

SB 204 - Certificate of Fitness: Plumbers/Electricians

Senate Finance Committee

Chief Scott Damerow
Mechanical Inspection

APRIL 22, 2024



Proposal

This legislation would:

- Change trainee certificate of fitness durations from two- to six-years
 - No change to the \$200 fee for this license
- Increase the fees for journey-level licenses from \$200 biennially to \$300 biennially

Why the Change

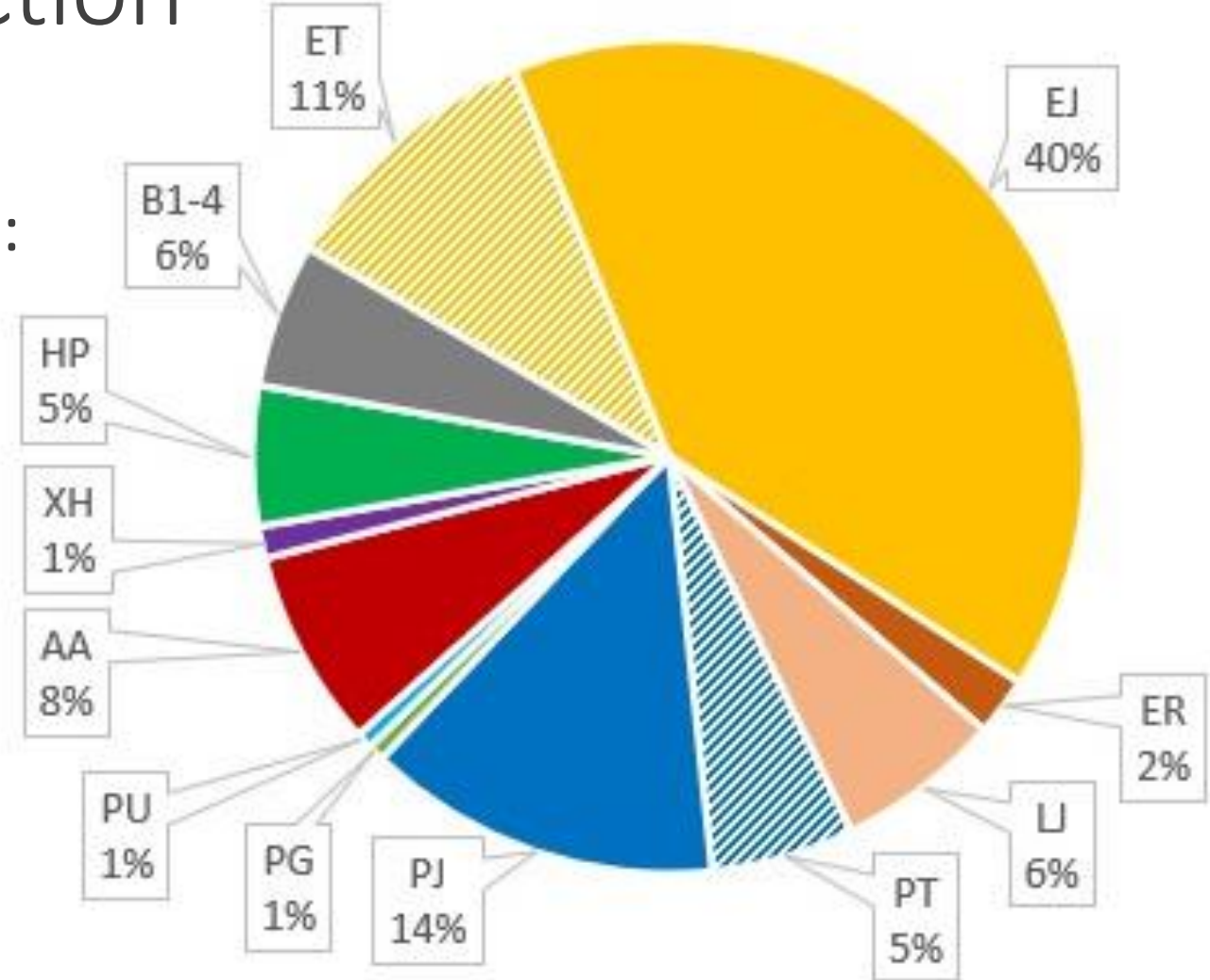
Trainee certificate of fitness holders (enrolled in the federal apprenticeship program) often lapse their license during their apprenticeship. This results in:

