STAND. COM. REP. NO. 3158

Honolulu, Hawaii

MAR 2 3 2018

RE: H.B. No. 1880

H.D. 3 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Labor, to which was referred H.B. No. 1880, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRICAL CONTRACTORS,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the sunset date of 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 (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Your Committee received testimony in support of this measure from the Board of Electricians and Plumbers; Hawaiian Electric Company, Inc.; Power Contracting LLC; and Chamber of Commerce Hawaii. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations and International Brotherhood of Electrical Workers Local Union 1186. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that most in-state electrical workers are experienced in only low voltage work, which includes wiring buildings at one hundred twenty/two hundred forty volts;

therefore, in the event of a catastrophic occurrence requiring electrical workers who possess the level of skill required for high voltage work, Hawaii must import workers from the mainland since there are not enough electricians, splicers, and linemen in the State who are experienced and qualified to work with high voltage and who could respond in the event of a catastrophic occurrence or complex maintenance work affecting an electric utility. Your Committee further finds that Act 65 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 (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility; however, Act 65 sunsets on June 30, 2018. This measure extends the sunset date of Act 65 for five years, to June 30, 2023.

Your Committee acknowledges that this measure is a continuing work in progress and believes it is in the State's best interest to continue to move this measure forward for further deliberation.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1880, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1880, H.D. 3, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Respectfully submitted on behalf of the members of the Committee on Labor,

JILI N. TOKUDA, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Labor LBR

| Bill / Resolution No.:* | Committee Referral: | | | Date: | |
|--|---------------------|-------|----------|-------|-----------|
| HB1880 , HD3 | 1880, HD3 LBR, CPH | | 3/20/18 | | |
| The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: | | | | | |
| The Recommendation is: | | | | | |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313 | | | | | |
| Members | | Aye | Aye (WF | R) Na | y Excused |
| TOKUDA, Jill N. (C) | | | | | |
| ENGLISH, J. Kalani (VC) | | | | | |
| CHANG, Stanley | | | | | |
| IHARA, Jr., Les | | | | | |
| TANIGUCHI, Brian T. | | / | | | |
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| TOTAL | | 5 | | | |
| Recommendation: Adopted Not Adopted | | | | | pted |
| Chair's or Designee's Signature: | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | |