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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
**SENATE COMMITTEES ON
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
AND
LABOR AND TECHNOLOGY**

Wednesday, February 14, 2024
3:00 PM
State Capitol, Conference Room 224 and Videoconference

In Support of
SB 3103

RELATING TO ENERGY.

Chairs DeCoite and Aquino, Vice Chairs Wakai and Moriwaki, and members of the Committees, the Hawai'i State Energy Office (HSEO) supports SB 3103, an Administration bill which seeks to establish labor standards for new renewable energy projects in Hawai'i with a capacity of one (1) megawatt or greater. Specifically, SB 3103 requires project developers to provide an attestation or declaration to the Department of Business, Economic Development, and Tourism (DBEDT) through the HSEO that during all periods of construction all contractors and subcontractors shall:

- Use apprentices trained through an apprenticeship program per HRS 272 (Department of Labor and Industrial Relations registered apprenticeship program).
- Have policies in place regarding harassment, discrimination, and diversity.
- Be licensed, in good standing, and eligible for work per HRS 104.
- Demonstrate compliance with state requirements regarding workers' compensation, building codes, and occupational safety and health.

- Demonstrate compliance with federal and state wage and hour laws including HRS 104.
- Offer health care and retirement benefits; and provide quarterly reporting to the project developer or applicable utility.

SB 3103 will help ensure workers can earn a living wage and pursue a good career in Hawai'i's utility renewable energy sector. To replace Hawai'i's aging fossil fuel infrastructure and achieve Hawai'i's renewable energy mandate by 2045, a succession of large renewable energy projects will be needed over the next 20 years.

Apprenticeships are entry level positions that provide the foundation for workforce growth and longevity. Developing a workforce through a registered apprenticeship program as required by SB 3103 can build Hawai'i's long-term labor capacity by providing workers on-the-job training at lower rates than journey workers, diverse skills for all types of projects, and minimum labor standards that can increase the standard of work on critical energy infrastructure.

SB 3103 can also support lower project costs through consistency with federal incentives for renewable energy projects (Inflation Reduction Act) which include certain requirements and incentives regarding prevailing wages and apprenticeships. SB 3103 is also in line with Hawaiian Electric's most recent Stage 3 Request for Proposals which gives preference to developers committing that eighty percent (80%) of the workforce during all periods of construction is paid at prevailing wage equivalent to that indicated in HRS 104.

HSEO has experience filing records for energy efficiency and renewable energy programs and has the capacity to keep the records (attestations, declarations) required by SB 3103.

Thank you for the opportunity to testify.