- Time worked that cannot be counted towards the journeyman license
- Administrative delays in processing licenses
- Delays in becoming a journeyman

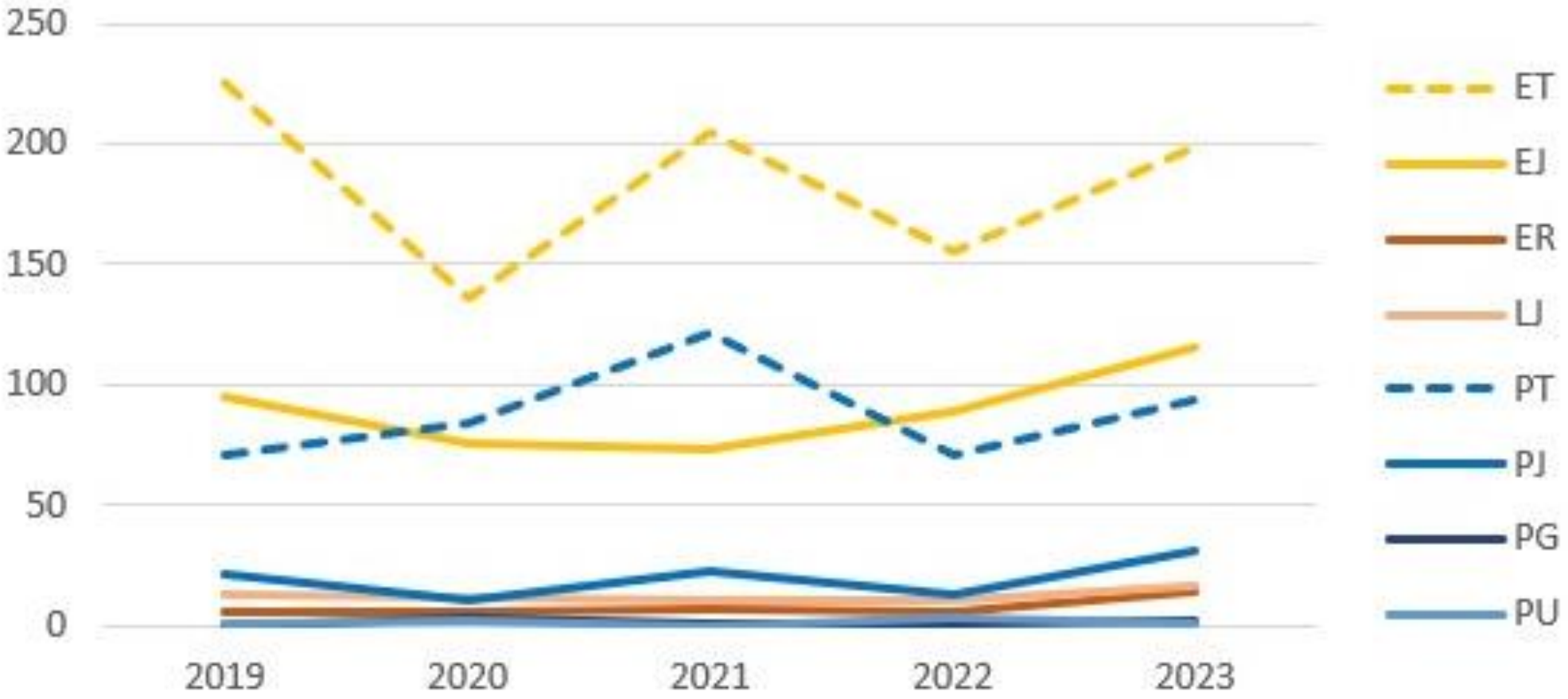
Mechanical Inspection Active Licenses

Active licenses on 1/1/2024:

