JAN 2 3 2014

A BILL FOR AN ACT

RELATING TO THE MOTOR VEHICLE MECHANIC CERTIFICATION PROGRAM.

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

- 1 SECTION 1. Section 437B-4, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "§437B-4 Powers and duties of board. In addition to any
- 4 other powers and duties authorized by law, the board, in
- 5 accordance with this chapter and chapter 91 shall:
- 6 (1) Establish such qualifications for the licensing of
- 7 motor vehicle repair dealers and motor vehicle
- 8 mechanics as may be necessary for the welfare of the
- 9 public and the motor vehicle repair industry; provided
- that no [person] individual shall be licensed as a
- 11 motor vehicle mechanic without first receiving
- certification as provided by this chapter;
- 13 (2) Inquire into the practices and policies of the motor
- vehicle repair industry and make rules with respect to
- such practices and policies as may be deemed important
- and necessary by the board for the welfare of the
- public and the motor vehicle repair industry;
- 18 (3) Contract and cooperate with the University of Hawaii

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in developing and administering the certification program
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    provided for in this chapter;
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         -(4) (3) Adopt, amend, and repeal such rules not
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               inconsistent with this chapter, as the board
              deems appropriate for effectuating the purpose of
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              this chapter and to ensure the welfare of the
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              public;
         [(5)] (4) Adopt rules pursuant to chapter 91 necessary to
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               implement the provisions of this chapter relating
              to CFCs; and
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         [\frac{(6)}{(6)}] (5) Enforce this chapter and rules adopted pursuant
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              thereto."
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         SECTION 2. Section 437B-23, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "$437B-23 Certification program. (a) The board shall
    contract with the University of Hawaii to develop and administer
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    a certification program for motor vehicle mechanics.]
    board, at its sole discretion, may enter into written agreements
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    with entities, educational institutions, and other organizations
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    to develop and administer a certification program for motor
    vehicle mechanics that will provide education and training in
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    order to ensure that the mechanics' knowledge, skills, and
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- 1 abilities are current with industry standards. The entities,
- 2 educational institutions, and other organizations shall have the
- 3 range of expertise, knowledge, and structure to provide
- 4 instruction, information, guidance, and services to assist
- 5 mechanics in obtaining necessary competencies to engage in motor
- 6 vehicle repairs in order to protect consumers. Alternatively,
- 7 the board may accept certificates from a national certification
- 8 program approved by the board without the need to contract with
- 9 the organization that administers the national certification
- 10 program.
- 11 (b) The certification program shall provide for issuing a
- 12 certificate to mechanics generally skilled in the repair of
- 13 motor vehicles and to mechanics who specialize in certain areas
- 14 of motor vehicle repair. [A person] An individual may be
- 15 certified as being generally skilled in the repair of motor
- 16 vehicles, specially skilled in one or more areas of motor
- 17 vehicle repair, or both [generally and specially skilled]. Each
- 18 area shall be separately tested and certified. The program
- 19 shall provide for apprenticeship leading to certification as a
- 20 mechanic. The program may be an apprenticeship program
- 21 registered with the department of labor and industrial relations
- 22 in accordance with [chapter 372.] applicable governing law.

S.B. NO. <u>2823</u>

- 1 Nothing in this section or chapter shall prevent a student in a
- 2 course leading to certification from repairing motor vehicles so
- 3 long as the student is supervised by a mechanic [-] who is
- 4 <u>licensed in accordance</u> with this chapter.
- 5 (c) The certification test shall be approved by the board
- 6 and if written, shall be given orally at the request of the
- 7 [person] individual being tested. Each application for
- 8 certification shall be accompanied by a nonrefundable
- 9 examination fee as provided in rules adopted by the department
- 10 pursuant to chapter 91.
- 11 (d) There shall be no limit on the number of times [a
- 12 person] an individual may apply for certification; provided that
- 13 [any person failing] an applicant who does not pass the
- 14 examination [must] shall wait at least thirty calendar days
- 15 before [retaking] being eligible to retake the test.
- (e) All [persons] individuals who take and pass the
- 17 certification test shall be awarded a certificate which shall be
- 18 posted in a prominent place at [their] the individual's place of
- 19 business or employment and a patch which may be worn on clothing
- 20 apparel. The [University of Hawaii] entity, educational
- 21 institution, or other organization approved by the board shall
- 22 design and procure the certificate and patch."

