February 5, 2019

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) Annual Report for the fiscal year ending June 30, 2018, as required by Act 100, Session Laws of Hawaii 1999.

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

Sincerely,

Scott T. Murakami
Director

Enclosure
The Employment Benefit & Rights line of business protects the economic security, physical, economic and social well-being of workers and supports good labor-management relations. This includes developing and disseminating labor market information and assisting job seekers, workers and employers to facilitate workforce development.

Equal Opportunity Employer/Program
Auxiliary aids and services are available upon request to individuals with disabilities.
TTY/TDD Dial 711 then ask for (808) 586-8866
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Aloha kakou,

I hope you find this annual report of the Department of Labor and Industrial Relations helpful in understanding the Department’s work to improve the quality of life for the people of Hawai‘i.

The Department’s Divisions and Agencies continue to modestly build capacity through recent legislative actions and the ongoing charge to seek efficiencies where possible. Current data management modernization projects in the Disability Compensation (DCD) and Unemployment Insurance (UI) Divisions will yield not only cost efficiencies, but more accessible service to workers, employers, insurers, legal representatives, care providers ... all those involved in the implementation of our laws. The work of restoring capacity is not over.

Should more staffing and resources be restored in the upcoming legislative session, we can continue to progress towards increased economic security, physical and economic well-being, and productivity of workers, and to achieve good labor-management relations.

Completing modernization of the DCD and UI programs and securing state funding for shortfalls in federal funding are among the important components of achieving our goals.

As always, we give thanks and aloha to our many partners in the community at the federal, state, and county levels, as well as private organizations. I would like to especially express my appreciation to the Department’s dedicated staff, who endeavor to provide the highest quality services to the public.

Mahalo,

LEONARD HOSHIJO
Director
The Workforce Development Division (WDD):

- Plans, coordinates and implements a statewide, customer-driven workforce development system with partner agencies.
- Delivers employment and training services to job applicants, workers and industries.
- Services include a referral and placement service that links qualified job seekers with employers at no cost to the public.
- Partners include but are not limited to the Department of Education (DOE) Adult Education, Department of Human Services (DHS) Division of Vocational Rehabilitation (DVR), University of Hawai‘i Community Colleges, State of Hawai‘i Workforce Development Council (WDC), the counties, business associations, labor organizations, community-based organizations, and other agencies.

Partner Agencies
The WDD is a partner with American Job Centers (AJCs) where different agencies, including the Counties, DOE Adult Education, and DHS Vocational Rehabilitation Division, coordinate various employment and training services to jobseekers and employers.

HireNet Hawai‘i is the web-based electronic job board and database sponsored by WDD and WDC to connect employers and jobseekers at www.hirenethawaii.com. Employers use HireNet Hawai‘i to post job openings and search for suitable candidates while job seekers use it to find jobs. In FY2018, nearly 5,000 individuals who used HireNet Hawai‘i received staff-assisted services and benefitted from self-registration and self-service features.

Summer Youth Employment Program
The Summer Youth Employment Program (SYEP) was a joint effort between DVR and WDD to provide eligible youth with paid work experience. For the third consecutive summer, the SYEP was operated on O‘ahu, Maui, Moloka‘i, Lāna‘i, and Hawai‘i. Youth were placed at state agencies where they learned basic work skills and gained confidence. Studies have shown that the work experience gained from programs like the SYEP is the most important indicator of whether the youth will be gainfully employed after graduating from high school.

A total of 92 youths participated in the SYEP by working between 6 to 8 weeks for up to 30 hours per week at $10.85 an hour. To prepare for this work experience, the youths attended a pre-employment workshop that addressed good work habits and employer expectations. Worksite supervisors were oriented to their responsibilities prior to a youth being placed at their site. Youths were matched to worksites based on interest and proximity to worksites.

Trade Adjustment Act (TAA)
The Trade Adjustment Assistance (TAA) Program is a federal entitlement program that assists American workers who lost their job because of foreign trade. The TAA program provides adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed. Former workers of the HC&S Sugar Company on Maui were a primary target group that DLIR assisted to acquire the vocational skills necessary to transition into new careers.

