

FEB (6 <sup>, 2024</sup>

RE: H.B. No. 2523 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2523 entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC UTILITY LINEMAN,"

begs leave to report as follows:

The purpose of this measure is to establish a pathway for the licensure as a journey worker electric utility lineman in anticipation of the repeal of the statutory exemption from licensure set to occur on June 30, 2027.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; International Brotherhood of Electrical Workers Local Union No. 1260; Plumbers and Fitters UA Local 675; Operating Engineers Local Union No. 3; and Hawaiian Electric. Your Committee received comments on this measure from the Public Utilities Commission; Board of Electricians and Plumbers; Contractors License Board; and Kaua'i Island Utility Cooperative.

Your Committee finds that the increased need for electrical utility infrastructure improvements, hardening, expansion, upgrades, repair, maintenance work, and a qualified workforce to perform such work in the State, necessitated the contracting out of work previously performed by employees of electric utilities. However, such contracted work fell outside the scope of the

## 2024-1230 HB2523 HD1 HSCR HMSO

STAND. COM. REP. NO.548 -24 Page 2

statutory exemption provided to utility employees from the electrician licensing requirements.

Your Committee further finds that to allow electric utilities to have the workforce necessary to address these existing challenges, Act 65, Session Laws of Hawaii 2013 (Act 65), was enacted to provide a limited exception from the electrician licensing requirements for certain contractors retained by electric utilities who perform electric utility work. The limited exception provided by Act 65 was to be repealed on June 30, 2018, but was subsequently extended twice until June 30, 2027.

Your Committee additionally finds that since the enactment of Act 65, electric utility lineman apprenticeship programs have been established in the State and approved by the State to develop a local workforce of trained and qualified electric utility linemen. Recognizing that there is a system in place to locally develop a trained and qualified workforce, the limited exemption provided by Act 65 may be allowed to expire. This measure therefore establishes a pathway for licensure as a journey worker electric utility lineman upon such expiration.

Your Committee has amended this measure by:

- Deleting language that amended when electrical and plumbing contractors are required to visibly display their professional license;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2523, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2523, H.D. 1, and be referred to your Committee on Finance.

2024-1230 HB2523 HD1 HSCR HMSO

STAND. COM. REP. NO. **544** -24 Page 3

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

NAKASHIMA, Chair

2024-1230 HB2523 HD1 HSCR HMSO

State of Hawaii House of Representatives The Thirty-second Legislature

**Record of Votes of the Committee on Consumer Protection & Commerce** 

Bill/Resolution No.: HB2523	Committee Referral: CPC, FIN	Date:	2/6/	2024
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is) Pass, with amendments (HD) Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. NAKASHIMA, Mark M. (C)				/
2. SAYAMA, Jackson D. (VC)				
3. AMATO, Terez				
4. BELATTI, Della Au				
5. HASHEM, Mark J.				
6. HUSSEY-BURDICK, Natalia				
7. GATES, Cedric Asuega				
8. LOWEN, Nicole E.			<u>in a program (sec</u>	
9. ONISHI, Richard H.K.				· ·
10. TAM, Adrian K.				
11. PIERICK, Elijah				
	· · · · · · · · · · · · · · · · · · ·			
<b>TOTAL (11)</b>	8	$\phi$	Ø	3
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature: RAD WK RDD				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				