not a matter of size or percentages. The CLB looks at every project individually and makes a determination.

We are very concerned that SB 1301 will adversely affect our general contractors and in turn, negatively impact the 5000 members of the Hawaii Laborers' Union, Local 368.

Thank you for the opportunity to submit this testimony. **We strongly oppose SB 1301 and ask that this bill be held by your committee.**



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February 27, 2013

Sent Via E-mail to: Senbaker@capitol.hawaii.gov

Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair
Senate Committee on Commerce and Consumer Protection
The Twenty-Seventh Legislature, Regular Session of 2013

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

SUBJECT: SB1301 Relating to Professions and Occupations

Stephen and I are writing regarding SB 1301. Dorvin D. Leis Co., Inc., (DDL) is the leading Mechanical Contractor in the State of Hawaii employing close to 400 individuals. DDL self-performs the installation of Plumbing, Fire Sprinkler and Air Conditioning & Refrigeration systems on construction projects throughout Hawaii. We have reviewed SB1301 as proposed and, based upon our understanding, support the bill from the standpoint of public health and safety.

The significantly expanded applications of non-potable water in the 2012 Uniform Plumbing Code (UPC) includes uses in air conditioning systems and fire sprinkler systems, and provides for the recapture of condensate from air conditioning and refrigeration equipment for reuse within the plumbing system. These new uses and sources of non-potable water will result in a complex network of both potable and non-potable water piping within a building, and drastically increases the possibility of cross connection if the individuals working on the systems are not properly trained. Licensing of air conditioning, refrigeration, and fire sprinkler workers will insure that the tradesperson has the required knowledge and expertise to safely integrate these systems with the newly created plumbing and non-potable water technologies and processes. We embrace "Green" technology and sustainability but also recognize that these systems require expertise and training that exceed traditional system implementation. Public safety and protection is critically important.

For these reasons we support and endorse the Proposed SD1.

Respectfully,

Dorvin D. Leis,
Founder & Chairman

Stephen T. Leis,
President

LATE

**AIR MASTERS, INC.
1924 REPUBLICAN ST.
HONOLULU, HI 96819**

RE: Testimony in OPPOSITION to Senate Bill 1301

Dear Senator Baker and members of the Committee:

My name is Sherman Louie, President and Responsible Managing Employee (RME) of Air Masters, Inc., a locally owned and operated Air Conditioning Installation and Servicing contractor in the State of Hawaii for over 18 years.

I realize that my testimony is late but felt compelled to submit my testimony and hopefully you will have the chance to read it. The following testimony was submitted in reference to a similar House Bill 1154, in which I had a chance to testify in person, in addition to my original testimony, I also added a few other important items for you to review, as I have only recently discovered them.

On behalf of Air Masters, Inc. and my fellow Air Conditioning and Refrigeration contractors, we strongly oppose the passage of Senate Bill 1301, which authorizes the Board of Electricians and Plumbers to regulate air conditioning and refrigeration pipefitters.

It is my opinion that the Board of Electricians and Plumbers should only regulate electrical work and plumbing in which involves the movement of potable and waste water. In the air conditioning and refrigeration industry, our work involves the movement and conditioning of AIR, pipefitting is just an incidental part of our work. In the air conditioning and refrigeration pipefitting industries, our pipes contain refrigerant gases, chilled water, condenser cooling water, and condensate water, all of which do not have direct contact with potable or waste water systems.

We oppose the passage of this bill for many reasons, but below are our main objections, refer to S.B. 1301 for references:

1. The creation of this bill was to "ensure the safety and welfare of the general public" (page 5, lines 5 thru 6).
 - A. There has been no occurrence regarding public safety to warrant the creation of this bill that would place additional burden to many small businesses.
 - B. In 1994, State Auditor, Marion Higa provided a SUNSET ANALYSIS whereas she recommended that licensing of AC and refrigeration mechanics would NOT provide further safety to the public. That is why the measure at the time did not pass and nothing has changed since.
 - C. There are building inspections that are already in place to ensure public safety and welfare.
2. The bill requires that "at least half (50%) of all individuals on a jobsite(any jobsite) needs to be licensed" , I am assuming to be licensed as a Journey worker (page 2, lines 5 thru 16).