Disability Employment Initiative Round VI
The WDD in collaboration with the University of Hawai‘i Center on Disability Studies (UHCDS) and DVR successfully competed for $2.5 million from the U.S. Department of Labor (U.S. DOL) to build capacity of AJC staff to serve persons with disabilities more effectively and to improve collaborations across agencies and with business networks. This 42-month grant that ends in March 2019 continued to build upon lessons learned from the Disability Employment Initiative Grant, Round II, which was limited to services on Hawai‘i and Maui counties.

Disability Employment Initiative Round VIII
The WDD in collaboration with the UHCDS and DVR obtained an additional $2.25 million grant from the U.S. DOL. “Hawai‘i Youth At Work!” focuses
on employment and postsecondary implementation of Career Technical Education (CTE) strategies for transition age youths (ages 14 to 24) with disabilities. These funds will be used to strengthen the partnerships with the AJCs and disability-serving agencies to increase the number of youths with disabilities entering Career Pathways and accessing AJCs. The WDD contracted with the UHCDS for local technical assistance and entered into a contract with City and County of Honolulu/WorkHawaii Youth Services section to operate in their AJC.

**Workforce Investment Opportunity Act (WIOA) Job Training Services**
The WDD was a WIOA service provider for Maui and Kaua‘i’s Adult and Dislocated Worker population. Low-income adults and former workers who were laid off or terminated and unlikely to return to their previous occupations were served.

**Services to Military Veterans**
In FY2018, over 200 veterans with significant barriers to employment, including disabilities, were provided with career counseling and job search assistance. The WDD staff who were veterans themselves worked closely with organizations like the U.S. Department of Veterans Affairs and federally funded programs serving homeless veterans or other veterans in need. Extensive outreach was also conducted with businesses to promote hiring of veterans.

**Volunteer Internship Program**
The Volunteer Internship Program (VIP) is a voluntary program that allows Hawai‘i jobseekers, including those receiving unemployment insurance, to choose and pair with industry employers to gain workforce training. Candidates of the VIP program are given the opportunity to intern for 16 to 32 hours a week for a 4 to 8 week period. Participants who successfully complete the unpaid internship receive a certificate of job skills acquired and consideration for future employment. For FY2018, 93 individuals participated in the VIP.

**Apprenticeship Programs**
Apprenticeship programs are a proven strategy for producing skilled workers needed by participating business. Apprenticeship programs combine on-the-job learning with related classroom instruction for between 1 to 5 years. In FY2018, over 6,000 apprentices participated in apprenticeship programs and 706 completed their programs. Most apprentices participated in long-standing and firmly established construction apprenticeship programs. With the support of federal grants supporting the expansion of apprenticeship into other occupations, the number of non-traditional apprenticeship programs have significantly increased. While the number of apprentices in these new fields is still relatively low, the growth in new fields is promising as more apprentices are projected to participate in these new fields.

**American Apprenticeship Initiative (AAI)**
The WDD successfully competed for $2.9 million to establish new apprenticeship programs in Information Technology (IT) to meet the growing demand for skilled IT workers from the U.S. DOL. The grant was modified to include the development of apprenticeship programs in the healthcare and food manufacturing industries, and in the line cook and building inspector professions. Key partners included the DevLeague, a boot camp style private IT training organization; the University of Hawai‘i Community Colleges, the Pacific Center for Advanced Technology and Training; and the City and County of Honolulu. Participating businesses included Sudokrew, HMSA, BrightStar, Hale Makua, and Finance Factors.

**Apprenticeship USA State Expansion Grant (SEG)**
The U.S. DOL awarded WDD $1.5 million to support apprenticeship strategies that expand apprenticeship programs to non-traditional occupations. The targeted occupations were in the healthcare and culinary industries. The SEG began on November 1, 2016 and its original end date was extended from April 30, 2018 to October 2020. Another round of SEG funds was awarded for an additional $1.8 million, also to end in October 2020. Kapi‘olani Community College
WDD

(KCC) continued as a key provider for the classroom instruction portion of apprenticeship programs. KCC also acted as an intermediary for healthcare and culinary occupations to help businesses develop and carry out their responsibilities. The high growth in new apprenticeship programs primarily resulted from the KCC's success as an intermediary.