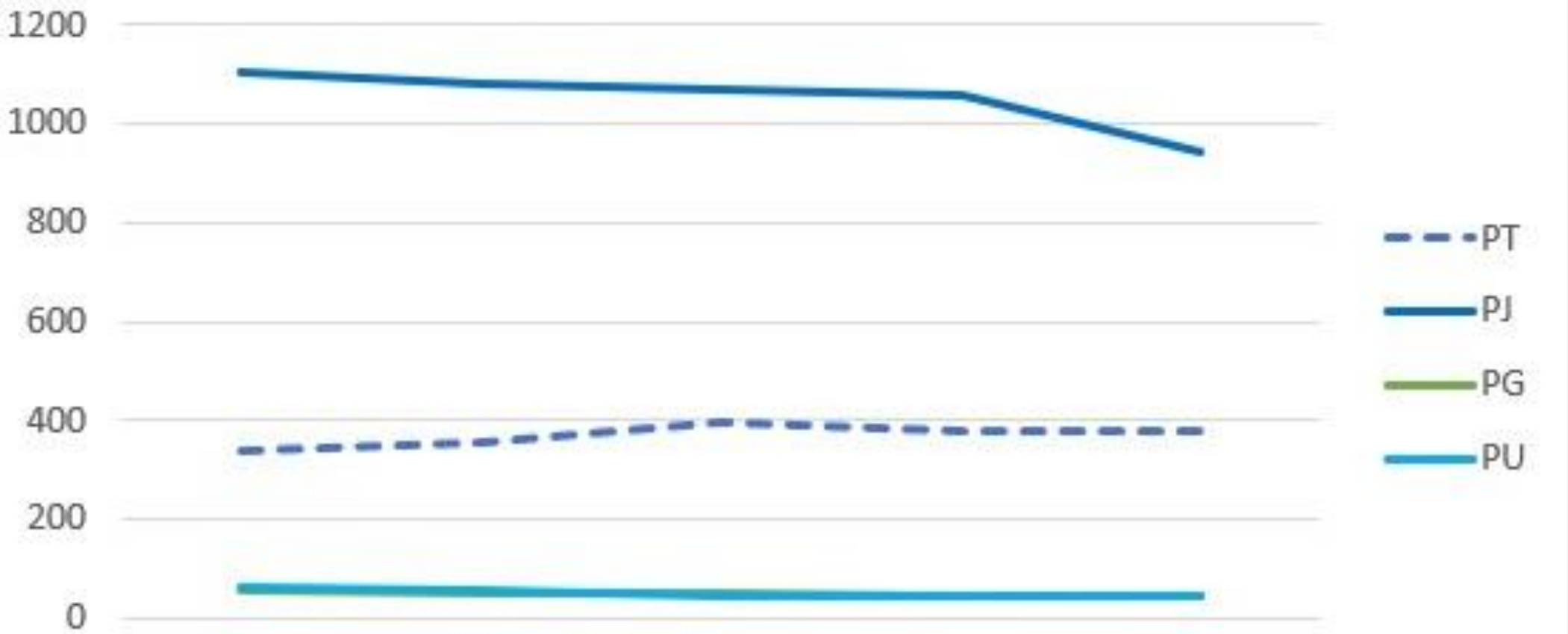
- AA Asbestos Abatement
- B1-4 Boiler Operator Class 1-4
- EJ Electrician Journeyman
- ER Electrician Residential
- ET Electrician Trainee
- HP Hazardous Paint
- LJ Lineman Journeyman
- LT Lineman Trainee
- PG Plumber Gas
- PJ Plumber Journeyman
- PR Plumber Residential
- PT Plumber Trainee
- PU Plumber Utility
- XH Explosive Handler



