

HOUSE BILL REPORT

ESSB 5713

As Passed House - Amended:

April 17, 2003

Title: An act relating to electrical work.

Brief Description: Concerning electrical work.

Sponsors: By Senate Committee on Commerce & Trade (originally sponsored by Senators Honeyford, Prentice, Hewitt, Rasmussen, Mulliken, Sheahan and Oke).

Brief History:

Committee Activity:

Commerce & Labor: 3/24/03, 4/3/03 [DPA];

Appropriations: 4/5/03 [DPA(CL)].

Floor Activity:

Passed House - Amended: 4/17/03, 97-1.

Brief Summary of Engrossed Substitute Bill (As Amended by House)

- Exempts certain basic electrical work from permitting and inspection, and makes other basic work subject to only random inspections.
- Exempts certain electrical work that is incidental to plumbing work from electrical licensing and certification requirements, and exempts certain plumbing work that is incidental to electrical work from plumbing licensing and certification requirements.
- Exempts certain appliance repair work in residential occupancies performed by manufacturer-authorized dealers from electrical licensing and certification requirements, and creates a joint legislative task force to review these requirements and report to the Legislature.
- Classifies the equipment repair specialty as a "lower tier" or "2,000 hour" specialty, and, for a limited time, allows certain persons to become licensed in this specialty without examination.
- Suspends enforcement of electrical code requirements as applied to maintenance work on the electrical controls of a boiler performed by an employee of a service company, and requires industry boards to evaluate these requirements and report to the Legislature.

- Establishes classroom training and continuing education requirements for plumbers.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Assistant Ranking Minority Member; Crouse, Holmquist, Hudgins, Kenney and McCoy.

Staff: Jill Reinmuth (786-7134).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Commerce & Labor. Signed by 27 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Boldt, Buck, Clements, Cody, Conway, Cox, DeBolt, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Pflug, Ruderman, Schual-Berke, Sump and Talcott.

Staff: Holly Lynde (786-7153).

Background:

The Department of Labor and Industries (Department) administers various state laws governing construction-related businesses and trades, including persons performing electrical, plumbing, and boiler work.

Electrical Work

State law requires that nearly all work involving electrical wiring, appliances, devices, and equipment be inspected. Property owners and electrical contractors must purchase electrical work permits for electrical installations or alterations, including remodeling and maintenance work. The Department, or the applicable city or town, must inspect the work.

There are a number of exemptions to these permitting and inspection requirements in statute and/or rule. For example, circuit breakers, fuses, thermostats, small motors, and certain other electrical devices are exempt from permitting and inspection requirements.

State law also requires that persons who engage in the business of installing or maintaining certain wires or equipment have either a general electrical contractor license

or an appropriate specialty electrical contractor license. Similarly, persons who perform such work must be certified as journey level electricians or appropriate specialty electricians. The Department has recently proposed rules establishing specialties in appliance repair and equipment repair. To become certified, persons must meet certain experience and/or educational requirements, and pass an examination. There are a number of exemptions to these licensing and certification requirements.

Boiler Work

State law authorizes the Board of Boiler Rules to make rules governing the safe construction, installation, and use of boilers and unfired pressure vessels. These rules are enforced through annual or biannual safety inspections. There are a number of types of equipment, including domestic water heating tanks, that are exempt from these rules.

Plumbing Work

State law requires that persons who engage in plumbing work by way of trade or business, or who employ a person to performing plumbing work, have a plumbing contractor license. Similarly, state law requires that persons who perform plumbing work be certified as plumbers. To become certified, persons must meet certain experience and/or educational requirements and pass an examination. There are a number of exemptions to this certification requirement.

Summary of Amended Bill:

Electrical permitting, inspection, certification, and licensing requirements are modified for certain basic electrical work, electrical work that is incidental to plumbing work, appliance repair work, and boiler repair work. Electrical certification requirements are modified for certain equipment repair work. Plumbing certification and licensing requirements are modified for plumbing work that is incidental to electrical work. Classroom training and continuing education requirements for plumbers are established.