1	SECTION 3. Statutory material to be repealed is bracketed
2	and stricken. New statutory material is underscored.
3	SECTION 4. This Act shall take effect upon its approval.
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5	INTRODUCED BY: Smy Frank K.
6	BY REQUEST
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Report Title:

Motor Vehicle Repair Industry; Motor Vehicle Mechanic Certification Program

Description:

Authorizes the Motor Vehicle Repair Industry Board to enter into agreements with entities, educational institutions, or other organizations, as necessary, to ensure that motor vehicle mechanics' knowledge of motor vehicle repairs are current and in line with industry standards.

JUSTIFICATION SHEET

DEPARTMENT:

Commerce and Consumer Affairs

TITLE:

A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE MECHANIC CERTIFICATION PROGRAM.

PURPOSE:

To allow the Motor Vehicle Repair Industry Board (Board) the flexibility to enter into written agreements, as needed, with entities, educational institutions, and other organizations in order to administer the motor vehicle mechanic certification

program ("program").

MEANS:

Amend sections 437B-4 and 437B-23, Hawaii Revised Statutes (HRS).

JUSTIFICATION:

Sections 437B-4 and 437B-23, HRS, mandate the Board to contract solely with the University of Hawaii to develop and administer the program.

The Board, in accordance with section 437B-4, HRS, adopted the education and experience certification requirement established by a non-profit organization, the National Institute for Automotive Service Excellence ("ASE"), as the prerequisite for a motor vehicle mechanic's license. ASE is widely accepted and recognized as the standard industry credential for motor vehicle mechanics.

In years past, the Board along with University of Hawaii, through Honolulu Community College ("UH/HCC"), developed and coordinated a program that intended to assist applicants in preparing for the certification examinations. However, the Board finds that this mandate is no longer necessary. Further, the Board believes that the mandate is outdated for the following reasons.

ASE assertively assists candidates to prepare for examination for certifications in a multitude of ways (e.g., through study guides, practice tests, test taking tips, and online demonstrations). In addition, ASE partners with numerous private entities that offer mechanics support through live agent assistance by phone or online chat, live online classes, training videos, selfhelp articles, etc. Some of these resources are free of charge to the user. The Board is not required to fund any of these programs for the benefit of its licensees.

Indeed, ASE, through its own efforts and the efforts of its partners, is providing the kind of support mechanics may need to help them attain and retain certification and, in turn, licensure. UH/HCC has informed the Board that ASE's services far exceed what UH/HCC can do.

Therefore, the Board proposes that the law be amended to delete the mandate that the Board contract with UH/HCC. Instead, it is the Board's desire that it be authorized to contract with entities, educational institutions, and other organizations, as The Board believes that it the need arises. needs the flexibility to contract with appropriate organizations depending on the current trends in the industry in order to protect consumers. The Board also wants the ability to accept certificates from a national certification program (e.g., ASE) approved by the Board without being required to contract with the organization that administers the national certification program.

Impact on the public: There should be a minimum impact on the public. Licensure requirements will not be amended.

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Impact on the department and other agencies:

There will be a fiscal impact on the

department in that the Board will no longer

be required to contract and pay UH/HCC.

It is anticipated that this measure will not

impact UH/HCC.

GENERAL FUND:

None.

OTHER FUNDS:

None.

PPBS PROGRAM

DESIGNATION:

CCA 105.

OTHER AFFECTED

AGENCIES:

None anticipated.

EFFECTIVE DATE:

Upon approval.