STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 0 9 2022

RE: S.B. No. 2644 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 2644 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 make permanent:

- (1) Act 65, Session Laws of Hawaii 2013, 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; and
- (2) The requirement for the Board of Electricians and Plumbers to submit annual reports to the Legislature relating to high voltage work.

Your Committee received testimony in support of this measure from Hawaiian Electric Company. Your Committee received testimony in opposition to this measure from the Contractors License Board; Board of Electricians and Plumbers; Electrical Contractor's Association of Hawai'i, NECA Hawai'i Chapter; and International Brotherhood of Electrical Workers Local Union 1186.

Your Committee finds that high voltage electrical work requires very specialized skills, tools, equipment, and training, and is different from more common low-voltage electrical work. There is a limited number of qualified individuals in the State who are trained and licensed as electricians to perform high voltage work, and even fewer who are qualified to perform overhead line work. Many qualified high voltage electrical workers do not live in Hawaii, but come only when work is available, and requiring them to obtain a separate license to work in Hawaii can be burdensome and delay the progression of important and complex construction projects, including repairs and maintenance in emergency situations. This measure would make this licensing exemption permanent.

Your Committee has heard the concerns raised in testimony that this measure, as currently drafted, is overly broad and requires a clarification as to the type of high voltage electrical work that is to be included in the licensing exemption. Accordingly, amendments to this measure are necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- Adding a requirement to section 448E-13, Hawaii Revised Statutes, to clarify that employees of a duly licensed electrical contractor are exempt from licensure requirements, provided that the public utility shall certify to the Director of Labor and Industrial Relations and to the Board of Electricians and Plumbers that, after a hiring call, no electrician sufficiently qualified and licensed in the State to perform the high voltage electrical work applied to timely perform or complete the necessary job or task before the public utility recruited outside the State;
- (2) Clarifying that "high voltage" means six hundred volts or higher;
- (3) Codifying the Board of Electricians and Plumbers' reporting requirements of Act 60, Session Laws of Hawaii 2018, into section 448E-13, Hawaii Revised Statutes;

- (4) Inserting an effective date of July 1, 2030, to encourage further discussion; and
- (5) 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 Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2644, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2644, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection,

ROSALYN H. BAKER, Chair

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

| Bill / Resolution No.:* | Committee Referral: | | | Date: | |
|---|---------------------|-----|-----------------------|-----------|---------|
| SB 2644 | CPM, WAM | | | 2-4-2022 | |
| 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 (WP | l) Nay | Excused |
| BAKER, Rosalyn H. (C) | | X | | | |
| CHANG, Stanley (VC) | | X | | | |
| DECOITE, Lynn | | × | | | |
| NISHIHARA, Clarence K. | | × | | | |
| RIVIERE, Gil | | X | | | |
| SAN BUENAVENTURA, Joy A | ١. | X | | | |
| FEVELLA, Kurt | | | | | X |
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| TOTAL | | 6 | 0 | 0 | / |
| Recommendation: | | | | | |
| Adopted Not Adopted | | | | | |
| Chair's or Designee's Signature: | | | | | |
| Distribution: Original File with Committee Re | Yellow | | Pink Orafting Agen | Goldenrod | |

*Only one measure per Record of Votes