Basic Electrical Work

Two classes of "basic electrical work" are defined. The permitting and inspection requirements applicable to this work are modified.

"Class A basic electrical work" is defined as the like-in-kind replacement of household appliances, circuit breakers, fuses, residential luminaires, lamps, snap switches, dimmers, receptacle outlets, thermostats, heating elements, luminaire ballasts with exact same ballasts, contactors, relays, timers, starters, circuit boards, similar control components, and 10 horsepower or smaller motors. This work is exempt from permitting and

inspection unless deficiencies require inspection.

"Class B basic electrical work" is defined as certain work that requires minimal modifications and has limited exposure hazards. This work is subject to permitting requirements, but only random inspections.

Cities are permitted, but not required, to enforce the same permitting and inspection standards for class A work and class B work as are enforced by the Department of Labor and Industries (Department).

Incidental Electrical Work

Certain electrical work that is incidental to plumbing work is exempt from electrical certification and licensing requirements if performed by certain plumbers. Similarly, certain plumbing work that is incidental to electrical work is exempt from plumbing certification and licensing requirements if performed by certain electricians. This work is subject to permitting and inspection requirements, if applicable.

Appliance Repair

The repair, maintenance, or replacement of certain appliances in residential occupancies, if performed by an employee of a manufacturer-authorized dealer or service company, is exempt from electrical licensing and certification requirements.

A joint legislative task force will review licensing and certification requirements as they pertain to this work, and as they compare to requirements in other states. The task force must report its findings and recommendations to the Legislature by December 1, 2003.

The scope of work applicable to the "repair, maintenance, or replacement of appliances" is specified.

Equipment Repair

The equipment repair specialty is classified as a "lower tier" or "2,000 hour" specialty rather than a "higher tier" or "4,000 hour" specialty. The scope of work of the equipment repair specialty is specified.

Before December 1, 2003, certain persons may be certified as equipment repair specialty electricians without examination. They include: (1) Persons who have completed an apprenticeship program for the machinist trade; and (2) persons who provide evidence that they were employed as of April 1, 2003, by a factory-authorized equipment dealer or service company, and that they have worked in equipment repair for 4,000 hours.

Boiler Repair

The Department must cease administering and enforcing licensing, certification, and permitting/inspection requirements as applied to maintenance work on the electrical controls of a boiler performance by employees of service companies until July 1, 2004.

The Electrical Board and the Board of Boiler Rules must evaluate whether these requirements should apply to such work, and must report their findings and recommendations to legislative committees by December 1, 2003.

Plumber Training and Continuing Education

To become a certified plumber, a person must have completed not less than 16 hours of classroom training on certain items needed to do incidental electrical work. To renew a certificate of competency, a plumber must have completed 16 hours of continuing education, including four hours related to electrical safety, in the past two years.

Appropriation: None.

Fiscal Note: Requested April 5, 2003.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed, except section 501, relating to appliance repair, section 601, relating to equipment repair, and section 701, relating to boiler repair, which take effect immediately.

Testimony For: (Commerce & Labor) This bill deals with a series of electrical regulation issues. People shouldn't have to pay \$46.70 for a permit for appliance repair. People shouldn't have to hire both an electrician and a plumber to repair or replace certain appliances. People that are well-trained and that have been doing this work safely for years should not have to be licensed and certified.

Appliance repair businesses are on the front lines. They are in touch with consumers. Regulation is not needed for the replacement of direct-wired, like-in-kind appliances by workers who have been trained and who have unblemished safety workers. Authorized dealers have not had one safety event. Regulation will increase appliance replacement costs by 30 to 50 percent. There is not a problem that needs solving. Factory-trained equipment repair technicians are competent and well-trained. Without this bill, they will have to take a test or be out of a job. These technicians have more training than in-house maintenance workers who are not subject to regulation. That doesn't make sense. Customers cannot afford for equipment repair technicians to perform the work improperly.

The Department of Labor and Industries' (Department) reinterpretation of the law will increase consumer costs by \$150 to \$200 per appliance. Consumers will be required to hire two people to do work that either a certified plumber or a certified electrician could do. This bill would allow certified plumbers to do incidental electrical work, and certified electricians to do incidental plumbing work.

