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JOINT PUBLIC HEARING OF HOUSE  
LABOR RELATIONS AND THE HOUSE PROFESSIONAL  
LICENSURE COMMITTEES ON  
LICENSURE OF CONSTRUCTION TRADES & CONSUMER  
PROTECTION  
UNIVERSITY OF PITTSBURGH KURTZMAN ROOM  
WILLIAM PITT UNION BUILDING  
3959 FIFTH AVENUE, PITTSBURGH, PA 15213  
MONDAY, AUGUST 4, 2008

- - - -

PRESENTED BY:  
Martin J. Flaherty  
Member, Board of Directors  
PA Plumbing, Heating & Cooling Contractors  
Registered Master Plumbers #658, Allegheny  
County Health Department

- - - -

Reported by: Lois Sikoski  
Court Reporter

1 Committee Members:

2

3 Michael Sturla  
4 Joint Professional Licensure Committee,  
5 Chairman

6 Sean Ramaley 18th District, Beaver County and  
7 Allegheny County  
8 Tim Solobay, 48th District, Washington County

9 Nick Kotik, 45th Legislative District,  
10 Allegheny County

11

12 Frank Andrew Shimkus, 143rd Legislative  
13 District Lackawanna County, City of Scranton

14 Daryl Metcalf, 12th Legislative District,  
15 Butler County

16

17 Craig Dally, North 135th Legislative District  
18 Hampton County

19 Richard R. Stevenson, 8th Legislative  
20 District, Butler and Mercer County

21

22 William F. Adolph, Jr., Minority Chair  
23 165th Legislative District Delaware County

24 James Wansacz, 114th Legislative District  
Lackawanna County Wyoming County Luzerne  
County Susquehanna County Representative

Keith Gillespie, 47th Legislative District  
York County

19

20 Stan Saylor, 94th Legislative District  
21 York County

22 Richard R. Stevenson, 8th Legislative District  
23 Butler and Mercer County

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(1:56 p.m.)

CHAIRMAN STURLA: I would like to call the meeting of the Joint Professional Licensure & Labor Relations Committee to start.

We are here at the University of Pittsburgh to take testimony concerning licensing of trades in Pennsylvania and how that might happen.

I'll go down the row here, and we'll have the members introduce themselves and then we'll introduce other members as they arrive. I know I saw some just a couple of minutes ago outside. So they'll be in here shortly.

I'll start to my left.

REPRESENTATIVE RAMALEY: Shawn Ramaley 18th District, Beaver County and Allegheny County.

REPRESENTATIVE SOLOBAY: Tim Solobay, 48th District in Washington County.

REPRESENTATIVE KOTIK: Nick Kotik, 45th Legislative District, Allegheny County.

1           CHAIRMAN STURLA:  Chairman Mike Sturla  
2           from Lancaster.

3           REPRESENTATIVE SHIMKUS:  I'm  
4           representative Mike Andrew Shimkus from  
5           Lackawanna County, City of Scranton and  
6           surrounding area also the Board secretary of  
7           Labor Relations representing Chairman  
8           Belfanti, who could not because he's  
9           recovering from surgery.  I'm honored to be  
10          here and honored to be here to discuss this  
11          testimony and with my colleagues.  Thank  
12          you.

13          REPRESENTATIVE METCALF:  Daryl Metcalf  
14          from Butler.

15          REPRESENTATIVE DALLY:  Good afternoon,  
16          Craig Dally, I'm home professional licensing  
17          from North Hampton County, 135th District  
18          from Lehigh Valley.

19          CHAIRMAN STURLA:  Thank you.  We  
20          presented some questions to the people who  
21          will testify today trying to see what kind of  
22          effect licensure would have in the State of  
23          Pennsylvania and how we might go about that.

24          I know that Representative Shimkus has

1       some time before we get started so,  
2       Representative Shimkus.

3               REPRESENTATIVE SHIMKUS: I would just  
4       like to say that this is an issue that  
5       impacts the entire state. It's something  
6       that we heard a lot of testimony on, a lot of  
7       testimony on. We have had a lot of written  
8       testimony submitted to us. It is critical.  
9       It is crucial. It is something that we have  
10      studied. And I think this is very important  
11      that we have this joint session. I think  
12      that's why many of us traveled some  
13      distance. Scranton is a bit of a hike, but  
14      it's important. And I know that Chairman  
15      Belfanti is extremely interested in getting a  
16      full airing of this. And so I'm honored to  
17      be here and can't wait to hear your testimony.

18             Thank you.

19             CHAIRMAN STURLA: Thank you.

20             I would like to remind the testifiers  
21      that we've got a long schedule today, so if  
22      you could stay within your time frame, as you  
23      make your remarks, we would appreciate that.  
24      And if you have written testimony that you

1 provided for us, if you could defer from just  
2 reading that and give us a brief synopsis of  
3 what it is you have so the members have a  
4 chance to ask questions.

5 Having said that, even though we got  
6 started ten minutes late we're back on  
7 schedule, according to my clock anyway. And  
8 we'll start with Jack Pletcher, the  
9 apprentice coordinator of the operating  
10 Engineers Local 66 university 66.

11 MR. PLETCHER: Thank you, Mr. Chairman,  
12 for having me here.

13 I am here to support our trade, be  
14 licensed for our trade and also the board of  
15 construction trade, if it ever comes about.  
16 I am here to support it.

17 A lot of people don't have an idea of  
18 what an operating engineer is. I mean, you  
19 talk about a trade, well, they say we know  
20 what a carpenter is. We know what a plumber  
21 does. We know what a crane does.

22 When they say operating engineer, what  
23 are they? Well, we run the heavy equipment  
24 that everybody sees at the job sites and

1 usually they're made because they're blocking  
2 the roads. But we run the backhoes, the  
3 dosers, of course, people always say if  
4 anybody becomes involved in an accident,  
5 operators ran the doser, no matter what  
6 machine they are on, or trains.

7 Of course, some of the work we do is  
8 very public, for every season, every  
9 opening. We do bridgework. You'll see us on  
10 bridges, highways, water sewer lines,  
11 buildings, of course, demolition. So any  
12 part of the construction industry, you're  
13 probably going to find an operator one time  
14 or another on that job site.

15 A lot of times we are by ourselves. I  
16 mean, we're working on a highway job and a  
17 doser operator may be working by himself.

18 At other times, if you're an  
19 excavator operator, we're working on a  
20 highway on traffic. So we have that aspect,  
21 too.

22 Crane operators, a lot of times, if  
23 you're walking back and forth to your work,  
24 or even in the city, you may walking



1        underneath a crane, a power crane. And you  
2        have us operators on the road crew.

3                Is a license required for any of our  
4        business? No, not in this state. A couple  
5        of the states do offer, they have licensing  
6        for backhoes and things like that. But  
7        usually what we're trying to do is get the  
8        train license put forth on these.

9                And, again, some of the operators, as  
10       you're going along on the job sites, are  
11       these operators, do they have any experience  
12       or training in any aspects? A lot of times  
13       when a contractor needs somebody hired, what  
14       they do is they kind of adjust. A lot of  
15       times they just call the hall -- or, excuse  
16       me, they'll call our organization. And we  
17       have 7,000 in our organization that can  
18       operate in Western Pennsylvania. And, of  
19       course, if they belong to our organization,  
20       Local 66, of course, they have training and  
21       experience of our operators because we offer  
22       an apprenticeship program and also training  
23       for our journeyman operators to upgrade their  
24       skills.

1           Of course, a lot of times that's just  
2 what we have in our organization. How many  
3 people run equipment in this state? You  
4 can't count that high.

5           How do contractors or how do employers  
6 get operators out, if they are not associated  
7 with our organization, they usually put an ad  
8 in the newspaper. Okay? They'll go by  
9 that. Some guy will answer the ad in the  
10 newspaper and I say, "I could do this," and  
11 maybe he can't maybe, maybe he can.

12           Or a lot of times, the employer will  
13 call, get a hold of a training company.  
14 Because there are several training companies  
15 in Western Pennsylvania who will train  
16 operators. But they're charging 6,000 to  
17 \$10,000 for roughly six weeks or seven weeks  
18 of training, and only on two pieces of  
19 equipment. And they tell them to go get -- a  
20 lot of it, it's funny, when I do career talks  
21 and I talk to the people that come up to me,  
22 they'll say, "We were referred to come to  
23 apply for the operating engineer apprentice  
24 program." So what kind of training are they

1 getting, if they're supposed to be training,  
2 and they want to apply through our program?

3 Our program, what I'll say about our  
4 operators is, even our apprentices, you know,  
5 if they come to the training site, at least  
6 20 weeks out of the year and get 4,000,000  
7 hours on-the-job training. So you have the  
8 experience with our operators and our  
9 journeyman. And, again, you go for upgrade  
10 training for our journeyman.

11 Again, should our trade be licensed?  
12 Of course. I highly recommend it.

13 I know -- I think you are aware that  
14 we have the last two legislative sessions,  
15 through the General Assembly, we have tried  
16 to get training operating licenses through  
17 the General Assembly. It has gone through  
18 the house, with a lot of help, with your  
19 help, of course. And it's been stymied in a  
20 committee and set aside for the last two  
21 legislative sessions. And it doesn't make no  
22 sense on my part, because if you see the rash  
23 of train accidents. We've had a few here in  
24 our state. And you have somebody who sits on

1 the bill and won't let it pass. I'm dumb  
2 founded.

3 So that's why I commit very hard. I  
4 mean, I would like to see this our trade be  
5 licensed, but what I see, it's going to be  
6 very difficult. We can't even pass a crane  
7 operator license bill in this Commonwealth,  
8 especially when it's been the high profiled.  
9 And you're talking operators who is an  
10 18-year-old kid in a crane. And he's taking  
11 tons and tons and tons of stuff up with what  
12 experience, with little requirement. And,  
13 again, it affects public safety. Because if  
14 our craft is going to be licensed, our craft  
15 will be hard to get licensed because we  
16 operate different types of equipment, like I  
17 said earlier. And now you're talking about  
18 in our aspect of it, the local union, the  
19 majority of our operators have those  
20 qualifications to get the license, if it  
21 comes about.

22 As far as the criteria of the license,  
23 it should fall under, we should set a  
24 guideline for whatever license we set, for

1       experience, training, maybe even a written  
2       exam, if you have to put that. Because in  
3       the crane operator license bill, if you  
4       looked at it, it uses a nationally recognized  
5       organization and use their standards, which  
6       is also endorsed by OSHA and ASCME. And in  
7       that case, the guidelines are there. It's  
8       just a matter of getting it done.

9               And crafts, we could we work together  
10       at crafts, sure, we can. We do it all the  
11       time. We work with our contractors to make  
12       our job safe, productive for our employers.  
13       We also supply training. We have a lot of  
14       intercraft training, for Journeyman Operator  
15       for our Journeyman people and all of our  
16       Apprentices. We offer -- we do anything to  
17       make our industry better.

18              Even drug testing; we do drug testing,  
19       among all the crafts do, to make it what,  
20       safer, the job site safer. So we do  
21       everything. We work very closely together,  
22       anything to make our industry safe.

23              That's all I have.

24              Any questions? Keep it short.

1 CHAIRMAN STURLA: Questions from  
2 members?

3 Representative Dally?

4 REPRESENTATIVE DALLY: Thank you, Mr.  
5 Chairman. Thank you for your testimony.

6 Now, you mentioned there were some  
7 states -- are you licensed, someone that's an  
8 operating engineer or someone, let's say, a  
9 bulldozer operator?