State Accelerator Grant
The WDD received $200,000 in federal funds to build its capacity as a State Apprenticeship Agency and to expand and diversify registered apprenticeships. The grant also helped streamline processing of records by converting all older manual records on apprentices to the current electronic system being used for the newer apprentices. The period of performance was originally June 1, 2016 to May 31, 2018 and an extension was granted to November 30, 2018.

Work Opportunity Tax Credit
The Work Opportunity Tax Credit (WOTC) is a federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment. The target groups included Veterans, Temporary Assistance for Needy Families (TANF) recipients, Supplemental Nutrition Assistance Program (SNAP) recipients, DVR referred individuals, ex-felons, Supplemental Security Income recipients, and long-term unemployment recipients. Employers may earn a WOTC tax credit equal to 25% or 40% of a new employee's first-year wages, up to the maximum percentage of the target group of the employee.

Employment and Training Fund (ETF)
In FY2018, businesses continued to refer employees for skill upgrade training offered by 20 micro training vendors in a variety of courses in areas such as customer service, computer applications, food safety, and leadership training. Details are provided in a separate ETF Report.

Partnership with Department of Human Services
Through a partnership agreement with the DHS, the WDD provided job development services in all counties for TANF recipients. The WDD also provided job readiness workshops for TANF Recipients in the counties of Hawai‘i, Maui, and Kaua‘i. Through a similar agreement, the WDD provided employment and training assistance for SNAP recipients in the counties of Hawai‘i and Kaua‘i.

Senior Community Service Employment Program (SCSEP)
The SCSEP assisted unemployed, low-income persons, age 55 years and older, with poor employment prospects, to engage in part-time community service training activities to help them develop skills and experiences for transition into unsubsidized jobs. During FY2018 200 seniors were served in the program statewide. The SCSEP project operators included the following: (1) the Honolulu Community Action Program (HCAP), (2) DHS, (3) Hawai‘i County Office on Aging, (4) Maui Economic Opportunity Inc., and (5) the WDD Kaua‘i Branch.

Reemployment Services and Eligibility Assessment (RESEA)
Since 2008, the WDD has been providing group and individual skills assessment, labor market information, and referrals to jobs and training to unemployment claimants. While it is too soon to calculate the average net savings for FY2018, past periods reduced the average duration of unemployment benefits by 0.7 weeks, producing a net savings of nearly $2.5 million to the Unemployment Trust Fund. Due to the success of the RESEA program it became mandatory effective October 1, 2015.
The Workforce Development Council (WDC):

- Assigned by the Governor and the designated agency to plan, coordinate and implement a statewide customer and employer-driven workforce development system with partner agencies for Hawai‘i.
- Funds Local Workforce Development Boards (LWDBs) on O‘ahu, Kaua‘i, Maui and Hawai‘i Island to deliver direct employment and training services to job applicants, workers and businesses in the American Job Centers (AJCs).
- Coordinates statewide rapid response services to assist workers who have been laid off due to downsizing and business closure, as well as help employers with business needs.
- WDC board is comprised of 41 members, of whom the majority are private business sector members appointed by the Governor with advice and consent of the Hawai‘i State Senate.
- WDC’s core partners are the Department of Education Adult Education, Department of Human Services Division of Vocational Rehabilitation, and the Workforce Development Division (DLIR).

Statewide American Job Centers

Workforce Innovation and Opportunity Act (WIOA) funded AJCs deliver a full range of one-stop employment services to communities at four statewide locations on O‘ahu, Kaua‘i, Maui and Hawai‘i, as well as online at the HireNet Hawaii website. Services include program referrals and helping job seekers, particularly those with barriers to employment, access the education, training, and support services they need to obtain and advance in quality jobs and careers. Services also include helping businesses recruit and retain skilled workers needed to succeed in a global-driven economy.