This bill is the result of a reinterpretation of certain electrical laws by the Department. The parties are in agreement on exemptions for medical devices, permitting and inspection requirements for small jobs, and provisions applicable to incidental work between the electrical and plumbing trades. There is not agreement on three other issues: appliance repair, equipment repair, and boilers. If these issues are not resolved, it will interrupt commerce in Washington.

Testimony For: (Appropriations) Without passage of this bill, to replace a dishwasher in a home, consumers will pay not only for the cost of the dishwasher but also a fee of \$46.70 for the Department of Labor and Industries (L&I) to go into the home to ensure the replacement dishwasher was properly installed. Without this bill, appliance dealers who have been installing appliances in homes for years will now have to have 2,000 hours of training and be certified by L&I. This bill protects consumers from significant increases in the costs of household appliances installed in the same place as old appliances. The fiscal impacts of this bill are almost entirely borne by those who pay fees to be electrical contractors, electricians, or plumbers. This bill is good for small business owners and consumers.

Testimony Against: (Commerce & Labor) This bill would exempt everyone except electrical contractors from regulation. Instead electrical contractors, who hire certified administrators and certified electricians, should be exempt.

This bill goes way beyond the appliance issue. For example, almost everything in a house would be exempt from inspection.

This bill would allow people to perform electrical work without any training. It is hazardous to handle line voltage or alter circuits. People need to be trained on how to perform this work safely.

Consumers deserve protection. Inspections and minimum competency testing are ways to ensure this protection. Proper maintenance work is critical to consumer protection. Last year there was \$670 million in property damage from electrical fires. The National Fire Protection Association lists the number one reason as the lack of proper maintenance.

State law should ensure public safety, protect consumers, maintain a level playing field, and not result in stranded capital. Persons working with electricity should understand the National Electrical Code. It is intended to protect the public and workers by establishing practical safeguards. It deals with motors and other types of equipment that the bill

exempts. Electric systems and equipment are more sophisticated than ever.

Section 10 of the bill should be deleted. To operate equipment, pulp and paper plants have electricians, boiler technicians, and other people with extensive training. The plants have the experts in-house already. These people have a high degree of competence. This section would transfer work from persons who are competent to those who are not. It would increase costs. It would also take jobs away from rural families.

Cities are concerned about random inspections and permit fees that are less than costs.

The Department is in the process of revising its rules. That process is not yet done. The Department thought they reached an agreement with the stakeholders. This bill is an end-run on that process.

The bill must be changed. Otherwise people will be exposed to electrical hazards.

Testimony Against: (Appropriations) None.

Testified: (Commerce & Labor) (In support) Senator Honeyford, prime sponsor; Jim Feeney, Nationwide West; Lou Kuffel and Mark Hook, Beckwith & Kuffel; Bob Carter, Carter Plumbing and Heating and Plumbing and Heating Contractors of Washington; and Gary Smith, Independent Business Association.

(Opposed) Larry Stevens and Tom Knox, National Electrical Contractors Association; Steve Washburn, National Electrical Contractors Association; Joe Peters, Northwest Washington Electrical Industry Joint Apprenticeship and Training Committee; Janet Lewis, International Brotherhood of Electrical Workers - Local 46; Mike Grunwald, Washington State Association of Electrical Workers and International Brotherhood of Electrical Workers - Local 76; Mike Glenn, Longview Fibre; Doug Levy, City of Federal Way and the Washington Association of Building Officials; John Conkle, Simpson Tacoma Kraft; Joe Devish, Washington State Electrical Board; John DeWitt and Joe Shaw, Port Townsend Paper Company; Robert Helmsley, Western Pulp and Paper Workers Association; Roger Boatwright, Washington State Building and Construction Trades Council; and Dick King, International Brotherhood of Electrical Workers.

Testified: (Appropriations) Gary Smith, Independent Business Association; Mark Johnson, National Federation of Independent Businesses; and Jan Gee, Washington Retail Association.