10 MR. PLETCHER: They are states that  
11 license you basically as a crane operator. A  
12 lot of states have that. Or you have a  
13 couple of states that license you as a  
14 backhoe operator. So, yeah, there would be a  
15 specific operating engineer or heavy  
16 equipment operator.

17 REPRESENTATIVE DALLY: Is that applied  
18 to all of those job classifications,  
19 correct?

20 MR. PLETCHER: Right.

21 REPRESENTATIVE DALLY: I looked at  
22 this list. I didn't see anything on the list  
23 that we were provided.

24 But you're saying there are states

1 that license backhoe operators and crane  
2 operators?

3 MR. PLETCHER: Especially  
4 Massachusetts, license their backhoe  
5 operators. Anything that hoists anything  
6 over ten feet high and lifts anything over  
7 300 pounds and 10 feet high has to have a  
8 license. So that pretty well covers a lot of  
9 the equipment up in Massachusetts.

10 REPRESENTATIVE DALLY: I see.

11 MR. PLETCHER: There's also ten states  
12 that have crane licensing. And more states  
13 are coming on doing this.

14 And, of course, Cal OSHA, they require  
15 every crane operator to have -- the OSHA  
16 does, to have a certification before they  
17 could operate. That's the one with the crane  
18 bill being stuck in the Senate.

19 REPRESENTATIVE DALLY: Thank you very  
20 much.

21 CHAIRMAN STURLA: Representative  
22 Shimkus.

23 REPRESENTATIVE SHIMKUS: Thank you,  
24 Mr. Chairman.

1           Obviously, your testimony, you  
2 mentioned that this is very delicate work.  
3 That is something that is extremely skilled  
4 and something you have to be very careful  
5 with, something that can impact lives and  
6 property.

7           And when you mentioned that 18-year-  
8 old, you know, I'm picturing that person is  
9 also in jeopardy.

10           MR. PLETCHER: Sure.

11           REPRESENTATIVE SHIMKUS: I want to be  
12 very careful, and I apologize if the way I  
13 ask this is awkward.

14           But one of the things that we have  
15 come across in discussing this issue is that  
16 there already is licensing, municipality  
17 licensing.

18           My question is: Are there  
19 municipalities that don't know how to license  
20 heavy equipment? And it's just a matter of  
21 paperwork and fees? Do we need some kind of  
22 a statewide license with skilled people  
23 finding out how to license and properly be  
24 prepared, if you understand my gist?



1           MR. PLETCHER: I think the  
2           Commonwealth definitely needs -- some of your  
3           municipalities would probably definitely need  
4           some kind of a form of license where they  
5           would have to do a written exam, for example,  
6           as long as what that machine could do, and  
7           actually do a practical type. They will deal  
8           with this.

9           Because right now, there isn't any.  
10          They can just put a fellow on the machine or  
11          a person at a machine and say, "Here, do  
12          this." It is very delicate. No what matter  
13          machine you are on, it's very delicate. It  
14          does not matter what side, if you're working  
15          beside the public, or again, you're out by  
16          yourself. Is there a way? That would be the  
17          tough part.

18          REPRESENTATIVE SHIMKUS: Thank you.  
19          Thank you, Mr. Chairman.

20          CHAIRMAN STURLA: Questions from other  
21          members?

22          I have a couple of questions for you.

23          One of the things that I'm concerned  
24          with as Chairman of the Committee is how we

1 do go about doing licensure in Pennsylvania  
2 and move the crane operators bill through  
3 this committee.

4 I guess the question I have relates to  
5 how many licensing boards we create over in  
6 the Bureau of Professional and Occupational  
7 Affairs. I could do a crane operators board,  
8 an operating engineers board, a general  
9 contractors board, a carpenters board, a  
10 drywall board, a security system board, a  
11 plumbers board, a pipe fitters board, a  
12 sprinkler fitters board, an electricians  
13 board, an HVAC board, and I could probably  
14 name 50 of them.

15 The question is do I create one master  
16 board that says anybody that's related to the  
17 trades gets licensed under that board,  
18 somewhat similar to what we do now with the  
19 medical board and having everybody under them  
20 from, you know, some of the nurses, to some  
21 of the physicians, to some of the -- or, you  
22 know, do I create three or five boards; one  
23 with crane operators and operating engineers,  
24 and another one with HVAC and lump you guys

1 with another one, or do I do 50 boards?

2 MR. PLETCHER: Well, I agree with you  
3 the 50 boards would be non-magical. I think  
4 you hit the nail on the head, you said four  
5 boards, five boards. You could combine it.  
6 A lot of the crafts work together, and keep  
7 them in a specific board.

8 CHAIRMAN STURLA: Okay. Can you, and  
9 I won't put you on the spot now, but can you  
10 look at the various trades that you know that  
11 are looking for licensure and just give us  
12 your suggestions, maybe give us your  
13 suggestion how they might be categorized?

14 And the reason I ask this is we were  
15 talking to a security system installer, who  
16 are not licensed in the State of  
17 Pennsylvania, much to my dismay. And you can  
18 be a convicted felon and get out of jail the  
19 next day and slap a magnetic sign on your  
20 truck and start a security system  
21 installation business.

22 I guess, when I said, you guys,  
23 obviously, would be on the board with  
24 electricians and they said, "Oh, no. We're

1 not like electricians at all. Everything we  
2 do is low voltage. We're like phone  
3 installers and those guys, the security  
4 camera guys. We don't have anything to do  
5 with electricians. Those guys are completely  
6 different than us."

7 Now, whether the electricians agree  
8 with that or not, I don't know, but if I  
9 could start to get a consensus among the  
10 trades as to who they think that they  
11 normally affiliate and associate themselves  
12 with and where there's cross training and  
13 where they might -- at least understand what  
14 the other guy is doing, when it comes to  
15 decisions of a licensing board, then that  
16 would help us a lot, I think, if we do go  
17 that route of creating four or five other  
18 boards.

19 MR. PLETCHER: That would be a tough  
20 question to answer because you have a lot of  
21 crafts involved, we work together; a lot of  
22 crafts don't work together.

23 The operating engineers, we're  
24 basically a service craft. A lot of our jobs

1 we service the craft. We're working with,  
2 for example, the carpenters, maybe the steam  
3 fitters, the boilermakers and that aspect.  
4 That's tough to answer that.

5 Again, if we are going to upgrade a  
6 highway, we are putting in a brand-new  
7 highway, and put the craft in, but the  
8 majority of the time, we are a service  
9 craft. That would be tough to answer, to be  
10 able to answer.

11 CHAIRMAN STURLA: That's the kind of  
12 information we are trying to gather this  
13 morning.

14 Thank you very much.

15 Martin Flaherty, Board of Directors,  
16 PA Plumbing, Heating & Cooling Contractors,  
17 member of the Associated Master Plumbers of  
18 Allegheny County. Gary Kicinski, President  
19 of the Associated Master Plumbers of  
20 Allegheny County and Tom Bigley, Business  
21 Manager of Plumbers Local 27.

22 While you're coming to the podium,  
23 I'll also note that we have been joined by  
24 Representative Stevenson and the Minority

1 Chair, Representative Adolph.

2 You could begin.

3 MR. FLAHERTY: Good afternoon,  
4 Chairman Sturla, Adolph, members of the House  
5 Labor Relations and Professional License  
6 Committee. I will take your advice,  
7 Mr. Sturla, and try to eliminate some of my  
8 readings, because I have written quite a  
9 lengthy story on why the Plumbers Association  
10 feels that we do need a license.

11 But my name is Martin J. Flaherty, and  
12 I am a registered Master Plumber in Allegheny  
13 County owning a plumbing shop in the  
14 South Hills of Pittsburgh. I'm a first  
15 generation Master Plumber and proud that I  
16 have two sons in the trade to carry on our  
17 family tradition.

18 In the last 49 1/2 years I have been  
19 in the plumbing industry. I have served in  
20 many positions of our association. And as  
21 President of the Associated Master Plumbers  
22 of Allegheny County, and I am former  
23 president of the Pennsylvania Plumbing,  
24 Heating & Cooling Contractors.

1           I want to thank you for the  
2           opportunity to present Pennsylvania Plumbing,  
3           Heating & Cooling views on licensing and  
4           continuous education of the construction  
5           trades, and specifically for the plumbing  
6           contractors.

7           Pennsylvania Plumbing, Heating &  
8           Cooling is made up of many small and large  
9           plumbing shops in the Commonwealth as well as  
10          union signatory contractors all working in  
11          concert to support the state licensing and  
12          plumbing contractors. We feel this is  
13          necessary to protect the health, safety and  
14          welfare of our consumers and residents of  
15          Pennsylvania.

16          It may be of interest to point out  
17          that the Pennsylvania Plumbing Heating &  
18          Cooling Contractors has spent more than 20  
19          years advocating for the passage of statewide  
20          plumbing contractor license and conducting  
21          educational programs. Most people we talk to  
22          around the state believe that there are  
23          already licensing apprentice training,  
24          testing and continuous education. In the

1 larger municipalities, such as Philadelphia  
2 and Pittsburgh, and some of the other areas  
3 which are more densely populated, there are  
4 testing, schooling, licensing procedures in  
5 place. However, in the smaller townships and  
6 boroughs that exist close to these  
7 municipalities they usually accept the  
8 license issued by the municipality.

9           Unfortunately, the vast majority of  
10 small townships and boroughs throughout the  
11 Commonwealth have no guidelines or procedures  
12 in place for training and testing of a person  
13 to prove knowledge of the code and  
14 proficiency in performing plumbing work.

15           Pennsylvania is one of a dozen or so  
16 states that does not have any statewide  
17 procedure for the licensing of plumbing.

18           The perception of the plumbing  
19 industry as unprofessional, unsophisticated,  
20 or not vigorous is the result of an industry  
21 unwilling to voluntarily or adequately  
22 regulate itself, while lobbying successfully  
23 to forestall any minimum uniform statutory  
24 regulation in the areas of licensing and



1 continuous education.

2 If the plumbing industry is to hope to  
3 meet its coming manpower needs in both trade  
4 persons and managers, it must set out a more  
5 positive and professional image for itself.  
6 If the industry is to attract young people to  
7 fill the roles of plumbing managers and  
8 owners of the future, it must take steps  
9 necessary to professionalize itself. Some of  
10 the ways to do this includes embracing  
11 mandatory statewide licensing of contracts,  
12 mandatory continuous education requirements  
13 for plumbers and professional certification  
14 programs.

15 The issue of licensing plumbers today  
16 is characterized best as a political football  
17 bandied about by special interest groups in  
18 the plumbing industry. Those argue in favor  
19 of licensing, state public safety, quality  
20 control, industry integrity as primary  
21 reasons for instituting statewide licensing.

22 Those arguing against licensing vilify  
23 the process as a barrier to free enterprise  
24 and the future imposition on the small-

1 business person.

2 At first blush, it may seem that the  
3 argument against mandatory statewide  
4 licensing may be particularly credible.

5 So why then have licensing at all?  
6 What real factors control the quality and  
7 safety of the plumbing process? Should the  
8 state be involved or should the industry be  
9 self-governing? What roles does licensing  
10 have in protecting public welfare and  
11 promoting professionalism and ethics in  
12 construction?

13 First, unlicensed plumbers hurt our  
14 image in an industry severely challenged to  
15 provide adequate manpower at both the trades  
16 person and management levels in the coming  
17 decades. It seems imprudent to ignore the  
18 need to professionalize and legitimize the  
19 industry.

20 Further, each year thousands of  
21 consumer complaints are received about the  
22 quality and performance of plumbing services,  
23 which are mostly the result of the work of  
24 unlicensed individual or firms unaccountable

1 for their abusers.