- A. It is an industry standard to use one journey worker and two apprentices or entry level workers. By adopting this measure, customers would pay a higher cost for any type of work, due to journey worker wages, also there would be a loss of employment to entry level workers due to the lower ratio, but most importantly there may be a future void in these types of work.
3. Qualifications for Licensure: Currently, the State of Hawaii, Contractor Licensing Board (CLB) has no Journey worker licensing designation or examination for air conditioning and refrigeration pipefitters. However, in reference to page 12, line 14 thru page 13, line 6, the qualifications required to take the license examination reads as follows " a person needs to be at 18 years of age, five years of full time employment but not less than 10,000 hours and has to have performed the work under the supervision of a "**JOURNEY WORKER AIR CONDITIONING AND REFRIGERATION PIPEFITTER**", how is this possible??? Or under the supervision of a "**MASTER PLUMBER**", how would a master plumber be qualified as AC pipefitter? And why would an air conditioning and refrigeration contractor have a master plumber as an employee? How would a C-52 licensed, air conditioning and ventilation contractor be qualified?? In the event of this bill gets passed and is enforced, most licensed air conditioning and refrigeration contractors will not be qualified to be licensed any more.
4. Proponents of this Bill argue on their written testimony, and make reference to the newest edition of the **2012** Uniform Plumbing Code(UPC) and that the **2012** UPC has expanded their use of "gray water" in buildings and homes and with the new code and the uses for this water, there may be the possibility of "cross contamination" of the gray water and potable water, causing safety issues for the general public. This IS the reason for this bill. For those who do not know what "gray water" is, it is water from hand sinks, showers, rain, basically it is water that is not from your toilet or kitchen sink or is contaminated, that normally goes into the sewer. The gray water has uses such as irrigation and maybe used as the fill water for your toilet.
- I checked with a few mechanical engineers, these are the people who design plumbing, air conditioning, sewage and fire sprinkler systems in regards to their opinion of the **2012** UPC, they informed me and it IS confirmed that the City and County of Honolulu has only recently adopted the **2006** UPC and prior to that, it was the **1997** UPC, and the neighbor islands are still way behind Honolulu. The reason for the delay is that each County uses the UPC only as a guide and that each county will make changes to the UPC to fit their needs. The mechanical engineers are designing all air conditioning, plumbing, fire sprinkler systems according to the 2006 UPC. The Counties may NOT even adopt the 2012 UPC in part or as a whole or if gray water would even be included. Therefore, why all these changes to licensing air conditioning and refrigeration pipefitters when the City or State has not even adopted nor will they adopt any or part of the 2012 UPC?
5. The FACT with "gray water" from an air conditioning or refrigeration system can ONLY come from one source, the condensation that is produced in the cooling process, this is NOT dirty, disgusting water, it is relatively clean and clear in appearance and although I would not drink it, it will not kill you either. Normally this condensate is piped into an approved receptacle such as a floor sink or a PLUMBER provided funnel drain that is connected into the sewer, or just simply terminated at the exterior of a building, AC contractors DO NOT tie this into the sewer lines, just ask any City plumbing inspector, they will tell you, the plumbers need to do this, PERIOD, and they also sign off on all building permits. Another FACT is that if the proponents are so concerned with "cross contamination" with potable or drinking water, be aware that drinking water is under pressure, that is why when you turn the sink on, the water will flow out, condensate drain lines or even sewer lines are not under pressure, they are gravity flow, as the

saying goes "s**t flows downward". If anyone connects a drain pipe into a water line, wouldn't the water from the water line flow out of the drain anyway and cause a leak somewhere, because the potable water is under pressure and the drain line is not?? And someone notices that something is wrong??

6. This is a Plumbing Code issue, not an air conditioning issue.
7. It is also so ironic that no one that is testifying in support of this bill is from an air conditioning, refrigeration or fire sprinkler contracting company.

I believe that most of the supporters of this bill have absolutely no knowledge or understanding of air conditioning and refrigeration and the production and use of "gray water" from these systems and its effect on the "WELFARE AND SAFETY" of the general public and/or even if they read the bill or researched and verified the "so called facts" that was given to them to read. Or even know what they were writing or supporting.

In conclusion, there is no need for a bill such as this, there is ABSOLUTELY no proof that air conditioning and refrigeration mechanics or pipefitters pose any safety issues, past , present or future to warrant this type of law.

It is such a shame that a meritless bill such as this could even be introduced, wasting the hardworking, taxpaying voter's precious time and money.

Please put this bill where it belongs, IN THE SEWER.

Mahalo,

Sherman Louie, President/RME
Air Masters, Inc.