December 14, 2018

The Honorable Ronald D. Kouchi, 
President and Members of the Senate 
Thirtieth State Legislature 
State Capitol, Room 409 
Honolulu, HI 96813 

The Honorable Scott K. Saiki, Speaker 
and Members of the House of 
Representatives 
Thirtieth State Legislature 
State Capitol, Room 431 
Honolulu, HI 96813 

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting two (2) copies of the Department of Labor and Industrial Relations (DLIR) Employment and Training Special Fund Non-General Fund Report for the fiscal year ending June 30, 2018, as required by sections 37-47 and 37-52.3, Hawaii Revised Statues (HRS).

In accordance with section 93-16, HRS, I am also informing you that the report may be viewed electronically at http://labor.hawaii.gov/find-a-report/.

Sincerely,

Leonard Hoshijo 
Director

Enclosure
**Report on Non-General Fund Information**

**for Submittal to the 2019 Legislature**

**Department:** Labor and Industrial Relations  
**Prog ID(s):** LBR 111 / Placement Services  
**Name of Fund:** Employment and Training Special Fund  
**Legal Authority:** Chapter 383-128, HRS  
**Contact Name:** Sam Ngo  
**Phone:** 586-9973  
**Fund type (MOF):** Special (B)  
**Appropriation Acct. No.:** S-XX-316-L

Prior to 7/1/16, reported as S-318-L  
Effective 7/1/16, reported as S-316-L

Intended Purpose: To provide grants and subsidies to public, private and non-profit organizations for employment, education and training.

Source of Revenues: Employer contributions

Current Program Activities/Allowable Expenses: A) Programs to create a more diversified base for businesses; B) Programs for high-growth industries with critical shortages; C) Programs to retrain unemployed workers; D) Programs for individuals who do not qualify for federal or state programs; E) Programs for individuals to improve career employment prospects.

Purpose of Proposed Ceiling Adjustment (if applicable): N/A

Variance: Revenue - Employment and training fund revenues are based on assessments imposed at a rate of .01 per cent of taxable wages. Variances are attributed to fluctuations in employer assessments. Expenses - services are adjusted to ensure continued solvency of the fund.

<table>
<thead>
<tr>
<th></th>
<th>FY 2015 (actual)</th>
<th>FY 2016 (actual)</th>
<th>FY 2017 (actual)</th>
<th>FY 2018 (actual)</th>
<th>FY 2019 (estimated)</th>
<th>FY 2020 (estimated)</th>
<th>FY 2021 (estimated)</th>
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</thead>
<tbody>
<tr>
<td>Appropriation Ceiling</td>
<td>$3,643,786</td>
<td>$3,642,288</td>
<td>$3,642,288</td>
<td>$5,940,010</td>
<td>$5,940,010</td>
<td>$5,940,010</td>
<td>$5,940,010</td>
</tr>
<tr>
<td>Beginning Cash Balance</td>
<td>$2,480,679</td>
<td>$2,887,928</td>
<td>$2,635,711</td>
<td>$2,815,278</td>
<td>$3,670,998</td>
<td>$4,520,998</td>
<td>$5,370,998</td>
</tr>
<tr>
<td>Revenues</td>
<td>$1,417,646</td>
<td>$1,129,425</td>
<td>$1,549,751</td>
<td>$1,877,361</td>
<td>$1,900,000</td>
<td>$1,900,000</td>
<td>$1,900,000</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$990,397</td>
<td>$1,381,642</td>
<td>$1,084,968</td>
<td>$1,021,641</td>
<td>$1,050,000</td>
<td>$1,050,000</td>
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</table>

**Transfers**

List each net transfer in/out or projection in/out; list each account number

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<thead>
<tr>
<th></th>
<th>FY 2015 (actual)</th>
<th>FY 2016 (actual)</th>
<th>FY 2017 (actual)</th>
<th>FY 2018 (actual)</th>
<th>FY 2019 (estimated)</th>
<th>FY 2020 (estimated)</th>
<th>FY 2021 (estimated)</th>
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<tbody>
<tr>
<td>Net Total Transfers</td>
<td>$</td>
<td>$</td>
<td>$</td>
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Ending Cash Balance  

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<tbody>
<tr>
<td>$2,887,928</td>
<td>$2,635,711</td>
<td>$3,100,495</td>
<td>$3,670,998</td>
<td>$4,520,998</td>
<td>$5,370,998</td>
<td>$6,220,998</td>
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Encumbrances

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</thead>
<tbody>
<tr>
<td>Unencumbered Cash Balance</td>
<td>$2,887,928</td>
<td>$2,635,711</td>
<td>$3,100,495</td>
<td>$3,670,998</td>
<td>$4,520,998</td>
<td>$5,370,998</td>
<td>$6,220,998</td>
</tr>
</tbody>
</table>

Additional Information:

**Amount Req. by Bond Covenants**

**Amount from Bond Proceeds**

**Amount Held in CODs, Escrow Accounts, or Other Investments**