2 Second, unlicensed plumbers represent  
3 unfair competition in the plumbing  
4 marketplace by avoiding paying taxes and  
5 state benefits such as unemployment and  
6 Workmen's Compensation. Illegal plumbers can  
7 and do undercut legitimate plumbers on  
8 price. As one of the largest industries in  
9 each of the 50 states, the activities of  
10 unlicensed plumbers account for a significant  
11 underground economy. Potentially millions of  
12 annual revenue dollars are changing hands  
13 without taxation, resulting in the loss of  
14 many millions of dollars of annual revenue to  
15 the state.

16 The Pennsylvania Plumbing Heating &  
17 Cooling Contractors is advocating for the  
18 passage of Senate Bill 660, which addresses  
19 these issues by creating a State Board of  
20 Plumbing Contractors. The Senate Consumer  
21 Protection and Professional Licensure  
22 Committee has passed this bill earlier this  
23 season. The primary function of the Board  
24 would be the licensing of all Master Plumbers,

1 plumbing contractors, Journeyman plumbers and  
2 Apprentice Plumbers. This governing body  
3 would also necessitate the mandatory  
4 continuing education of all Master and  
5 Journeyman Plumbers and require participation  
6 in accredited programs for the initial testing  
7 and registration of all plumbers. In  
8 addition, the Board would also have the power  
9 to investigate and administer and suspension  
10 or revocation of Master or Journeyman's  
11 licenses.

12 Each of us, whether we admit it or  
13 not, would like to gain and maintain the  
14 respect of others both as a person and a  
15 professional. What follows is, in my  
16 opinion, a way to achieve this.

17 The stated goal of licensing is to  
18 "Raise the standards of our practices thus  
19 benefiting all parties involved in the  
20 plumbing business, including society at  
21 large."

22 In any business, professional  
23 management standards are essential to allow  
24 for ongoing success. There is no exception

1 to this rule for our industry and the most  
2 effective way to establish and maintain these  
3 standards is through a certification  
4 program. And here are some of the most  
5 important reasons for following this course  
6 of action:

7 Increase in the complexity of plumbing  
8 projects; increase in specialization of  
9 plumbing processes and organizations; the  
10 need for coordination and cooperation among  
11 all parties involved in the plumbing process;  
12 owners placing more emphasis on management  
13 skills, service delivery and the execution of  
14 projects by demanding better performance,  
15 productivity and quality in the plumbing  
16 process; increase in governmental regulations  
17 with regard to working conditions, hiring  
18 practices and safety; a more diverse working  
19 force; a decline in the '80s and '90s of  
20 plumbing training programs; the declining  
21 image of plumbers' work and workers leading  
22 to a decrease in the attractiveness of  
23 plumbing as a career; a need for  
24 implementation of new technologies in the

1 plumbing process; increased litigation  
2 affecting the entire industry; increase  
3 international competition.

4           None of us could consider selecting a  
5 family doctor or a specialist who is not  
6 certified by the AMA, a dentist who is not  
7 certified by the ADA, or an attorney not  
8 certified by the ABA. As consumers, we are  
9 comfortable knowing that these professionals  
10 are regulated by mandatory state licensing  
11 and by ongoing professional educational  
12 status. Why then would consumers not expect  
13 those same reassurances from the plumbing  
14 industry? Plumbing professionals suffer from  
15 a perpetual negative reputation with the  
16 general public, other professional groups and  
17 even within itself. If all plumbers were  
18 required to demonstrate their competency in  
19 the areas of business management, trade  
20 skills, safety, quality control and customer  
21 service as well as demonstrating a minimum  
22 level of competence, a large step would be  
23 taken towards establishing industry  
24 credibility. Mandatory statewide licensing

1 as an outcome of the trade business  
2 management exams, proof of trade experience,  
3 and competency and demonstration of financial  
4 solvency would satisfy this requirement, but  
5 licensing alone is not enough. There are  
6 some states with mandatory licensing that  
7 includes testing, but their plumbing  
8 professionals still suffer from a credibility  
9 problem. The best way to remedy this  
10 negative perception is to ensure that any  
11 license system includes requirements for  
12 continued education.

13 The State Legislature recognizes that,  
14 unfortunately, there are some plumbing  
15 contractors that may pose a danger of  
16 significant harm to the public when they  
17 provide unsafe or short-lived products or  
18 services. It is necessary, in the interest  
19 of public health, safety and welfare to  
20 regulate the industry. Continuous education  
21 can help with these concerns as well as  
22 educate plumbing contractors on changing  
23 legislation and how it affects our industry.

24 No matter what our level of skill or

1       experience, continuing education courses can  
2       only prove to be beneficial. We can meet new  
3       ideas or concepts or refresh our memory on a  
4       variety of plumbing related subjects.

5                Pennsylvania was the leader of the  
6       pack in the plumbing industry, and here's  
7       why: At the second National Plumbing  
8       Convention in Baltimore in 1884, John Weaver  
9       announced that the Philadelphia Association  
10      had established a trade school for the  
11      plumbing apprentice. It was the first  
12      plumbing trade school in the nation and it  
13      foreshadowed the new association's role in  
14      fostering classroom apprentice training.

15              In 1934 the National Plumbing Heating  
16      & Cooling Contractors Auxiliary made their  
17      first pledge of \$12,000 to a scholarship fund  
18      under which sons of Master Plumbers could  
19      take courses and receive a proper education  
20      in the plumbing trade at Carnegie Tech today,  
21      we know that as Carnegie Mellon. And it is  
22      just down the street from here. Also,  
23      pledged was \$32,000 to the National  
24      Scholarship Fund Endowment of the National



1 Association of Master Plumbers. In the  
2 cooperative spirit of the era, manufacturers  
3 also participated. Standard Sanitary  
4 Manufacturing Company, now known as  
5 American Standard, gave \$100,000 to  
6 Carnegie Tech to endow a professorship in the  
7 plumbing, heating and ventilating through its  
8 President Theodore Ahrens, who himself was a  
9 plumber, and made a donation of \$10,000.  
10 Additionally, Kohler and Crane Company each  
11 donated \$12,000 to the program.

12 The torch of continuing education was  
13 ignited in Pennsylvania. Let's hope the  
14 Professional Licensure Committee does not  
15 extinguish it.

16 In closing, I want to commend you,  
17 Chairman Sturla, Mr. Adolph and members of  
18 the House Labor Relations and Professional  
19 Licensure Committees for seeking our input in  
20 this very important issue.

21 CHAIRMAN STURLA: Thank you.

22 Questions from members?

23 Okay. A couple of questions. How  
24 many plumbers are there in the State of

1 Pennsylvania, do you know?

2 MR. FLAHERTY: I did not know that  
3 answer.

4 CHAIRMAN STURLA: Okay. And do you  
5 have any opinion in terms of how we might  
6 categorize some of these building trades?  
7 Should you guys be with electricians, or  
8 should you be with HVAC guys, or are you --

9 MR. FLAHERTY: The plumbing industry  
10 should be by itself. Because we're dealing  
11 with the health and welfare of the  
12 constituents.

13 If we take a look at history, back at  
14 the turn of the century, before the turn of  
15 the century in England, one section of  
16 England decided to put sewers in. They found  
17 out that after a year, the health of that  
18 community was much greater than the rest of  
19 England. And that was the start -- although  
20 we've had plumbing ever since the Romans --  
21 that was the start of what we call modern  
22 plumbing.

23 We have now green plumbing, green  
24 buildings. This is a whole new concept in

1 plumbing. It's going to require a lot of  
2 protection from cross connections. This is  
3 going to be a whole new ball game. And I  
4 think you're going to need architects,  
5 engineers, and plumbers to weed out what is  
6 right and what is wrong.

7 And I think with those types of  
8 experiences, you'll come up with the best  
9 solutions.

10 CHAIRMAN STURLA: Thank you.

11 Representative Adolph.

12 REPRESENTATIVE ADOLPH: Thank you,  
13 Chairman Sturla, and thank you for your  
14 testimony.

15 My first question is in the western  
16 part of the state, you mentioned in your  
17 testimony that the City of Pittsburgh  
18 requires licensing?

19 MR. FLAHERTY: Yes, sir.

20 REPRESENTATIVE ADOLPH: How about the  
21 County of Allegheny?

22 MR. FLAHERTY: The County of Allegheny  
23 in 1976, I believe, took over the City of  
24 Pittsburgh rules and regulations from the

1 Health Department.

2 Before that, a lot of the  
3 municipalities had tied in with the City of  
4 Pittsburgh.

5 Allegheny County now has control over  
6 all municipalities. I believe there's one  
7 that has decided to have their own plumbing  
8 inspection.

9 But Allegheny County now is in charge  
10 of Allegheny County, including Pittsburgh.

11 REPRESENTATIVE ADOLPH: Okay. How  
12 many businesses are members of your  
13 association?

14 MR. FLAHERTY: Our association here in  
15 Allegheny County probably has close to 200  
16 businesses.

17 REPRESENTATIVE ADOLPH: Okay. Now,  
18 are they required when they leave Allegheny  
19 County to obtain any local municipal  
20 licensing?

21 MR. FLAHERTY: It depends on the  
22 municipality. In Allegheny County, they are  
23 not. Some are reciprocal; some are not  
24 reciprocal. Some permit, if you have a

1 license from Allegheny County, they permit to  
2 you do one job at a time.

3 REPRESENTATIVE ADOLPH: Would it be  
4 duplicated at times where one business may  
5 have to, through doing business in 20  
6 different municipalities during the year,  
7 that they would be required to take out 15 or  
8 10 or a dozen licenses?

9 MR. FLAHERTY: Not around this area,  
10 including all of Allegheny County. It would  
11 depend if you went to Westmoreland or other  
12 counties, or into Ohio what their  
13 requirements would be.

14 REPRESENTATIVE ADOLPH: But is there a  
15 possibility that they would be required to  
16 take out multiple licenses in one year?

17 MR. FLAHERTY: In this area, no.

18 REPRESENTATIVE ADOLPH: Not Allegheny  
19 County, but outside of Allegheny County?

20 MR. FLAHERTY: There's a possibility,  
21 yes.

22 REPRESENTATIVE ADOLPH: Thank you very  
23 much.

24 CHAIRMAN STURLA: Thank you.

1           Next on the agenda is John Busse,  
2           president of F. J. Busse Company and Board  
3           Member of the General Contractors Association  
4           of Pennsylvania.

5           I'm sorry. We thought we had a panel  
6           to going on there. Can you hold off,  
7           Mr. Busse? We'll get Mr. Kicinski. Is  
8           Mr. Bigley here?

9           MR. BIGLEY: Mr. Bigley is here.

10          CHAIRMAN STURLA: Mr. Bigley is here.

11          Mr. Kicinski, do you want to come up  
12          also?

13          MR. BIGLEY: Good afternoon. My name  
14          is Thomas Bigley and I'm the Business Manager  
15          of Plumbers Local 27 in Pittsburgh. I  
16          represent 1,000 licensed plumbers in  
17          Allegheny County.

18          And to answer one of your questions of  
19          the previous speaker, there are over 6,000  
20          registered licensed plumbers, Journeyman and  
21          Master Plumbers in Allegheny County and you  
22          have probably double or triple that number  
23          for Philadelphia. It's probably in excess of  
24          about 35,000, 40,000 registered plumbers in

1 the State of Pennsylvania. And I'm just  
2 taking a rough number here.

3 My union has been in existence for 120  
4 years. And as Mr. Flaherty stated before,  
5 the plumbing license is probably the oldest  
6 license that you could obtain in the building  
7 trades.

