PRESENTATION OF THE CONTRACTORS LICENSE BOARD

TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

TWENTY-NINTH LEGISLATURE Regular Session of 2018

Thursday, January 25, 2018 9:00 a.m.

TESTIMONY ON HOUSE BILL NO. 1878, RELATING TO ELECTRICIANS.

TO THE HONORABLE AARON LING JOHANSON, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Peter H.M. Lee, Chairperson of the Contractors License Board ("Board") Legislative Committee. I appreciate the opportunity to testify in opposition to H.B. 1878, which proposes to exempt employees of high voltage electrical contractors from being licensed as electricians. The Board opposes this measure for the following reasons:

Currently, high voltage electrical contractors performing non-public utility work employ journey worker electricians ("EJs") to perform electrical work. EJs who perform high voltage electrical work have fulfilled requisite training provided by their employer and are qualified to perform high voltage electrical work. The contractor is responsible for the high voltage work performed by the contractor's EJ employee and would not permit an unqualified EJ to perform high voltage electrical work. The Board believes that high voltage contractors should not be exempt from employing qualified licensed electricians to perform high voltage electrical work.

In addition, this bill proposes that an individual performing high voltage electrical work is required to be certified through an apprenticeship program authorized by the

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United States Department of Labor's Employment and Training Administration or the Department of Labor and Industrial Relations ("DLIR"). If passed, this measure will prevent high voltage contractors from using their otherwise qualified EJ employees to perform high voltage electrical work if they are not certified by a United States Department of Labor or DLIR program. An unintended consequence of this measure may be delays in completing projects while individuals and EJs complete the new certification requirements.

Thank you for the opportunity to testify in opposition to H.B. 1878.

A & B Electric Co., Inc.

January 25, 2018

Committee on Labor and Public Employment Rep. Aaron Ling Johanson, Chair Rep. Daniel Holt, Vice Chair

Testimony in **Opposition** of A & B Electric Co., Inc. regarding HB 1878

Chair Johanson, Vice Chair Holt and members of the committee; thank you for the opportunity to testify on this matter. My name is Malcolm Barcarse, Jr. I am the Vice President of A & B Electric Co., Inc. We are an electrical contractor that has been in business since 1986. We hold both a C-13 (electrical contractor's license) and a C-63 (High Voltage Electrical Contractor's License)

We are **opposed** to this bill as exempting electricians that work on high voltage systems (over 600 volts) from the licensing requirement potentially comprises safety. Also it creates a significant loophole in the electrical journeyworker licensing requirement which compromises the integrity of HRS 448E.

Most journeyworker electricians are presently required to pass a certified apprenticeship program which includes classroom instruction and 10,000 hours of apprenticeship work before they apply for a license. Once they apply for a license they are required to pass an examination administered by the Board of Electricians and Plumbers before they can be licensed. Once duly licensed these electricians are required to take periodic continuing education requirements. These requirements are primarily in place to protect the safety of these workers and to protect the safety of the public. Exempting workers from this requirement who perform work on high voltage electrical systems which is inherently more dangerous than low voltage systems goes against the idea of protecting the workers and the public.

Additionally, many of the electrical contractors that that have the C-63 High Voltage Electrical Contractor License also possess the C-13 Electrical Contractors License. Therefore, their employees are allowed to work on both high and low voltage electrical systems. Our concern will be that if this bill is passed, it will create a loophole that will allow electrical contractors with a C-63 license to hire unlicensed workers and use them on low voltage electrical work outside of this exemption as it will be difficult for the State to keep track of the jobs that these electricians are working on a daily basis, which comprises the integrity of HRS 448E

Therefore, because this bill compromises both safety and the electrical licensing system we ask that this bill be HELD.

Thank you for the opportunity to testify.



ELECTRICAL CONTRACTOR'S ASSOCIATION OF HAWAI'I

NECA Hawai'i Chapter

1286 Kalani Street, Suite B-203 Honolulu, Hawaiʻi 96817 PH: (808) 847-7306 FX: (808) 841-8096 Email: ecah@ecahi.com



January 24, 2018

To: House Committee on Labor & Public Employment

Honorable Chairman Johanson & Vice Chairman Holt

From: Al Itamoto, Executive Director

Electrical Contractors Association of Hawaii

National Electrical Contractors Association, Hawaii Chapter

Subject: HB 1878 Relating to Electricians

Notice of Hearing

Date: Wednesday, January 25, 2018

Time: 9:00 AM

Place: Conference Room 309

State Capitol

415 South Beretania Street

Dear Chair Johanson and Committee members:

The Electrical Contractors Association of Hawaii (ECAH) is a non-profit association representing over 100 electrical contractors doing business in the State of Hawaii. ECAH <u>strongly opposes</u> the intent and purpose of HB 1878 exempting employees of an electrical contractor performing high voltage work (over 600 volts) from the provisions of HRS 448-E and HRS 444-9.5(b). Licensing requirements for electrical contractors and electrical workers are there for the safety and welfare of the general public and electrical workers. The electrical trade carries with it inherent risks and the workers are trained in electrically-related safe work practices. The licensing process includes the training, testing and relicensing required to be certified and licensed in the State of Hawaii. Any exemption from the provisions of HRS 448-E and HRS 444-9.5(b) compromises the intent of these provisions and its intended purpose.

The proposed bill cites an exemption for employees from HRS 448-E who are performing high voltage work, qualified to perform the work and certified though an apprenticeship program authorized by the Department of Labor's Employment and Training Administration or department of labor and industrial relations to perform such high voltage electrical work. This bill asks for an exemption from the very provisions and requirements that make them qualified to perform the work in the first place.