In FY2018, the AJC one-stop delivery system served 826 employers, and nearly 10,800 individuals accessed HireNet and/or were assisted at the AJCs during a period when the state unemployment rate was 2.1%, the lowest in the country.

Additionally, with WIOA funds, the WDC provides each LWDB with federal funds to enable the AJCs to incorporate training services for eligible jobseekers for in-demand employment. Programs include tutoring and study skills training, education leading to a secondary diploma or its equivalent, paid and unpaid work experience, post-secondary certificates and degrees, and pre-apprenticeship programs.

Hawai‘i’s Underserved Population

The WDC is looking at ways to improve the effectiveness of the AJCs, the state and county workforce development boards, and to provide more resources to jobseekers through data analysis and visualization. WDC Economist and Employment Analyst Wayne Liou, Ph.D. developed a report that analyzed the demographics and distribution of underserved populations across the counties. The report defined the groups with the following characteristics as underserved populations: (1) low income, (2) low education, (3) limited English proficiency, (4) disability status, (5) veteran status, and (6) Native Hawaiian and other Pacific Islanders. The report will be presented and distributed to the county LWDBs and AJCs, with the goal of assisting in determining where outreach is needed and whether service delivery techniques are appropriate given the size of the underserved populations. The WDC has also researched disconnected youth, which are youth aged 16 to 24 years old that are neither in school nor employed, and is working to analyze the flow of workers from location of residence to location of employment.

Eligible Training Providers List (ETPL)

The Eligible Training Provider List (ETPL) consists of approved providers and programs that qualify as training programs under WIOA. The programs must lead to recognized post-secondary credentials, secondary school diplomas, or industry recognized certificates or certifications; and must be in an in-demand industry or occupation. The training services may be delivered in-person, online, or in a blended approach. Program approval is a two-step process, with the county where the training will take place first approving and then the WDC. Job counselors at the AJCs use the ETPL to place WIOA participants in
WDC

programs that meet their training needs. There are currently 141 programs on the statewide ETPL.

In 2017, the WDC implemented a new application process that includes a shortened application and an application specifically for the University of Hawai‘i (UH) system. In addition, community college listings will now include the Programs of Study, with a link to the program websites where the pathway for the credentials may be found. WIOA participants may take any course in the pathway for the credentials, which assists job counselors in creating training plans for WIOA participants.

The new ETPL may be found at https://labor.hawaii.gov/wdc/eligible-training-provider-list/ and may also be accessed through the WDC website homepage. The WDC website homepage also has lists for career services, pre-vocational services, and Registered Apprenticeship programs.

HireNet

HireNet Hawai‘i is a multi-functional web-based job portal focused on job opportunities in Hawai‘i. HireNet Hawai‘i provides an active database of employers, current job openings, and is free to use for job seekers and employers. AJC staff, case managers, and required partners can use HireNet Hawai‘i for its case management platform to enroll and manage case files. HireNet Hawai‘i collects user generated activities to produce program reporting data required by the United States Department of Labor (U.S. DOL). AJC managers and supervisors use the DOL required program reporting data to monitor caseloads, evaluate effectiveness of customer service, and recommend areas for improved performance.

Charts

Below are charts that show the salary range of WIOA recipients that received assistance from the AJCs and industries where WIOA recipients found employment.
National Reemployment and System Integration Dislocated Worker Grant

The WDC Data Management & Technology Committee (Committee) has been working diligently to improve the delivery of WIOA services for individuals. The U.S. DOL awarded the WDC $1.1 million for the Reemployment & System Integration Dislocated Worker Grant. Using grant funds, the Committee has been developing a Single Sign-On Registration System to streamline the process by which participants apply for WIOA and core partner services, to advance the reporting done by the WDC and other WIOA-related agencies, and to improve overall coordination among the core partner programs. The Single Sign-On Registration System is the first step in providing a fully integrated electronic workforce system for the State.