8 But I'm here to speak in favor of this  
9 state licensing. And I know that from  
10 firsthand because I worked in the trade, in  
11 the ditches. And one of the places I wanted  
12 to use for an example that it might help you  
13 understand the state licensing act, is  
14 working in Greene County. And I know  
15 Mr. DuWeese is not here to defend himself,  
16 but working in Greene County, they don't have  
17 a licensing act down there.

18 And one of the large jobs they had  
19 down there was the State Correctional  
20 Institute of Greene. And there was a lot of  
21 things on the drawings that were under  
22 specifications for that facility, and by  
23 Allegheny County having an Allegheny County  
24 license, we were able to see that before the

1 job got further along, or it would have  
2 became a very big problem after they poured  
3 the floors and things like that.

4 So there is a big difference between  
5 the licensing of the City of Philadelphia,  
6 Allegheny County; Erie has a good plumbing  
7 code; Scranton, the big cities; Harrisburg.  
8 But when you get outside the big city areas,  
9 then it's you fly by the seat of your pants  
10 and anything goes.

11 Another good thing about the state  
12 licensing I think that would be of benefit to  
13 the state would be it would probably bring a  
14 lot of unscrupulous contractors that just  
15 ride around with a ladder on the truck and  
16 they tell everybody they are contractors.  
17 They prey on the senior citizens. They prey  
18 on homeowners that aren't aware of how long  
19 this person has been in business, doesn't  
20 have a licensing, and things like that. So I  
21 think the state license would clean up a lot  
22 of those things.

23 And another thing that Brother  
24 Flaherty had talked about was the licensing



1 of all of the different trades, the lawyers  
2 and doctors. And certainly, I wouldn't put a  
3 plumber in the same category as those, but  
4 there are hairdressers and barbers that  
5 require licensing. And besides your plumbing  
6 in your house and your buildings, you're  
7 doing a lot plumbing in hospitals.

8 And here in Pittsburgh, we do do  
9 medical gas composite with the steam fitters  
10 union of Pittsburgh, the plumbers and steam  
11 fitters install all medical gas in the  
12 hospital industry. And I don't think anyone  
13 would have any of their loved ones breathing  
14 oxygen or nitrous oxide or anything like that  
15 by having somebody who doesn't have a  
16 license. That's another thing that is  
17 important that we bring to the table here.

18 Also, I think it would benefit the  
19 developers, especially architects and  
20 engineers when they start designing some of  
21 these projects, the first things they do is  
22 they check the local building codes. If you  
23 get a project that's on a -- take, for  
24 example, again, the Greene County

1 Correctional Institute, a job like that and  
2 the airport, they were in two different  
3 counties in two different municipalities,  
4 both require licensing things.

5 So I think that would benefit the  
6 developers to bring more business to the  
7 State of Pennsylvania if they had one state  
8 license.

9 Another thing that Brother Flaherty  
10 talked about was some of the things that a  
11 plumber protects. You know, our motto is  
12 "The plumber protects the health of a  
13 nation." As everybody is aware of  
14 Legionnaire's disease, legal cross  
15 connections, people connecting chemical feed  
16 lines to a bottom of a waterline, and it  
17 being backslided into a water main. And it's  
18 all documented, and there's been plenty of  
19 accidents where a lot of people were killed  
20 because people weren't qualified to do that  
21 work.

22 I'm going to talk a little bit about  
23 what it takes to be a plumber. I'm speaking  
24 for Allegheny County. I'm not speaking for

1 Philadelphia. It's pretty similar, but our  
2 apprenticeship program is a 5 year program.  
3 It requires 576 hours of training in a  
4 classroom and it takes 8,000 hours of on the  
5 job site training.

6 Here in Pittsburgh we just built a new  
7 training center and we made a commitment to  
8 the area. We spent \$4 1/2 million. We built  
9 a training center that's probably the best  
10 one -- or one of the best in the United  
11 States, if not the best. So there's a lot of  
12 commitment here to maintain the integrity of  
13 the plumbing license.

14 Myself, who represent the plumbers  
15 union, AMPAC, Mon-Yough and DHCC, they're  
16 very strong in Philadelphia, Harrisburg,  
17 Erie. There's also other organizations up  
18 there that are very strong in training.

19 We spend millions of dollars a year in  
20 training to make sure that these Apprentices  
21 and Journeyman and Master Plumbers keep  
22 updated certifications and further their  
23 training in the practice.

24 The City of Pittsburgh, the

1 Philadelphia and Allegheny County here in  
2 Pittsburgh, as I said, we hold our plumbers  
3 to the highest standards. Many cities around  
4 the country call us and ask us for copies of  
5 Article XV, because it's known all over the  
6 country as being one of the stringest and the  
7 best code books in the country. A lot of  
8 people call us and ask us for copies of that  
9 because of the quality of it.

10 In closing, I would like to thank  
11 everybody for giving me an opportunity to  
12 speak here. And I know I don't want to beat  
13 you up with history, but Mr. Flaherty did  
14 touch a little bit about history. And  
15 plumbing is one of the oldest trades in the  
16 business. And goes back to the civilization  
17 of Roman, India, China and even Persia.

18 And these days it's impossible to  
19 think of a house or a building without  
20 plumbing.

21 Plumbing takes care of the very  
22 necessity of human living. And that's  
23 water. I would like to strongly recommend  
24 today that you at least consider that the

1       licensing act. Thank you.

2               CHAIRMAN STURLA: Thank you. We'll  
3 hold off questions until Mr. Kicinski is  
4 done.

5               MR. KICINSKI: I think it's been  
6 mentioned what I do. I am with Associated  
7 Masters Plumbers of Allegheny County, as the  
8 president of. I do feel that to keep  
9 qualified people within the trades, keeping  
10 it separate from other trades, I strongly  
11 would think that would be the right thing to  
12 do. You would reduce consumer complaints.  
13 You would have quality people to perform  
14 work. They do extensive training. Without  
15 that, you would get handymen to do  
16 something that's protecting the health of the  
17 nation.

18              So I, again, do agree that there  
19 should be consideration for having  
20 licensing.

21              CHAIRMAN STURLA: Thank you.

22              Questions from members?

23              One of the things I just want to touch  
24 on. I know that one of the concerns of

1 people who have concerns about licensing the  
2 trades, say, "Well, gosh, what could possibly  
3 go wrong? So there's a leak? Big deal."  
4 And I'm not one of those.

5 I think there's some actually grave  
6 health concerns, as you pointed out,  
7 Legionnaire's disease, those types of  
8 things.

9 There is also the argument that,  
10 "Well, there are codes in place. And there's  
11 a building code, and, gosh, if somebody  
12 doesn't follow it, well, there's always an  
13 inspector who is going to come and check on  
14 something."

15 Could you explain sort of why those  
16 jobs don't always get inspected, when it's  
17 not being done by a licensed professional,  
18 and so they aren't always up to code?

19 And, secondly, even if there's a code  
20 inspector, are there any gratifications if  
21 the job isn't done correctly? Other than you  
22 got to get the guy back who didn't do it  
23 right in the first place to take care of it?

24 MR. KICINSKI: Well, with the County

1 of Allegheny, if you don't file a permit --  
2 before you have to start that job, you have  
3 to have a permit. And it has to be reviewed  
4 by one of the inspectors to make sure that  
5 everything is done according to code in that  
6 book. Once you get that plan reviewed, then  
7 you get permission to start the job. So that  
8 eliminates anybody doing anything without  
9 them finding out. That's not to say it  
10 doesn't happen. Everybody does it every day  
11 to try to get away with it.

12 But the licensing, at least the  
13 homeowner would know that that person at  
14 least is a certified plumber, took the test,  
15 and he has a license. It's not to say that  
16 can't happen. There's going to be guys out  
17 there always trying to do things under the  
18 radar.

19 CHAIRMAN STURLA: But the threat of  
20 losing your license, correct? If licensed  
21 plumbers are doing things without permits and  
22 doing things like, there's penalties?

23 MR. BIGLEY: If you get caught, you  
24 have to go in front of a Review Board or you

1 go in front of a magistrate.

2 MR. KICINSKI: Yes, I agree. I deal  
3 more specifically with the residential type  
4 of plumbing. And you find that a lot more  
5 that people are doing stuff on the side,  
6 doing it at night and weekends, and handymen  
7 are doing the plumbing work.

8 I get called numerous times from  
9 homeowners in regards to having to go back  
10 and fix things for something else that they  
11 hired somebody to do something who knew  
12 somebody. It's in the residential market,  
13 you find it quite often, and that's because  
14 it's kind of lax where there is no real  
15 specific licensing. And I think if there  
16 were to be one, it would tighten it up a lot  
17 more. And you would get someone more  
18 reputable to be a plumber.

19 Right now, everybody calls themselves  
20 a plumber. When people call me for a job,  
21 "Yeah, I did plumbing. I helped grandma put  
22 a bathroom in." And all of a sudden, they  
23 are a plumber. It just happens.

24 CHAIRMAN STURLA: Representative



1 Adolph.

2 REPRESENTATIVE ADOLPH: Thank you,  
3 Mr. Chairman. Thank you for your testimony.

4 We had a hearing probably similar to  
5 this in the southeast part of the state a  
6 couple of weeks ago. And an issue was  
7 brought to the front of us regarding the  
8 do-it-yourselfers? Okay? Some of the  
9 objections that some people feel they should  
10 be able to do all the electrical work in  
11 their house, all of their plumbing work in  
12 their house. Any comments?

13 MR. KICINSKI: Preferably, the  
14 homeowner can do any plumbing work within the  
15 home, within their own home, still filing a  
16 permit. They still, you know, are required  
17 to file a permit. So a homeowner is still  
18 eligible to do that.

19 REPRESENTATIVE ADOLPH: State  
20 licensing, do you see this changing the  
21 homeowner who wants to do his own plumbing or  
22 his own electrical work?

23 MR. KICINSKI: I don't believe so.

24 MR. BIGLEY: I don't believe so, no.

1           REPRESENTATIVE ADOLPH: I was not one  
2 of them. I just look in the Yellow Pages for  
3 that. But that question was brought up at  
4 the last meeting.

5           CHAIRMAN STURLA: Thank you.

6           MR. KICINSKI: Thank you.

7           CHAIRMAN STURLA: We are back to  
8 Mr. Busse now.

9           And I'll also mention that we have  
10 been joined by Representative Wanacz.

11          MR. BUSSE: Good afternoon, Chairman  
12 Sturla, Chairman Adolph, and members of the  
13 House Labor Relations Board and Professional  
14 Licensure Commission.

15          I'm John Busse. I'm here on behalf of  
16 General Contractors of Pennsylvania  
17 Association of Pennsylvania and GCAP. We  
18 thank you for inviting us here before you and  
19 to share our view on licensure for commercial  
20 general contractors.

21          I appreciate the opportunity to  
22 discuss our industry's focus on achieving the  
23 highest standards of quality in commercial  
24 construction and how this focus frames our

1 positioning on the licensing of general  
2 contractors and/or their employees.

3 GCAP represents the member interests  
4 of the Master Builders Association of Western  
5 Pennsylvania, the Keystone Contractors  
6 Association and the General Building  
7 Contractors Association. As such, we are the  
8 statewide voice for more than 500 union-  
9 affiliated and specialty contractors and the  
10 affiliates throughout the Commonwealth.

11 Member companies include large general  
12 contractors such as the Dick Corporation,  
13 which recently completed a multi-million  
14 dollar repair and renovation of the  
15 U.S. Post Office in Pittsburgh. GCAP also  
16 represents respected specialty contractors,  
17 including Caretti, Incorporated, which did  
18 the stone work for the Cabela's store in  
19 Berks County, and many other projects.