Based on the above, ECAH **<u>strongly opposes</u>** the passage of HB 1878 and encourages this committee to kill this bill.

Thank you for the opportunity to provide testimony on this issue.



January 25, 2018

TO: REPRESENTATIVE AARON LING JOHAHNSON, CHAIR LABOR & PUBLIC EMPLOYMENT

REPRESENTATIVE DANIEL HOLT, VICE-CHAIR LABOR & PUBLIC EMPLOYMENT

MEMBERS OF THE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

FROM: BRUCE CONWAY, SR. DIRECTOR OF OPERATIONS

POWER CONTRACTING LLC

RE: HOUSE BILL 1878 RELATING TO ELECTRICIANS – SUPPORT

Dear Chair Johanson, Vice-Chair Holt and Members of the Committee:

I am Bruce Conway, Sr. Director of Operations for POWER Contracting LLC testifying in strong support of HB1878 Relating to Electricians. We are a licensed electrical contractor in Hawaii with C-62 and C-63 licenses under Chapter 444. Our Journeyman Lineman hold Journeyman Lineman cards from the IBEW and have completed extensive apprenticeship training that includes field training, class time, and successfully passing a Journeyman Lineman exam.

Section 448E-13 in part states:

- (a) The following persons shall be exempt from this chapter:
 - (1) All employees of a public utility within the State under a franchise or charter granted by the State which is regulated by the public utilities commission and community antennae television company, while so employed; and
 - (2) Employees of an electrical contractor duly licensed under chapter 444; provided that: (A) Such contractor is retained by a public utility within the State under a franchise or charter granted by the State which is regulated by the public utilities commission to perform high voltage (six hundred volts or higher) electrical work for the public utility; and (B) Such employees are deemed qualified by the public utility to perform such high voltage electrical work; provided further that in no circumstance shall such persons be less qualified than the public utility's own employees that perform such high voltage electrical work.

HB1878 proposes to extend this exemption to perform high voltage electrical work to include work for non-public utility renewable energy projects in Hawaii. Without this proposed provision, utility grade renewable energy projects will be more difficult to develop. These large-scale renewable energy projects include extensive high voltage segments of the project,

where the substation is tied into the public utilities grid. Low voltage work (600 volts or less) requires different training and is not reflective of the safety requirements for high-voltage work. This limits options for development of large-scale renewable energy projects and could increase projects costs, which are often passed on to the consumer.

Our industry works on the construction and maintenance of high voltage power lines both overhead and underground with distribution and transmission voltages requiring the specialized skills of Journeyman Lineman, Foreman and General Foreman who are all trained certified Journeyman Lineman. As public utilities like HECO and KIUC seek to expand and increase the number of purchase power agreements they negotiate, the ability to have these projects completed in a timely and cost-effective manner are impacted, by limiting those who are experienced and capable of providing the capacity to complete these critical infrastructure projects.

To summarize, HB1878 extends the exemption contained in section 448E-13 to increase the capacity and capability to meet Hawaii's demand on utility grade non-public utility renewable energy projects. Thank you for the opportunity to testify in support of HB1878, and we ask that your committee pass this forward focused legislation.

PRESENTATION OF THE BOARD OF ELECTRICIANS AND PLUMBERS

TO THE HOUSE COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

TWENTY-NINTH LEGISLATURE Regular Session of 2018

Thursday, January 25, 2018 9:00 a.m.

TESTIMONY ON HOUSE BILL NO. 1878, RELATING TO ELECTRICANS.

TO THE HONORABLE AARON LING JOHANSON, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Peter Akamu, Chairperson of the Board of Electricians and Plumbers ("Board"). I appreciate the opportunity to testify on H.B. 1878, which exempts electrical contractor employees licensed under Hawaii Revised Statutes ("HRS") chapter 444 and performing high voltage (six hundred volts or higher) electrical work from the electrician licensing requirements of HRS chapter 448E. The Board takes no position on this bill and offers comments.

While the Board has not had an opportunity to discuss H.B. 1878, it did discuss with the bill's proponents, at its board meeting on December 12, 2017, the proposed exemption of trade workers from chapter 448E licensing requirements. At that meeting, board members expressed concern that whereas the bill's proponents are seeking licensure exemption for **all electrical work** that would be performed on high voltage projects, licensed journey workers are authorized to perform work on components of high voltage projects. In addition, board members had questions that were unanswered at the meeting.

The Board intends to discuss H.B. 1878 at its February 13, 2018, board meeting. Thank you for the opportunity to testify on this measure.





January 25, 2018

The Twenty-Ninth Legislature
Hawaii State House of Representatives
Committee on Labor and
Public Employment

HB1878 - RELATING TO ELECTRICIANS

Chair Johanson, Vice Chair Holt and Members of the Committee,

The International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO (IBEW1260), represents more than 3500 members working in the utility, outside construction, cable, telecom and maintenance industries throughout the State of Hawaii and respectfully offers the following testinmony in **STRONG OPPOSITION** to House Bill 1878 (HB1878).

Licensing ensures work performed by a state licensed worker can be deemed of the highest quality and safety standards possible through standardization, ultimately protecting the general public and providing safe, reliable service. Additionally, IBEW1260 members who perform the majority of high voltage work within our state, can be confident that these standards serve to minimize any risk of death or injury when performing additional work on such systems.

For these reasons, and as the proponents of HB1878 provide no intent, clear reason or logic for this bill, IBEW1260 repectfully ask the Committee hold this measure ensuring the safety of Hawaii's workers and the general public.

Mahalo for the opportunity to testify on this issue.

Respectfully,

Michael M. Brittain Asst. Business Manager IBEW1260 / AFL-CIO