

SENATE BILL REPORT

ESHB 1952

As Reported by Senate Committee On:
Commerce, Labor & Sports
Labor & Commerce, February 22, 2018

Title: An act relating to enforcement of the electrical laws.

Brief Description: Concerning enforcement of the electrical laws.

Sponsors: House Committee on Labor & Workplace Standards (originally sponsored by Representatives Blake, Walsh, Pellicciotti, Chapman, Stambaugh and Ormsby).

Brief History: Passed House: 3/03/17, 97-0; 1/24/18, 96-0.

Committee Activity: Commerce, Labor & Sports: 3/22/17.

Labor & Commerce: 2/19/18, 2/22/18 [DPA, w/oRec].

Brief Summary of Amended Bill

- Permits cities that conduct electrical inspections to enforce electrical licensing and certification requirements.

SENATE COMMITTEE ON COMMERCE, LABOR & SPORTS

Staff: Richard Rodger (786-7461)

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass as amended.

Signed by Senators Keiser, Chair; Hasegawa, Vice Chair; Conway, King, Kuderer and Saldaña.

Minority Report: That it be referred without recommendation.

Signed by Senator Wilson.

Staff: Jarrett Sacks (786-7448)

Background: Persons who engage in the electrical business must obtain a license as an electrical contractor, and electricians must qualify for and be issued a certificate of

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competency. Persons engaged in the telecommunications business must be licensed as telecommunications contractors. Apprentices and other persons learning the electrical trade must obtain a training certificate, and must work under supervision of a certified electrician and under a specified ratio of trainees to certified electricians. The Department of Labor and Industries (L&I) administers and enforces these licensing and certification requirements.

A person who engages in the electrical business without being licensed is subject to a \$50 to \$10,000 civil penalty. A person who violates the supervision requirements, employs a person without a certificate to perform electrical work, or who performs electrical work without a certificate is subject to a \$50 to \$500 civil penalty. L&I may also issue a penalty of \$100 to \$10,000 to a person who engages in the telecommunications business without a license.

Electrical installations must comply with the national electrical code, and a permit and inspection is generally required for electrical work. Cities may adopt ordinances with an equal or higher standard than required by the state for electrical work. If a city adopts such an ordinance and enforces a standard, inspections are performed by the city rather than L&I. About 26 cities have electrical ordinances and perform inspections.

The Electrical Board (Board) advises the director of L&I on enforcement of the electrical laws. The Board also hears appeals of license or certificate suspensions and revocations, appeals of proposed decisions on penalties made by the Office of Administrative Hearings, and appeals of other decisions. The Board is composed of:

- one representative of a generator or distributor of electric power;
- one representative of a facilities-based telecommunications service provider;
- three licensed electrical contractors;
- one licensed telecommunications contractor;
- one representative of a business that manufactures or distributes electrical and telecommunications materials, equipment, or devices;
- one public member;
- three certified electricians;
- one telecommunications worker;
- one licensed professional electrical engineer who is a registered communications distributions designer;
- one outside line worker; and
- one nonvoting member who is a building official from a city or town with an electrical inspection program.

Summary of Amended Bill: Cities that conduct electrical inspections may enforce the electrical laws related to electrical contractor licensing, and electrician certification and trainees. The penalties are the same as penalties the state imposes. The authority of L&I to enforce these laws is retained.

Any penalties issued by a city or town under the bill may be appealed to the Electrical Board. No person or entity may be penalized by both a city or town and L&I for the same violation of electrical laws or rules.

EFFECT OF LABOR & COMMERCE COMMITTEE AMENDMENT(S): A provision is added that provides that any penalties issued by a city or town under the bill may be

appealed to the Electrical Board. Additionally, no person or entity may be penalized by both a city or town and L&I for the same violation of electrical laws or rules. The provision making the Electrical Board member who is a building official of a city or town a voting member of the Electrical Board is removed.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Commerce, Labor & Sports): *Testimony from 2017 Regular Session.* PRO: There are a lot of bad electrical contractors out there that are exceeding the allowable number of trainees as their business model. One contractor in Seattle was using trainees with a ratio of 14 or 15 trainees per each electrician. That contractor was fined \$177,000 by L&I and the contractor still made a profit on the job.

CON: The cities do not have any experience or training in enforcing these laws and might have a different interpretation than the state inspectors. The City of Tacoma already has nine different inspection jurisdictions. The bill does not contain an appeals process for the city's new inspection authority. After the House floor amendment, this bill contains two subjects and could be thrown out by the courts. The bill allows both a city and L&I to take enforcement actions; what happens when they are in conflict? The proponents want to make this a mandatory provision, requiring city enforcement of the state's laws. The bill treats electricians differently than all the other trades. When a city discovers a violation now, the city inspectors report the issue to L&I for enforcement.

Persons Testifying (Commerce, Labor & Sports): PRO: Matthew Hepner, IBEW.

CON: Michael Curley, Electrical Contractor; Gary Smith, Independent Business Association; Jim King, Washington State HVAC Industry Association; Carl Schroeder, Association of Washington Cities; Tom Phillips, Washington Association of Building Officials; Angela Haupt, City of Kirkland.

Persons Signed In To Testify But Not Testifying (Commerce, Labor & Sports): No one.

Staff Summary of Public Testimony on Engrossed Substitute House Bill (Labor & Commerce): *The committee recommended a different version of the bill than what was heard.* PRO: L&I does not have enough resources to enforce apprentice and trainee ratio compliance. There is blatant ratio cheating in the industry and it is a safety hazard. The bill is permissive and if a city does not have the resources, it does not have to do it. Enforcement of ratios is not that difficult because the licenses are visible and color coded.

CON: Small jurisdictions do not have the resources to enforce licensing and registration. There is nothing in the bill that lets cities collect money for these efforts and cities do not

have the money for it. The best place for this enforcement is L&I and the bill would complicate enforcement and undercut efforts to stop the underground economy.

Persons Testifying (Labor & Commerce): PRO: Matthew Hepner, International Brotherhood of Electrical Workers (IBEW); Matthew Yalowicki, IBEW Local 46.

CON: James King, Washington State Heating, Ventilation, and Air Conditioning Industry Association; John Brickey, Washington Association of Building Officials.

Persons Signed In To Testify But Not Testifying (Labor & Commerce): No one.