20 Regardless of what they do in the  
21 commercial building process, GCAP members are  
22 dedicated to skill, integrity and  
23 responsibility.

24 While GCAP appreciates the Committees'

1 efforts to ensure that consumers -- whether  
2 they be homeowners or a government entity --  
3 engage contractors who are qualified to do  
4 the work requested, we believe that licensing  
5 of the contractors, construction contractors  
6 is not the appropriate answer.

7           Licensure of commercial contractors of  
8 homes legitimizes the contractors, who could  
9 handbag. And requiring licenses for  
10 individual employees of contractors is  
11 especially problematic.

12           In our view, the best solution for  
13 improved safety and quality is not widespread  
14 licensure. Rather, we believe the goals of  
15 the Legislature should be better accomplished  
16 by first strengthening the building code  
17 permitting, inspection and enforcement  
18 process. That is House Bill 1096. And  
19 additional efforts related to code  
20 conformity, and, of course, increasing the  
21 number of inspectors available to review the  
22 quality of construction and commercial  
23 segment.

24           Additionally, the Committees should

1 take serious the best value of the  
2 contractors. Construction procedure methods  
3 considers the contractor's past performance  
4 and price before the contract.

5 Clearly, not every commercial  
6 construction project is completed without  
7 incident. However, the vast majority of work  
8 done in our industry, the current system of  
9 procedures and safeguards, including the  
10 close involvement of the most highly skilled  
11 architects and engineers, is sufficient to  
12 ensure the very best workmanship.

13 Respectfully, it seems the question  
14 before the committee is whether or not  
15 licensure will prevent or fix the select  
16 number of problems in commercial  
17 construction. You could identify. We  
18 believe the answer to that question is no.  
19 Simply having a license to do work wouldn't  
20 guarantee anything. Being thorough on the  
21 permits, meeting all the requirements of the  
22 Code and passing a rigorous inspection by  
23 well-trained professionals can.

24 In closing, GCAP members are committed

1 to skill integrity and responsibility in the  
2 work we do for our commercial customers. As  
3 such, we look forward to working with you to  
4 determine the best way to ensure that same  
5 traits are found in all construction in the  
6 Commonwealth.

7 Thank you, again, for the opportunity  
8 to be here today and I would be pleased to  
9 answer any questions.

10 CHAIRMAN STURLA: Thank you.

11 Questions from members? I've got a  
12 couple of questions.

13 You talk about increasing the number  
14 of inspectors for compliance with the codes.  
15 Do you believe that along with that should be  
16 the idea that the contractors pays for those  
17 inspections and revisits as a result of work  
18 that doesn't meet the codes?

19 MR. BUSSE: We already do that with  
20 the building code.

21 CHAIRMAN STURLA: Okay. So when you  
22 get a building permit, an inspector comes out  
23 and looks at something, and it's not done to  
24 code, and he has to come back out, you get

1 charged extra from the building inspector?

2 MR. BUSSE: Not necessarily.

3 CHAIRMAN STURLA: So when you pull a  
4 permit, so whether you do good work or you do  
5 bad work, your building permit costs the  
6 same?

7 MR. BUSSE: Correct.

8 CHAIRMAN STURLA: There's really no  
9 penalty in terms of financially other than  
10 you go back and do the work?

11 MR. BUSSE: Yeah.

12 CHAIRMAN STURLA: Okay. And what  
13 about right now, when you pick up a permit at  
14 your local government, do most of those  
15 require that you have a local license?

16 MR. BUSSE: No.

17 CHAIRMAN STURLA: Okay.

18 MR. BUSSE: The City of Pittsburgh  
19 requires us to pay at least 10 or \$20 at the  
20 beginning of the year what used to be called  
21 the business privilege tax. That's the other  
22 thing.

23 CHAIRMAN STURLA: So, really, it's  
24 just a way to collect money, as opposed to

1 actually anything.

2           And what about, you know, unscrupulous  
3 contractors? And particularly, I'm thinking  
4 of the guy the slaps the magnetic sign on the  
5 side of his truck some day and goes out and  
6 hold himself out to be a general contractor  
7 and doesn't complete work? The building  
8 inspector comes out and says, "No, this  
9 doesn't meet code." He has already gotten  
10 the deposit that's more than the worth of the  
11 work that he did, how do we go about  
12 preventing that person from continuing to do  
13 that the next week under a different name and  
14 week after that under a different name and  
15 the week after that under a different name?

16           MR. BUSSE: The registration will only  
17 give him a license that says he could do that  
18 anywhere.

19           CHAIRMAN STURLA: But his license  
20 would restrict that, if he was doing that?

21           MR. BUSSE: Not necessarily because,  
22 first of all, most contractors would be  
23 pretty much grandfathered in.

24           The tests that I have seen in other



1 states are not prohibitive of somebody taking  
2 the test. If someone is out to cheat the  
3 public, a license isn't going to make a  
4 difference.

5 CHAIRMAN STURLA: Okay. All right.  
6 Any questions from other members?

7 Thank you.

8 Next on the agenda, we have Warren  
9 King, President of the Better Business Bureau  
10 of Western Pennsylvania.

11 MR. KING: Good afternoon, members of  
12 the House Labor Relations & Professional  
13 Licensure Committees.

14 Thank you for allowing your Better  
15 Business Bureau to address you on the  
16 Licensure of Construction Trades.

17 The original purpose of the Better  
18 Business Bureau was to correct advertising  
19 abuses. That mission soon expanded to  
20 include monitoring of business performance  
21 and providing consumers with vital  
22 information on activities of businesses.

23 The Better Business Bureau system is  
24 comprised of 178 offices and branches

1 throughout North America. And annually, we  
2 provide more than 100 million instances of  
3 service, which consist of over 49 million  
4 company reliability reports requested by the  
5 public.

6 The Better Business Bureau system also  
7 assists consumers in business by providing  
8 conciliation services for over 1.1 million-  
9 mail marketplace disputes.

10 There are two separate Better Business  
11 Bureau serving the State of Pennsylvania  
12 located in Philadelphia and Pittsburgh. Our  
13 services are available 24 hours a day, 7 days  
14 a week via our website at [www.bbb.org](http://www.bbb.org) or by  
15 contacting the local office. We are a  
16 nonprofit membership organization with 90,000  
17 businesses statewide supporting our efforts.  
18 The statistics in this testimony consists of  
19 data from both the Philadelphia and  
20 Pittsburgh Better Business Bureau offices.

21 While the Better Business Bureau does  
22 not have regulatory authority, we work  
23 closely with many government agencies. These  
24 agencies recognize the Better Business Bureau

1 as first line of defense for consumers and  
2 they utilize our information as part of their  
3 investigation.

4 We have over 81,000 company  
5 reliability reports on businesses, both  
6 accredited and non-accredited through the  
7 Better Business Bureau throughout  
8 Pennsylvania with access to over 3 million  
9 national reports.

10 Better Business Bureau company reports  
11 are intended to provide consumers with an  
12 informative, accurate and unbiased summary of  
13 information documented in Better Business  
14 Bureau files of the past three years.

15 The bureau's right to develop and  
16 issue reports is protected by the First  
17 Amendment. We also have a legal right  
18 to issue an opinion based on facts as to  
19 whether a company does or does not have a  
20 "satisfactory record" with the Better  
21 Business Bureau.

22 In addition, most courts, except  
23 Pennsylvania and a few other states, have  
24 held specifically that Better Business

1 Bureaus have a right to make their fair  
2 comment to the public on commercial  
3 enterprises. And that Better Business  
4 Bureaus have qualified privilege to do so.

5 During our standard three year  
6 reporting period, which would be from June of  
7 2005 to June of 2008, we provided over 9  
8 million, that's 9 million company reliability  
9 reports on Pennsylvania businesses. These  
10 reports provide basic information about the  
11 company, history of reportable complaint  
12 activity, and may include general advice  
13 about the industry and contact information  
14 for regulatory agencies which license the  
15 businesses. We feel the information in our  
16 company reports assist the public in making  
17 an educated and wise buying decision.

18 During the same three year reporting  
19 period, we processed over 225,000 complaints  
20 filed against businesses both accredited and  
21 non-accredited through the Better Business  
22 Bureau in Pennsylvania. The average  
23 complaint settlement index is 72 percent.  
24 Please notice my testimony, the list of 20

1 construction companies.

2 As an example -- I'm sorry, 20  
3 construction related industries as an  
4 example, roofing contractors has 238,285  
5 inquiries or company reliability reports  
6 being provided to the public; 410 unresolved  
7 complaints of 1,600 total number of  
8 complaints, which equals roughly 26 percent  
9 of unresolved complaints compared to the  
10 total number of complaints.

11 The Better Business Bureau has over  
12 1,000 different types of businesses  
13 represented in our database. And  
14 construction ranks at the top industry  
15 generating Better Business Bureau activity  
16 every year.

17 All companies are bound to have some  
18 dissatisfied customers. The majority of  
19 businesses resolve their issues without the  
20 Better Business Bureau or other dispute  
21 resolution mechanism. The consumer turns to  
22 the Better Business Bureau for assistance  
23 only after they feel the company has been  
24 unresponsive to their concerns.

1           I applaud the House Labor Relation and  
2 Professional Licensure Committee for  
3 recognizing the problem of residential  
4 construction related fraud. It's my humble  
5 opinion that what is needed are stronger  
6 regulations and laws -- just as important and  
7 being able to enforce those laws.

8           In putting together this testimony, I  
9 polled several other better Business Bureaus  
10 whose states have contractors licensing  
11 boards. Overwhelmingly, their position is  
12 that one statewide board be used for all  
13 trades. Those states have boards set up  
14 regionally or by county expressed deep  
15 concern that too much confusion is caused not  
16 only for the public but also for the  
17 businesses. There was a mixture of which  
18 governing body the board falls under -- most  
19 are under the umbrella of similar departments  
20 like Business and Professional Regulation.

21           Many of my counterparts feel as a  
22 whole that the boards do a fair job, but are  
23 overburdened because of the magnitude of  
24 complaints and licenses. To have an

1 effective Pennsylvania Contractor Licensing  
2 Board, it must have the support of regulatory  
3 agencies enforcing the laws, educate the  
4 marketplace regarding the licensing process,  
5 have easy public access to current licensing  
6 information, be prepared for an onslaught of  
7 activity that will create and have a  
8 commitment and power to regulate an already  
9 problematic industry.

10 Thank you for inviting the  
11 Better Business Bureau to be part of this  
12 hearing. I would be more than happy to  
13 answer any questions that you have.

14 CHAIRMAN STURLA: Thank you.

15 Before we get to questions, I want to  
16 point out, we've been joined by  
17 Representative Gillespie and Representative  
18 Saylor.

19 And then we have questions from  
20 Representative Wansacz.

21 REPRESENTATIVE WANSACZ: Thank you,  
22 Mr. Chairman. I have just a couple of  
23 questions.

24 You're testifying in support of a

1 statewide licensing for all the trades?

2 MR. KING: Correct.

3 REPRESENTATIVE WANSACZ: For someone  
4 to be part of your Better Business Bureau  
5 now, how do they become a part? Do they come  
6 to you and say they want to pay you a fee and  
7 what happens from there?

8 MR. KING: What happens is actually  
9 there are 13 standards. We require a company  
10 to be in business at least one year before  
11 they could be accredited through the  
12 Better Business Bureau. They also have to  
13 meet licensing requirements. They also have  
14 to have a clean record, not only with the  
15 Better Business Bureau, but also with other  
16 regulatory agencies that we work with, like  
17 the Attorney General's Office and things like  
18 that.

19 REPRESENTATIVE WANSACZ: Now, is that  
20 something you check on or is that something  
21 that has been done within the last year?