The Committee selected SalesForce as the platform to build the system. The foundation for the system was built with the assistance from the Office of Enterprise Services (ETS) and the DLIR’s Electronic Data Processing Systems Office (EDPSO). The WDC has contracted the EDPSO to manage the completion of the project and to also develop a new webpage. The project is anticipated to be completed by early 2019. Once the project is completed, all AJC staffers statewide will receive the necessary training to utilize the system effectively.

Statewide Rapid Response Services

In FY2018, the DLIR received 35 Worker Adjustment and Retraining Notification (WARN) or Dislocated Worker notices from businesses that were planning to downsize or close. The notices under Hawai‘i Law (chapter 394B, HRS) are mandatory for businesses with fifty or more employees. The WDC employs a Statewide Rapid Response Coordinator that coordinates with the AJCs and state agencies to form a rapid response team that includes the Unemployment
Insurance Division and county workforce staff to provide affected workers with information about unemployment insurance benefits, employment and training services, and other resources.

The Coordinator contacts all companies that send notices to explain programs and services available through AJCs on each island, and collaboratively plans Rapid Response on-site informational sessions. The Coordinator also sends the business a workforce survey for dislocated workers to complete. Rapid Response Teams at each local AJC use those completed surveys to implement appropriate support sessions, which are scheduled no earlier than two weeks prior to the business closure. Rapid response services are designed to prevent layoffs whenever possible, to limit the impact of change on workers, and to help workers transition to their next employment opportunity as quickly as possible. For employers, rapid response services aim to limit the impact of change, and to help transition the business to its next operational phase. The Coordinator contacted and/or coordinated rapid response teams with workers on-site at companies such as DuPont Chemical, Waikiki Parc Hotel, Westin Maui Resort and Spa, Jack’s Tours, Mauna Lani Resort, Kmart, Saint-Germain Bakery, and ToysRUs.

National Emergency Disaster Dislocated Worker Grants
In April 2018, a three day tropical storm caused severe flooding on Kaua‘i and O‘ahu. In May 2018, the Kilauea Volcano on Hawai‘i Island began erupting. Although the eruption has since slowed, it is still ongoing. The affected communities are still recovering from the physical damage and financial hardship caused by both events.

The U.S. DOL Disaster Dislocated Worker Grants (DWG) are helping Hawai‘i Island and Kaua‘i recover from their respective damages. On Kaua‘i, a $500,000 grant is paying the wages of eligible dislocated workers temporarily employed to remove tons of large debris (household appliances) off nearshore coral reefs. On Hawai‘i Island, a $3.5 million grant is paying the wages of dislocated workers to conduct clean-up, recovery, and humanitarian services at public and non-profit facilities located within the disaster area.

A third-party staffing agency for Hawai‘i Island and Kaua‘i has been contracted to provide payroll services and match eligible dislocated workers with approved businesses on both islands. The goal is to temporarily employ up to 175 individuals on each island through June 30, 2020.

Statewide Sector Partnerships
In 2015, the University of Hawai‘i and Chamber of Commerce of Hawai‘i (Chamber) initiated industry-led sector partnerships in Hawai‘i. Business leaders within certain industries met to champion pressing challenges while committing to work together to identify and prioritize industry concerns and work with community and government partners to resolve the issues. Sector partnerships are designed as economic and workforce development programs. At the county level, the Economic Development Boards of Maui, Kaua‘i, and Hawai‘i counties are the conveners. The Chamber is the convener for O‘ahu. The WDC became involved in the sector partnerships in 2017 as a government partner, joining the Department of Education (DOE), UH, DLIR, and the Department of Business, Economic Development, and Tourism (DBEDT).

Sector partnerships have been launched in banking, food manufacturing, healthcare, engineering, construction, information technology, hospitality and tourism, and agriculture. A non-credit universal banker program was developed in a partnership between the UH Community Colleges and the Hawai‘i Bankers Association. The universal banker program is offered at Windward Community College and Kapi‘olani Community Colleges, and is a hybrid of in-person and online course work. The universal banker program expands the employability of current bank tellers by emphasizing customer service and satisfaction in order to prepare them for changes in the banking industry emphasizing customer service and satisfaction. Two cohorts of high school students have also completed the universal banker program.