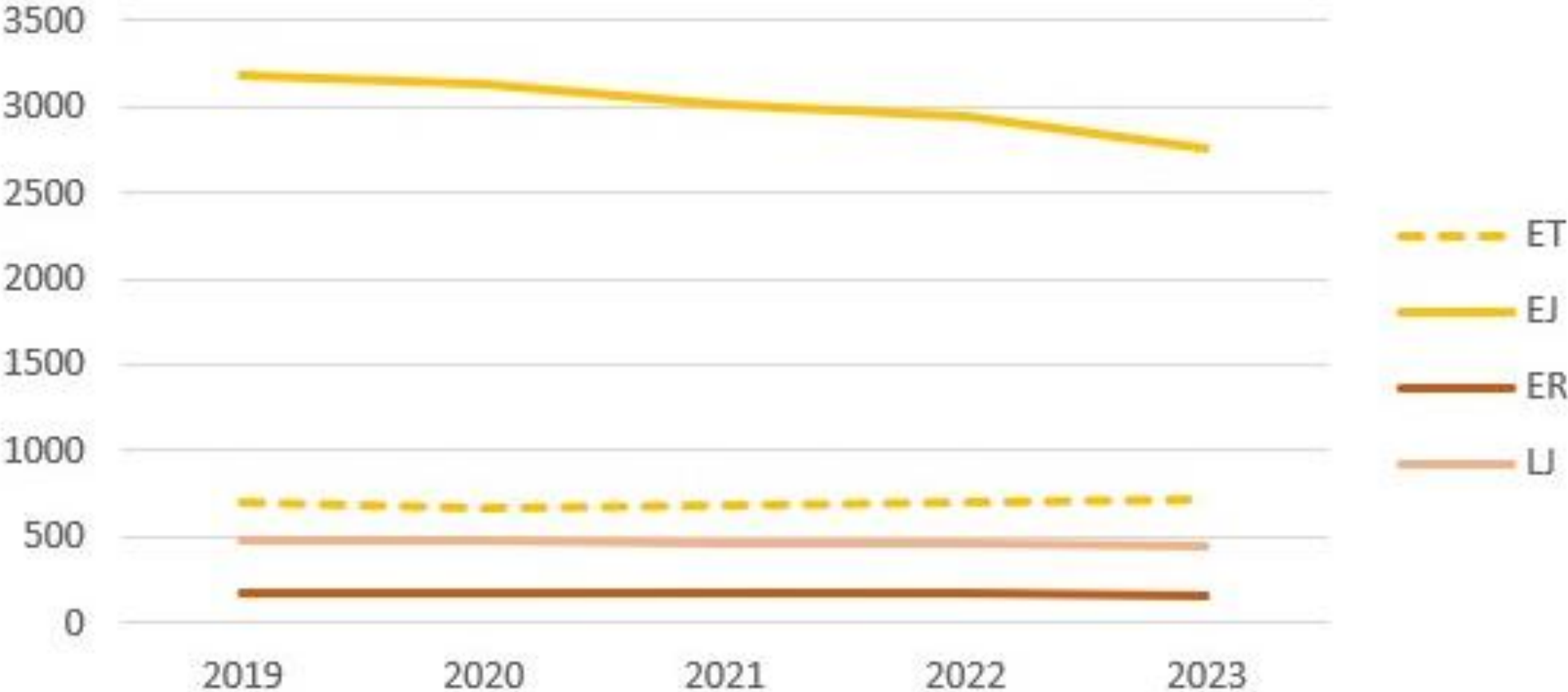
New Licenses Issued by Type & Year 2019-2023