22 MR. KING: We've been doing that.  
23 I've been with the Better Business Bureau for  
24 23 years. For 23 years, as far as I know,



1 that's what we've been doing.

2 REPRESENTATIVE WANSACZ: For instance,  
3 in my area, Scranton, the Better Business  
4 Bureau got in trouble because a contractor  
5 from a neighboring county who was I guess  
6 under indictment so to speak for ripping off  
7 homeowners, came over, re-located on our  
8 county, came to our county, opened up a whole  
9 new business, started not paying his  
10 contractors, and the Better Business Bureau  
11 said --

12 MR. KING: Actually, he came from a  
13 different state.

14 REPRESENTATIVE WANSACZ: No, he came  
15 from Monroe County to Lackawanna County, is  
16 where he came from. And they did no checking  
17 up on it. And we investigated, obviously.  
18 They said you don't have to require to check  
19 on it. You don't have to do it.

20 So what I'm asking you is this  
21 something new that you guys have done, or is  
22 that something the Better Business Bureau in  
23 our area, they don't have to do it?

24 MR. KING: That's a great question.

1 As you see, there's no longer the Scranton  
2 Better Business Bureau. That's why there are  
3 two Better Business Bureaus in the state, one  
4 in Pittsburgh and one in Philadelphia.  
5 Philadelphia is taking over the Scranton  
6 marketplace because of some of the problems  
7 Scranton created.

8 REPRESENTATIVE WANSACZ: So what  
9 happens if I find out constituents in our  
10 area, we see a common problem of contractors  
11 coming in, unfortunately, it looks like  
12 Representative Adolph stated, saying, "Hey,  
13 I've done some plumbing," and the homeowner  
14 believes them, if they say they are a part of  
15 the Better Business Bureau or they're  
16 representing a company, my constituents can  
17 now call the Better Business Bureau and you  
18 will help them resolve that, and that will  
19 get their problem fixed? Because that's all  
20 they really care about is getting the problem  
21 fixed.

22 MR. KING: The majority that use the  
23 Better Business Bureau actually will use us  
24 prior to hiring a contractor.

1           REPRESENTATIVE WANSACZ: But what  
2 happens if they're looking and say, "Okay,  
3 he's a member of the Better Business Bureau,"  
4 you know, they've come and ripped us off, do  
5 you get involved as you're saying to maybe  
6 help that consumer?

7           MR. KING: As indicated in the report  
8 72 percent of the complaints are settled  
9 according to the consumer or to the standards  
10 of the Better Business Bureau. So yes, we  
11 will assist any consumer, whether it's a  
12 non-member or a member trying to resolve  
13 disputes. About 60 percent of our members,  
14 they've signed a legal document with the  
15 Better Business Bureau where they are  
16 pre-submitted to mediation and arbitration  
17 through the Better Business Bureau to resolve  
18 any unresolved disputes.

19           REPRESENTATIVE WANSACZ: The reason  
20 why I'm asking that question is do you  
21 believe if we have a licensing that this will  
22 help not only the consumers out there, but  
23 your organization to do a better job of  
24 making sure that we have qualified

1 individuals? And do you see a lot of this  
2 happening now from unlicensed professionals  
3 that are preying on the consumers?

4 MR. KING: We see it quite often. An  
5 example certainly be companies that change  
6 their name, as often as we change a pair of  
7 shoes. They do that to hide from the  
8 marketplace. So yes, it would help us as a  
9 regulatory agency.

10 And, again, through the polling I've  
11 done with other Better Business Bureaus in  
12 different states, they have a very close  
13 working relationship with the different  
14 licensing boards, just as we currently do.

15 When we go to check on a company that  
16 needs to be licensed, certainly, we do go  
17 right down and check that arena or we may  
18 pick up the phone and call a licensing board  
19 and say, "Is this particular Mr. Smith  
20 actually licensed in the State of  
21 Pennsylvania to provide the service"?

22 So it would be very helpful, not only  
23 to us, but also to the marketplace. If they  
24 have easy access to get the information,

1 "Yes, John Smith is a licensed contractor  
2 throughout the state."

3 And as you probably well know, most of  
4 the states that have licensing boards make  
5 that information available right online. The  
6 difficulty is keeping it updated.

7 REPRESENTATIVE WANSACZ: Thank you.

8 MR. KING: Thank you.

9 CHAIRMAN STURLA: Representative  
10 Shimkus.

11 REPRESENTATIVE SHIMKUS: My line of  
12 questioning is basically in the same vein  
13 because of the new homebuilder that  
14 Representative Wansacz was talking about was  
15 in my district, was arrested.

16 The big story was, apparently, he sent  
17 in his check to the Better Business Bureau,  
18 had a big sticker on there. And everybody  
19 just said, "Well, if it's the Better  
20 Business Bureau, it must be wonderful." And  
21 people lost well over a million dollars of  
22 money that was put down to have their homes  
23 built. And so my bill not only requires a  
24 license, but requires that they be registered

1 with the Attorney General, and the Attorney  
2 General do a background check. And that any  
3 other name that this company, individual, or  
4 any of its officers have ever used, you know,  
5 somehow show up, you know, wipes out the  
6 possibility of a license because of that.

7 I am saddened by the fact that there  
8 is no BBB up in the Northeast, because I  
9 think it had a sterling reputation until  
10 this. But I think your testimony what  
11 happened up in the northeast of Pennsylvania  
12 this company called Managers And Estates,  
13 which is still in court, just indicates the  
14 need for absolute control to protect the  
15 consumers.

16 When I heard the plumber speak, when I  
17 heard the other expert speak, I think what we  
18 have is we have an economy now where people  
19 who tend to shop for perhaps a better price,  
20 and the old adage comes into play, "You get  
21 what you pay for." And they wind up losing  
22 their money and lose a lot of value.

23 So thank you for your testimony.

24 MR. KING: Thank you.

1           CHAIRMAN STURLA: One quick question.  
2           And it relates to how it relates to the  
3           Better Business Bureau, to sort this stuff  
4           out. You point out that there should be a  
5           statewide license. It shouldn't be done on a  
6           regional basis, as we currently have it.  
7           Most people in the contracting trades are  
8           licensed locally, if at all.

9           How do you handle situations? I know  
10          like, for instance, in Lancaster County,  
11          there are 60 municipalities. I'm assuming  
12          about half of them have some form of  
13          licensing in order to do business in their  
14          town.

15          But if I have a contracting company  
16          that's in East Petersburg and I get licensed  
17          in East Petersburg, can I advertise I'm fully  
18          licensed?

19          MR. KING: No. We see it quite often,  
20          they are fully licensed and what does that  
21          mean? It could mean they have a driver's  
22          license. So as far as the Better Business  
23          Bureau requesting disclosure, we've always  
24          been about full disclosure. That information

1 should be made available to the public so  
2 that they can do their own due diligence.

3 And part of certainly what we see as  
4 the Better Business Bureau in providing, in  
5 this particular instance, almost two million  
6 reports over the past three years on  
7 construction-related industries, part of  
8 those reports would say contact the licensing  
9 board of the State of Pennsylvania. Here's  
10 their website. Here's their toll free  
11 number. Here's how you can verify that  
12 contractor is properly licensed in the State  
13 of Pennsylvania.

14 CHAIRMAN STURLA: All right. Thank  
15 you.

16 Chairman Adolph.

17 REPRESENTATIVE ADOLPH: Thank you,  
18 Mr. Chairman.

19 And thank you for your testimony.

20 Some of the questions that we've been  
21 asking consistently with the testifiers is  
22 this number of state boards for contractors.  
23 And I see in your testimony that you're  
24 recommending one board for all contractors?



1           We heard earlier, I think it was the  
2 plumbers, that they thought there should be  
3 one board for the plumbers. Okay? You know,  
4 there's 27 professional boards right now in  
5 the Commonwealth. You listed here 20  
6 different contractors, okay, that took about  
7 15,000 complaints over a 3-year period?

8           I'm trying to get some information  
9 from you. Do you think a single board would  
10 have the expertise and the know-how to be  
11 able to handle this type of volume of  
12 complaints? Because once you get licensed by  
13 Pennsylvania, the complaints are going to  
14 come to this professional board.

15           MR. KING: Again, the straw pole that  
16 I took from at least a different dozen  
17 Better Business Bureaus across the country,  
18 and some of those did have a regional board  
19 with different licensing boards, they said  
20 without a doubt make the recommendation that  
21 there be one board because it will be too  
22 confusing to the marketplace to have either  
23 five or six or ten boards.

24           We, as Better Business Bureau, contact

1 the licensing boards now. And I can tell you  
2 that the phone call that I make to check to  
3 see if someone is licensed, sometimes it's  
4 very difficult to find out who you need to  
5 call. And, again, that's just because  
6 there's so many licensing boards now. And,  
7 again, they recommend throughout the system  
8 is try not to have more than one board.

9 CHAIRMAN STURLA: Thank you.

10 MR. KING: Thank you.

11 CHAIRMAN STURLA: Any other questions?

12 Thank you.

13 MR. KING: Thank you.

14 CHAIRMAN STURLA: Next, we have a  
15 panel of Fred Sargent, former CEO of Sargent  
16 Electric Company, and Gregory Vogt, Assistant  
17 Business Manager with the International  
18 Brotherhood of Electrical Workers Local 5.

19 I would ask you both to come up at the  
20 same time.

21 MR. VOGT: Good afternoon. I am Brett  
22 Vogt, the Assistant Business Manager of  
23 International Brotherhood of Electrical  
24 Workers Local 5.

1           I would like to thank the members of  
2           this committee for giving me the opportunity  
3           to offer testimony and answer any questions  
4           you may have regarding contract licensing.

5           IBEW Local 5 will rate organizations  
6           throughout the 3500 members in southwestern  
7           Pennsylvania. Our members include the  
8           electricians and the apprentices.

9           I'm joined here today by Fred Sargent  
10          of Sargent Electric. Sargent Electric has a  
11          long-standing relationship with IBEW Local  
12          No. 5. We have over 350 contract  
13          departments.

14          The construction industry is a large,  
15          relatively unregulated industry in  
16          Pennsylvania. As it was said before, anyone  
17          can paint a sign on a vehicle and say I'm in  
18          business. Does it say he has experience,  
19          certified, registered, insured, pays his  
20          bills and does good work without ever doing  
21          so.

22          I believe it's important for any  
23          contractor that holds himself out as a  
24          contractor should be licensed. And that

1 would minimize many aspects of fraud and  
2 increase accountability.

3 I believe creating raw contract  
4 license systems for all contractors would be  
5 helpful. It's important for those who hold  
6 themselves out as contractors, have a license  
7 in Pennsylvania at minimum that they have  
8 experience, insurance, all types, his current  
9 Workers' Compensation, Unemployment  
10 Compensation as well as federal, state and  
11 local taxes.

12 Regarding the electrical licensing,  
13 IBEW Local 5 supports House Bill 254 for the  
14 licensing of electrical contractors.  
15 Specifically, we strongly support the  
16 fundamentals of drug testing and mandatory  
17 eight hours of continuing education.

18 When you hire electrical contractors  
19 and electricians, you should be hiring  
20 qualified professionals, not scam artists or  
21 high pressure salesmen.

22 At this time I would like Mr. Sargent  
23 to address contract of licensing as he sees  
24 fit.

1           MR. SARGENT: Good afternoon. Fred  
2           Sargent, I'm former CEO of Sargent Electric  
3           Company. And our company has performed  
4           projects of just about every kind, the  
5           complete range across the United States. We  
6           have been in business for 100 years.

7           Over the last 37 years I, myself, have  
8           also had the opportunity to see a broader  
9           view of the industry through activities with  
10          the National Contractors Association.