The food manufacturing sector partnership developed the Food Safety and Modernization Act training
program and has successfully trained approximately 150 industry employees in food safety. In the engineering, construction and design sector, the WDC is working closely with WDC Board Member and President of Gray, Hong, Nojima & Associates, Inc. Sheryl Nojima to connect college students in the engineering field with local summer internships, providing students with the necessary experience before graduation. HireNet Hawai’i has served as the integral link for this process because employers are able to post their summer internships there and college students are able to search and apply for internship opportunities.

The WDC Sector Strategies and Career Pathways Committee recommended and received approval from the WDC to continue its support of statewide sector partnerships by providing funding of $15,000 to each LWDB, totaling $60,000 statewide, to ensure that sessions were convened by the respective local boards, economic development boards, and the Chamber of Commerce of Hawai’i.

Partnership with UH Career and Technical Education
The WDC supported the Teacher Business Externship. Twenty-five career and technical education secondary teachers that taught grades 7 to 12 were paired with a relevant industry partner to learn current trends and practices with the goal of updating their curriculum. The teachers spent 80 hours with their industry partner between June to December 2017. The WDC matched the Harold K.L. Castle Foundation’s grant of $18,750, thereby providing each teacher with a $1,500 stipend.

The teachers that participated in the externship will share their experiences at the Hawai’i Advanced Career and Technical Education Conference scheduled for January 25, 2019 at the Hawai’i Convention Center. The WDC partnered with the Hawai’i Association for Career and Technical Education and provided $15,000 to support accommodations for a national speaker and registration fees for up to twelve WDC board members and staff to attend the Hawai’i Advanced Career and Technical Education Conference.

National Governors Association (NGA)
The NGA group of state workforce board chairs and executive directors meet quarterly to discuss policies and practices in implementing the WIOA and operating the AJCs. WDC Chair Leslie Wilkins and Executive Director Allicyn Tasaka represent Hawai’i. The WDC and its work associated with the Kīlauea Volcano eruption on Hawai’i Island and damage from Hurricane Lane were highlighted in the NGA newsletter in September.

NGA State Collaborative Consortium to Understand and Support the On-Demand Workforce Program
Hawai’i was selected as one of seven states by the NGA to participate in a pilot program for states to better understand and analyze the on-demand economy. The other states involved in the project are Alaska, Colorado, Connecticut, Maryland, New Jersey, and Pennsylvania.

“On-demand” is loosely defined, but revolves around the uncertainty of when a worker has work. As online platforms such as Uber and TaskRabbit have drawn attention to alternative work arrangements, and as the precarious work conditions of the fractured workplace have made more headlines, there has been increased concern for ensuring the economic security of these workers who work on-demand jobs. The nature of the on-demand work makes it difficult to analyze these types of work arrangements in-depth. The combination of increased concern for on-demand workers and the current lack of research has led the NGA to launch a new type of policy academy, one that is driven by the states. The WDC is the lead agency for Hawai’i’s team participating in the national pilot program. The WDC’s in-state partners include the DLIR’s Research & Statistics Division; DBEDT’s Research and Economic Analysis Division; the Data eXchange Project and Hawai’i P-20; and the UH Community Colleges. This pilot program is divided into two phases that interact with each other: a research phase to study and implement data collection methodologies to gain a better understanding of the on-demand workforce and a policy phase to evaluate how to support the economic security of on-demand workers. Due to the
large number of people working in the construction and tourism industries, the WDC plans to focus on construction workers; freelancers and independent contractors in the construction and tourism industries; and the full-time irregularly scheduled shift-workers that are prevalent in the services and accommodations sector. The pilot program will continue through March 2020.