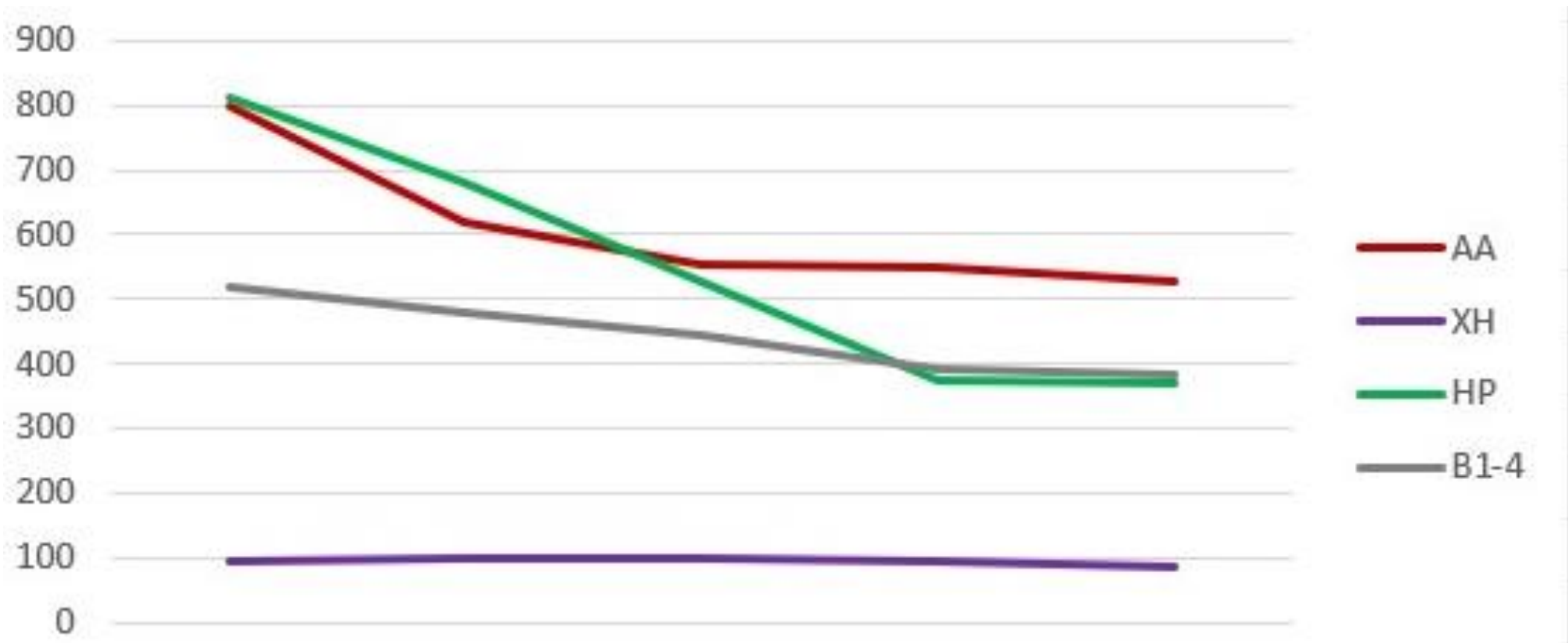
Plumbing Licenses Issued by year: 2019-2023



Electrical Licenses Issued by year: 2019-2023



Other Licenses Issued by year: 2019-2023



Trainee Requirements

Requirements for a journeyman plumber or electrician license are similar:

- Completion of 8,000 legally-obtained on-the-job hours
 - May include 1,000 classroom hours
 - Hours are submitted on one or more 'Experience Verification Forms'
- Passing score of 70% or better on the exam
- Payment of \$200 fee

Trainee Barriers

Barriers that can make it difficult to obtain a journeyman license:

- Employers do not complete the 'Experience Verification Form' correctly
- Employers are not available to complete the 'Experience Verification Form'
- Some of the hours worked were not legally-obtained
 - Maintenance hours may not be counted
 - Trainee certificate of fitness was lapsed when the hours were worked

Lapsed Trainee Card Hours

In the period from 2019-2023:

- Electrical trainee license days lapsed: **21,142** (57.9 years)
 - Average number of licensees affected per year: 51.6
 - Average days lapsed for each affected licensee: 81.9
- Plumbing trainee license days lapsed: **15,513** (42.5 years)
 - Average number of licensees affected per year: 28.8
 - Average days lapsed for each affected licensee: 107.7

Calculation of trainee lapsed days: [Renewal Date]-[Expiration Date] (if positive)

Trainee Card Renewal Requirements

Renewal of a two-year trainee certificate of fitness:

- Pay \$200 renewal fee

Impact

The proposed change to duration and fees would:

- Lower the cost of apprenticeship programs for plumbers and electricians
- Reduce administrative requirement to renew a trainee certificate of fitness in the middle of an apprenticeship
- Result in much less time lost due to lapsed licenses