11          My focus today is about electrical  
12          work, specifically for homeowners and small  
13          businesses.

14          Now, our company routinely does this  
15          kind of work. And this is where most  
16          electrical contracting takes place.

17          And I think this must be a focus of  
18          licensing enforcement. Coincidentally, small  
19          jobs of this type are a focus of a book we  
20          just released in May, so please, by all  
21          means, get them while supplies last.

22          The three main points I have to that.  
23          First of all, licensing for electrical  
24          contractors is important to protect

1 individual consumers and small businesses  
2 from bumlbers who do shoddy work.

3 Licensing of electric contractors is  
4 important to protect individual consumers in  
5 small businesses from bumbo artists who  
6 defraud them.

7 And finally, licensing of electrical  
8 contractors must be enforced with strong  
9 penalties for violations.

10 Point number one, the bumlbers. With  
11 the license law, you can expect to see more  
12 electrical contractors in Pennsylvania than  
13 you've ever imagined you had. Because one of  
14 first steps when you grandfather in people  
15 who say they're electrical contractors come  
16 out of the woods to be grandfathered in.

17 We live in the Home Depot era where it  
18 is easy to become a contractor. And it  
19 doesn't take very much to start up or even  
20 moonlight as a contractor.

21 We got 24,000 electricians in  
22 Pennsylvania, according to the Census  
23 Bureau. Maybe more than that. And there's  
24 certainly a lot of others who would like to

1 be electricians and try that from time to  
2 time.

3 The problem with bumblers is this,  
4 many times electrical wiring works even  
5 though it was put in wrong.

6 You all are familiar with the ground  
7 fault circuit interrupters you'll see in your  
8 kitchen and your bathroom and many other  
9 places. Well, a lot of times they work. And  
10 a lot of times they have been wired wrong and  
11 they really don't work.

12 And I can show you how you can switch  
13 an electrical circuit so the light goes up  
14 and flip the switch, but you better not get  
15 very close to the socket when you get up  
16 there because it's still alive.

17 What I'm saying is that if it can be  
18 put in wrong and still work, it doesn't show  
19 up right now. It's going to show up at some  
20 point.

21 The National Fire Protection  
22 Association statistics basically say every day  
23 in the United States somebody dies in a fire  
24 that started because of electrical wiring.

1 There's 24,000 fires a year in houses in this  
2 country because of bad electrical wiring.

3 We routinely find wiring in houses  
4 that's 80 and 90 years old. And some pretty  
5 bad fixes have been put in before we got  
6 there by pretty unqualified contractors.

7 Finding a qualified electrical  
8 contractor is a hard thing to do for many  
9 people. And most consumers rarely call an  
10 electrical contractor. Statistics show that  
11 people only call an electrical contractor  
12 about once every six years. And that's just  
13 arithmetic. Because a lot of people never  
14 called them. So it's not a very frequent  
15 thing for people to do. So what are they  
16 left with. Well, number one, word of mouth  
17 referrals. And hopefully, it come from  
18 friends and family.

19 And secondly, Yellow Pages  
20 advertising, or the electronic versions.

21 Having a state licensing law for  
22 electrical contractors would make it easier  
23 for consumers and a lot more difficult for  
24 bumblers.



1           Let's talk about the second ones,  
2           that's bucko artists. These are electrical  
3           contractors who make a habit of scamming  
4           consumers. Hopefully, nobody ever referred  
5           one to you. And I think it's unlikely.

6           But I'm glad Representative Adolph  
7           mentioned the Yellow Pages.

8           Now, you're all busy people and you  
9           spend afternoons in hearings like this, and a  
10          lot of times in Harrisburg and so forth, and  
11          hopefully, it doesn't happen, but from time  
12          to time when you are looking for somebody to  
13          do something for you, why not refer to the  
14          Yellow Pages? That seems like one of those  
15          things you could rely on.

16          So if you happen to be in Allegheny  
17          County, you would get this book and you could  
18          pick up the book and you could start with  
19          this very attractive ad. This is the very  
20          first one. As a matter of fact, it's so  
21          handy, it has a tab on it. It can jump right  
22          out at you. And this is for Speedy  
23          Electric.

24          The contractor who bought this ad and

1 bought the ad on the other side, and bought a  
2 lot of other ads like this spends a quarter  
3 of a million dollars or more every year on  
4 Yellow Directory advertising in this county.

5 So putting aside the thought about the  
6 guy who is running around in a pickup truck  
7 with a magnetic sign on it, you can buy an  
8 awful lot of magnetic signs for a quarter of  
9 million dollars.

10 This is also the contractor who is in  
11 the copy of the Post-Gazette article for  
12 March 21st of this year. And the story is  
13 here, and I provided a copy for each of you.  
14 The story centers on a widow with four kids  
15 who came home from work and found something  
16 wrong. She was terrified by an electrical  
17 problem. What did she do? She would do what  
18 most of you would do, she relied on something  
19 that seemed like a great institution, it has  
20 got the first tab in the section on electric  
21 contractors called Speedy Electrical.

22 And so somebody showed up. And the  
23 first thing he did was hand her some paper to  
24 sign away her consumer's rights. Right

1 there, there was nothing to protect her.

2 He charged her \$5,900, six times of  
3 what the work is worth to do it. And since  
4 she had cash, and she had to go to the bank.  
5 And story will tell you the whole story.

6 We've seen many examples of this  
7 perpetrated by a contractor who is behind  
8 Speedy Electric, who incidentally is one of  
9 those guys you see his name all the time.  
10 The Attorney General knows his name because  
11 they had him up because of many, many similar  
12 sorts of situations over the years.

13 I want to point out two things that  
14 are in this ad, incidentally. You'll see  
15 where he says he's licensed and registered,  
16 and a state certified electrical inspector.

17 With the Pennsylvania licensing law,  
18 it would be a number of his license on this  
19 ad. There would be a number of his license  
20 on his truck. There would be a number with  
21 his license on his business card. There  
22 would be a number for his license on  
23 stationery in full view.

24 If you want to change your name that

1 would be just fine, but your number would  
2 have to be there.

3 So point number 3, that's the point of  
4 strong enforcement. As I said, this guy was  
5 prosecuted or chased by the Attorney General  
6 in 2002, is probably back in business today  
7 doing it all over again with the same MO.

8 And the remarkable thing is those five  
9 or six years convicted burglars, who took an  
10 awful lot less from people are doing hard  
11 jail time.

12 The people at the Yellow Pages are  
13 fully aware of this. I talked to executives  
14 in the Yellow Pages about this guy. And  
15 their answer is, "Why doesn't the industry  
16 police itself? Why not a licensing law for  
17 contractors in Pennsylvania"?

18 And that really is the question of the  
19 day.

20 So to summarize, I think Pennsylvania  
21 needs a licensing law to protect consumers  
22 from unqualified contractors. It needs a  
23 licensing law to protect consumers from  
24 unscrupulous contractors who know the ways of

1 skirting all the consumer protections.

2 And we certainly need a licensing law  
3 to become the strong enforcement of stiff  
4 penalties.

5 Thank you.

6 CHAIRMAN STURLA: Thank you.

7 Questions from members?

8 That was some pretty compelling  
9 information that you have there. I mean,  
10 that's the kind of thing that we have been  
11 hearing. But people tell us anecdotally  
12 about it. Here it is in print. It's kind of  
13 hard to avoid the realities of what's going  
14 on out there.

15 Thank you very much.

16 Next on the agenda is Mike Garfold,  
17 International Union Of Elevator Constructors,  
18 Local 6.

19 UNIDENTIFIED WOMAN: Representative  
20 Sturla, he is not here.

21 CHAIRMAN STURLA: He's not here.

22 We'll go to Sean Cleary, Field Manager  
23 of International Association Of Plumbing &  
24 Mechanical Officials.

1           I must note that the fellow of the  
2           electrical contractors looked a whole lot  
3           like Representative Wansacz.

4           You can begin.

5           MR. CLEARY: Thank you.

6           I would like to thank the committee  
7           for the opportunity to speak on the important  
8           topics.

9           I have a two page handout and I'm  
10          going to summarize what I have.

11          My name is Sean Cleary. I'm a field  
12          manager for the International Association of  
13          Plumbing & Mechanical Officials. This  
14          organization was founded in 1926 to develop  
15          and maintain plumbing and mechanical codes  
16          and to promote the licensing and education  
17          for both inspectors and tradesman working in  
18          the construction industry. I'm also a  
19          licensed Master Plumber in the City of  
20          Scranton where I sit on the City's Plumbing  
21          Advisory Board, and I'm a graduate of the  
22          United Association of Plumbers and  
23          Pipefitters Instructor Training Program from  
24          Michigan State University.

1           For the last ten years I have been  
2           teaching both Apprentice and Journeyman  
3           training classes for the United Association  
4           of Plumbers and Pipefitters Local 524 in  
5           Scranton, Pennsylvania. The reason I'm  
6           relating this information is that I want you  
7           to know my opinions are based on the 30 years  
8           of experience in the construction industry.  
9           I have been working in that field from my  
10          start as an Apprentice in 1978, through these  
11          many years. I have been employed on projects  
12          ranging from single family housing to nuclear  
13          power plants, hospitals, motels and prisons.

14                I would like to talk to you today  
15                about the importance of licensing within the  
16                construction industry. If you look at the  
17                states that surround Pennsylvania, almost  
18                everyone in our region and in truth across  
19                the entire country requires some type of  
20                contractor licensing. Although it is not a  
21                uniform system, it does show that  
22                Pennsylvania is behind the curve with regards  
23                to this important part of consumer  
24                protection. To some it may appear that the

1 purpose of licensing and certification is  
2 nothing more than a way to create revenue for  
3 a city or state agency. In reality, when  
4 licensing is administered by a state or  
5 government agency, it provides an unbiased,  
6 unquestionable foundation based on health and  
7 safety for all. Licensing and certification  
8 are important pieces of consumer protection.  
9 By licensing contractors and the tradesmen  
10 who work for them, the general public will  
11 know that these employers and their employees  
12 are well qualified under the codes and  
13 standards of the community in which they  
14 work. Licenses assure the community that the  
15 tradesman or contractor is experienced and  
16 comparable for the work they perform.

17 Consider for a moment that in State of  
18 Pennsylvania that people who cut their hair  
19 are required to take an exam and licensed by  
20 the state. A worker installing an oxygen  
21 line to the Intensive Care Unit within the  
22 trauma center of a large hospital has no such  
23 requirement.

24 Protecting the integrity of the



1 construction industry is the goal we have all  
2 in common.

3           When the Pennsylvania Assembly passed  
4 Act 45, the Uniform Construction Code, it  
5 took a very large step in the right  
6 direction. Putting the code into place, and  
7 in a large part of the Pennsylvania requiring  
8 inspections for the first time moved the  
9 state forward, but the journey is not over.  
10 It's also essential that in addition to  
11 adopting the code, we ensure proper  
12 construction of buildings and the mechanical  
13 and electrical systems within them which  
14 result in healthier and safer environments  
15 for us all. This requires that the people  
16 doing the work have the appropriate  
17 training. This training must be based not  
18 only on theories, but on proven industry  
19 standards. Those who have achieved this kind  
20 of training should be acknowledged for their  
21 achievements. Testing and licensing is an  
22 excellent way to accomplish this.

23           As a way to separate knowledgeable and  
24 skilled professionals from the poorly

1 trained, and in some cases, completely  
2 untrained people working in the construction  
3 industry today.

4 The Pennsylvania Department of Labor's  
5 most recent estimate of the number of people  
6 working in the construction industry in  
7 Pennsylvania as of the first of June was  
8 258,700.