**National Association of State Workforce Agencies (NASWA)**
The WDC is a member of the NASWA. The NASWA represents state workforce agencies, as well as workforce agencies in the D.C. and U.S. territories. The NASWA provides policy expertise, shares promising state practices, and promotes state innovation and leadership in workforce development. Hawai‘i has representation on the following NASWA committees: (1) the Technology Committee by Scott Murakami, Chair of the WDC Data Management and Technology committee and Director of Workforce Development at the UH Community Colleges; (2) the Military Affairs Committee by Mark “Duke” Olds, III, an Employment Services Specialist for WDC who served as a Disabled Veterans’ Outreach Program Specialist at the AJC; and (3) NASWA Board of Directors by the WDC Executive Director Allicyn Tasaka.
The Hawai'i Occupational Safety and Health Division (HIOSH) ensures compliance with two laws:

- Chapter 396, HRS, The Hawai'i Occupational Safety and Health Law, which states that every employee in the State should have safe and healthful working conditions; and
- Chapter 397, HRS, The Hawai'i Boiler and Elevator Safety Law, which mandates the safe operation and use of boilers and pressure systems, and elevators and kindred equipment, including amusement rides.

HIOSH staff engages in the following activities, with the goal of encouraging voluntary compliance with the law and administrative rules:

- The HIOSH enforcement staff conducts programmed inspections of high hazard workplaces, and responds to accidents, complaints, and referrals. Voluntary Protection Program (VPP) evaluations are done to identify and recognize exemplary employers.
- HIOSH consultants conduct workplace audits to improve employers' safety and health management systems in response to requests from employers. This service is free and confidential. Safety and Health Achievement Recognition Program (SHARP) evaluations are done to identify and recognize small employers with effective safety and health programs.
- Certifications are issued to qualified individuals in the following areas: explosives and pyrotechnics, certified safety and health professionals, and hoisting machine operators.

Promulgation of Occupational Safety and Health Administration (OSHA) standards. HIOSH is required to adopt "as effective as" administrative rules within 6 months of OSHA's adoption of standards. These safety and health standards state what employers must do to ensure safe and healthful workplaces for their employees.

HIOSH successfully met all its FFY2018 Federal grant objectives, and received approval of its Fiscal Year 2019 Federal grants. The Boiler/Elevator Branch has made considerable progress in filling its 13 elevator inspector positions that have been difficult to fill for several years.
The Hoisting Machine Operators Advisory Board (HMOAB) operates as an ‘attached agency’ within the State Department of Labor and Industrial Relations and is administered through the Hawai‘i Occupational Safety and Health Division. Since 1998, HMOAB has been charged with assuring construction crane operators across the Islands operate hoisting machines in a safe and lawful manner on behalf of the citizens of Hawai‘i.

**Annual Summary**

Fiscal year, 2017-2018, was a year of stability and reflection for the Hoisting Machine Operators Advisory Board.

During this fiscal year, a record number of 153 certifications were issued for Hawai‘i crane operators. This consisted of 72 new applicants and 81 renewals. Online applications increased to 42, indicating more applicants are using the online application feature of the HMOAB website.

The fiscal year was a period of reflection, as the Hoisting Machine Operators Advisory Board studied the implication of new rules proposed by the Federal Occupational Safety and Health Administration (OSHA) on crane operator certification doing construction work. If adopted the new rules would make the requirement of a Hawai‘i certification unnecessary and unenforceable. The Board considered two options: 1) do away with the requirement to have a Hawai‘i crane certification or 2) expand the requirement for certification for crane operators in general industry and utilities. The proposed OSHA rules do not apply to cranes in general industry and utilities.

The Board collected data that shows a significant number of crane accidents occur in general industry. According to data compiled by Haag Engineering, general industry accounts for about 37 percent of crane accidents and construction accounts for 49 percent. Proper training and certification of crane operators in this industry have the potential of reducing accidents and risk to the general public. Utility companies and tree trimming companies often operate in riskier situations with uneven and unstable grounds, unpredictable loads, and proximity to road traffic.