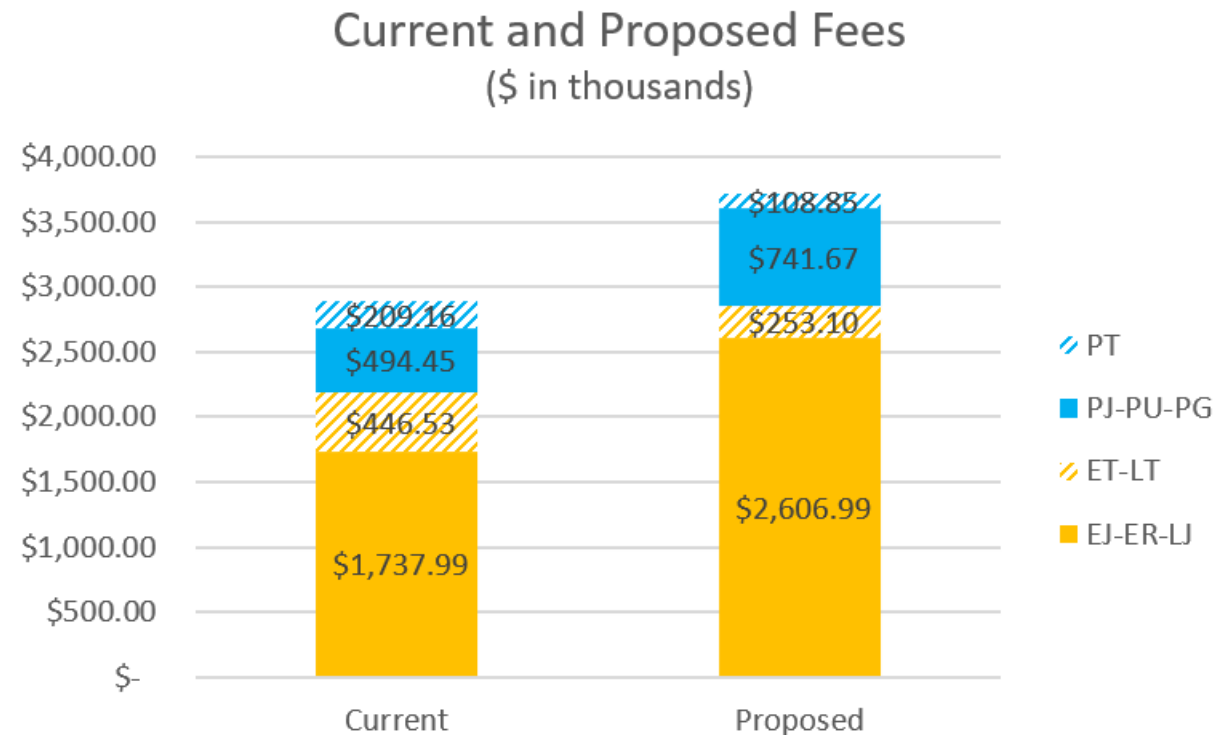
Results:

- Incentivize more workers to enter the trade apprenticeship programs
- Shift the financial burden to the higher-paid journey-level workers
- Allow apprentices to “journey out” faster by removing lapsed periods

Proposed Fee Changes

Fee change results:

- \$164.5 average increase in annual fees based on 2019-2023 data
- \$58.75 average annual savings for trainees
- Trainee licenses will cost \$200 for the entire apprenticeship rather than the current \$400



Reasoning for Proposed Fee Increase

The primary purpose of the proposed fee increase is to offset the proposed lack of renewals for trainee licenses

This number was selected to compensate for the lack of fee increases since 2006

\$200-\$300 fee change matches the Consumer Price Index from 2006-2023

Mechanical Inspection is self-funded from program receipts

CPI Inflation Calculator

\$

in

has the same buying power as

in

Above data calculator from US Bureau of Labor Statistics (www.bls.gov) Inflation Calculator

Contact Information



Scott Damerow, Chief of
Mechanical Inspection



(907) 269-4931



Scott.Damerow@alaska.gov