9 Opponents of state licensing will make  
10 the argument that a number of jurisdictions  
11 across Pennsylvania already require  
12 contractor licensing. How many of these  
13 workers hold city licenses is unknown. The  
14 state maintains no records of which cities  
15 require licenses, or how many have been  
16 issued. There is also no database available  
17 on the requirement that individual cities  
18 have in place. Some require that  
19 individuals pass an examination and document  
20 proof of work experience or of a completed  
21 apprenticeship in order to sit for an exam.  
22 Others simply collect a fee and issue a  
23 license.

24 The time has come for the State

1 Assembly to pass and the Governor to sign a  
2 state licensing law for contractors and their  
3 employees in the construction industry. This  
4 law should create a level playing field for  
5 qualified tradesman, and at the same time  
6 ensure that the consumer will be protected by  
7 including provisions that the trades people  
8 be required to complete an approved  
9 apprenticeship training program. An approved  
10 program should include both on-the-job  
11 experience and classroom study. Upon  
12 successful completion of this program, the  
13 individual should pass an exam before being  
14 allowed to become licensed in their field of  
15 expertise.

16 The law should also include provide  
17 provisions for continuing education  
18 requirements for both contractors and their  
19 employees, along with a system for approval  
20 of these update classes.

21 Model Building Codes are updated on a  
22 three year cycle. Material types and  
23 construction installation practices are also  
24 continually changing. It is important that

1 trades people even after becoming licensed,  
2 continue to remain current with code changes  
3 and new installation requirements and  
4 methods.

5 I have no doubt that a number of  
6 groups will oppose the concept of state  
7 contractor licensing of any kind. They will  
8 tell you that new regulations are not  
9 needed. They will tell you that the  
10 construction industry can police itself; that  
11 the free market will ensure that the public  
12 will be protected. Also, these groups will  
13 be the same ones that voice the loudest  
14 opposition to Act 45. They were wrong then  
15 and they are wrong now.

16 The State of Pennsylvania regulates  
17 and licenses hairdressers and nail  
18 technicians. It is well past time that they  
19 license construction contractors,  
20 electricians, plumbers, and the rest of the  
21 construction industry to make sure the people  
22 of Pennsylvania are provided with the  
23 protection they deserve.

24 There are a number of approved

1       apprenticeship programs already in place  
2       throughout the state. The Building Trade  
3       Councils across Pennsylvania are working to  
4       provide the industry with the best trained  
5       Apprentices and Journeymen available. Each  
6       year they spend millions of dollars on both  
7       Apprentice training and update training for  
8       all their members. Adopting reasonable  
9       standards for training, along with a  
10       statewide licensing program will ensure that  
11       quality workmanship are adhered to within the  
12       Commonwealth and that the community and the  
13       consumer are protected.

14               We live in a state that has  
15       established statewide requirements for the  
16       training, testing and licensing of Nail  
17       Technicians, Natural Hair Braiders,  
18       Cosmetologists, and even Auctioneers. The  
19       people who sell real estate have to meet  
20       statement requirements and be tested and be  
21       licensed. It doesn't make sense that the  
22       people who build our homes, hospitals,  
23       schools, bridges, public water systems and  
24       everything else that we travel on, work in,

1 live in and depend on have no such  
2 requirement. The time to act is now.

3 I would also, just to use one example,  
4 probably the largest purchase a person makes  
5 in a lifetime in Pennsylvania is their home.  
6 We make the person, the real estate person be  
7 tested and licensed. We make the surveyor be  
8 tested and licensed. We make the mortgage  
9 broker be tested and licensed. And the  
10 person that gets the lion share of all that  
11 money doesn't have to be tested and licensed  
12 in the State of Pennsylvania. That doesn't  
13 make sense to me. I don't think it should  
14 make sense to you people either.

15 CHAIRMAN STURLA: Questions from  
16 members? Just a couple of comments, if I  
17 could.

18 When you talked about the licensing in  
19 some cases be used as a money maker for local  
20 governments and things. In some cases, I  
21 think it is. On the state level, I'll just  
22 point out that all licensing in the State of  
23 Pennsylvania is revenue neutral. So it only  
24 goes to support the board and the

1 surveillance that we do and the upkeep we do  
2 on those licenses. It's not a money maker  
3 for the state. That's one of the good things  
4 about state licensure, as opposed to local  
5 licensing is that it's not a money maker.  
6 It's there to be revenue neutral. It's  
7 simply there to govern those trades or those  
8 licensed individuals, not to be a revenue  
9 stream for the state.

10 And secondly, you point out about the  
11 need for continuing education. And I think  
12 that is a great way for us to not only make  
13 sure that those people that are licensed  
14 continue to upgrade their skills, but it also  
15 I think helps to weed out some of the  
16 concerns that we had about those that might  
17 get grandfathered, that's sort of the  
18 bumlbers, as it was described, that claim  
19 they were a licensed professional and had  
20 been working for years. Eventually, you have  
21 to have enough continuing education, it's the  
22 same way, it's just not worth to try to keep  
23 up with this stuff anymore, I'm not going to  
24 walk in those classes. I think it really

1 does, at least in the licensing laws that  
2 I've seen that are proposed, there's a lot of  
3 safeguards placed in there to make sure that  
4 we continue to upgrade and professionalize  
5 these trades that are really vital to a lot  
6 of people in the State of Pennsylvania.

7 MR. CLEARY: If I could make a few  
8 more comments on some of the questions that  
9 you asked before. Mr. Wansacz and  
10 Mr. Shimkus will understand this because they  
11 are from the same area. I'm a licensed  
12 Master Plumber in Scranton. I also have to  
13 carry a different fee, a license in Wilkes-  
14 Barre, a license in Dunbar, a license in West  
15 Pittston. If you had to take a license for  
16 the state, it would save the business people  
17 an awful lot of money with that. And through  
18 my work with the International Association of  
19 Plumbing and Mechanical Associates, I have  
20 dealt with the people in Ohio. It is under  
21 the premise they have a ten person board.

22 I believe you gentlemen recently  
23 passed 1096, which set up the advisory board  
24 for the construction code. And you could do



1 something very similar to that; have one  
2 mechanical, and then you could have volunteer  
3 boards that would regulate one license and so  
4 on and so forth.

5 I know that this is a can of worms.  
6 This isn't going to be an easy thing to  
7 legislate. The time has come, believe me,  
8 that you should really consider doing this.

9 CHAIRMAN STURLA: Representative  
10 Wansacz.

11 REPRESENTATIVE WANSACZ: Two quick  
12 questions, one is with the grandfathering. I  
13 can see that being a big problem. You live  
14 in the area where there are contracting  
15 trades? What are you going to do with  
16 those? Are they going to want to take a test  
17 and say, they want to help out their friends  
18 build a house or anything like that? Can you  
19 tell me how you would envision that happening  
20 as far as, you know, being that's going to be  
21 a probably a big argument for this bill.

22 MR. CLEARY: I could see it being a  
23 huge problem. I know it's been a huge  
24 problem for other states. But if you

1 grandfather people in with a license that has  
2 an expiration, then you have them until that  
3 time to pass the test to become licensed.

4 Because my background in is plumbing.  
5 If you have a plumber that's been in the  
6 trade for last 30 years and hasn't taken any  
7 continuing education, but the code changes  
8 every three years. The odds of him passing a  
9 state test, I would say if then they have 30  
10 years in the trade, unless they've studied  
11 how things have changed, I think it would be  
12 very difficult for them to pass it. Any  
13 grandfathering you do has to have a time  
14 limit because it can't go on forever.  
15 Whether you allow people three years to take  
16 a licensed test or they lose their license, I  
17 think it's something to protect the consumer  
18 in the times.

19 REPRESENTATIVE WANSACZ: The second  
20 and last question. Do you have National Air  
21 Breathers in Scranton?

22 MR. CLEARY: Hair braiders.

23 I wasn't aware that it existed until I  
24 did a little research. I went out on to the

1 state cosmetology site and there was an  
2 entire list of things. It lists the  
3 education they need, the number of hours they  
4 have to go to school, the test they have to  
5 take. I wasn't aware that it was a trade  
6 myself, until I saw it.

7 REPRESENTATIVE WANSACZ: I just didn't  
8 know if we had any in Scranton. That's all.

9 MR. CLEARY: I haven't seen any.

10 CHAIRMAN STURLA: I think we have one  
11 more question from Representative Shimkus,  
12 but before he does that.

13 I want to point out, I'm someone who  
14 helped negotiate the hair braiders bill. One  
15 of the concerns was whether or not they could  
16 cut the ends of braids, because then they  
17 were haircutters as opposed to hair braiders.  
18 But it does touch on the idea that there are  
19 turf battles, I guess if you will. Some of  
20 them have held up the construction trade being  
21 licensed to this point in time and some of the  
22 turf battles that has existed with people.  
23 "You're going to be able to do that and I  
24 won't be able to do that. And you can do that

1 and I can't do that." I think we would all  
2 be better off if we as a whole licensed trades  
3 throughout the State of Pennsylvania on all  
4 levels, and not just say, "Well, we'll do  
5 plumbers. But we aren't going to do  
6 electricians. We'll do plumbers and  
7 electricians, but not anybody else." I  
8 think there's in one sense the ability to  
9 elevate everyone here by doing numerous  
10 trades. And that's one of the reasons why  
11 we're holding these hearings is to try and  
12 figure out how we do that, whether it does  
13 come in piecemeal fashion or whether it comes  
14 more like a tidal wave and say, "Okay, now  
15 we're going to license buildings trades in  
16 Pennsylvania and be done with it."

17 Representative Shimkus.

18 REPRESENTATIVE SHIMKUS: Thank you,  
19 Mr. Chairman.

20 Maybe I'm just a little bit more  
21 sensitive than most, but I made a note that  
22 you made 16 references to hair in your  
23 testimony.

24 But I believe you testified at the

1 hearing that we had in Scranton on the  
2 homebuilders, you testified as well.

3 And I think the point that I would  
4 make is that you can come to a hearing like  
5 this where much of this becomes theory. But  
6 when you get into a situation like we had in  
7 Lackawanna County where we are talking about,  
8 you know, dozens of families who lost a  
9 million dollars because we just, you know,  
10 missed this licensing, just missed this being  
11 able -- you know, like this Yellow Pages  
12 being able to say, Here's a number. Here's  
13 somebody that is certified. Here's a toll  
14 free number of the Attorney General, you can  
15 call. You could check their background.

16 I mean, since we had that hearing in  
17 Scranton, my office has had more calls from  
18 people saying, "Can you recommend or tell us  
19 how we go about finding reputable"?

20 And, of course, I will immediately  
21 steer people to union shops because they are  
22 the ones that do the reputable work and  
23 they're the best way to do it because there's  
24 no other way right now.

1           So I thank you for your testimony  
2 because in Lackawanna County. The testimony  
3 that you gave made a significant difference  
4 in saving people I think a lot of heartache  
5 and lot of lost money.

6           MR. CLEARY: Thank you very much for  
7 your time.

8           CHAIRMAN STURLA: Any final comments  
9 from members of the committee? If not, we  
10 will adjourn this meeting.

11           Thank you.

12           (Proceedings concluded at 3:59 p.m.)

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REPORTER'S CERTIFICATE

I, Lois Sikoski, Notary Public in  
and for the Commonwealth of Pennsylvania, do  
hereby certify that the foregoing 96 pages are  
a true and correct copy of my stenographic  
notes taken on Monday, August 4, 2008, at 3959  
Fifth Avenue, Pittsburgh, Pennsylvania 15213.

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Lois Sikoski, Notary Public

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