The OSHA proposed rules may be finalized in 2019 and the State of Hawai‘i has six months to adopt the rules or enact stronger rules than that required by OSHA.

In other action the Board approved an advertising campaign to run in the “Business Industry Magazine” from April 2018 to October 2018. The advertisements advised employers that crane operators doing construction work are required to be certified in the State of Hawai‘i.

**Advisory Board**

- **Tristan Aldeguer** serves as Chairperson of the Hoisting Machine Operators Advisory Board. Mr. Aldeguer is employed by Hawaiian Dredging Construction Company as a Health, Safety and Environment Manager and provides various safety consulting services and training. Along with his career in construction safety management, Mr. Aldeguer has spent sixteen years in the occupational safety and health field in Hawai‘i. Mr. Aldeguer term runs until June 30, 2020.

- **Don “Doc” Bailey** has over 30 years of experience in the crane industry. He is the C.E.O and President of “Doc Bailey Cranes & Equipment Inc.” which he founded in 1986. The company specializes in Crane Rentals, Crane Repair, Crane & Winch Sales, Hi-Rail, and Specialized Construction Equipment. Doc Bailey expanded the business from Hawai‘i to California in 1995. Mr. Bailey’s term on the Board runs until June 30, 2021.

- **Angela A. Chinen** is an instructor with the Joint Apprenticeship Committee of Operating Engineers Local Union #3. Ms. Chinen has thirty-four years of construction industry experience and is a certified member of both HMOAB and the National Commission for the Certification of Crane Operators (NCCCO). Ms. Chinen’s term on the Board runs until June 30, 2018 but she has applied for reappointment to the Board.

- **Richard E. Lentes III** is responsible for training programs and more than fifty overhead and mobile company cranes for Hawthorne CAT in Waipahu.
Mr. Lentes is a qualified mobile crane inspector and an experienced safety/health manager, following a successful career in the U.S. Navy. Mr. Lentes also serves as Vice-Chairperson of the Board and his term runs until June 30, 2020.

- **John P. Mihlbauer, Jr.** is president of All Ship & Cargo Surveys, Ltd. and is registered as a licensed Mechanical Engineer in Hawai‘i and California. Mr. Mihlbauer serves on the ASME B30.8 and ASME B30.24 sub-committees. Mr. Mihlbauer retired after 29 years in Federal Service as a Mechanical Engineer with the US Navy and the US Army Corps of Engineers. Mr. Mihlbauer’s term runs until June 30, 2018. Mihlbauer has also applied for reappointment to the Board.

- **Melvin Chang** works in the HMOAB office as its executive assistant. Mr. Chang comes to the HMOAB after working 31 years for the International Longshore and Warehouse Union Local 142 as their education and communications director.

### Agency Funding

The HMOAB revolving fund supports the process of investigation, verification and certification of new and renewing hoisting machine operators in the State of Hawai‘i. The fund is generated from user fees and covers personnel and operating expenses of the Hoisting Machine Operators Advisory Board. The funds also cover the cost of preparing and disseminating information about the certification process, public outreach programs, and the costs associated with the annual reporting of the agency’s activities. The Hoisting Machine Operators Advisory Board and its office is supported solely by user fees and operates without expense to the taxpayers of the State of Hawai‘i.

### Current Funding Summary

As all funds are self-generating, the Hoisting Machine Operators Advisory Board projects annual income of approximately $32,000 per fiscal year and an equal amount of expenses.

The decline in revenues after FY 2015-2016 is the result of the change in the fee schedule which allows applicants to choose their certification period between one to five years instead of only five years. This also resulted in a drop in the total number of certified operators from 408 to 376, as the older five-year long certification holders left the industry, returned to the mainland, or retired.

During the previous year, all revenues come from either application collections or interest income. Expenses include only personnel costs and the usual office operating expenses.

<table>
<thead>
<tr>
<th></th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Cash</td>
<td>$360,898</td>
<td>$342,529</td>
<td>$330,650</td>
</tr>
<tr>
<td>Revenues</td>
<td>$35,447</td>
<td>$32,293</td>
<td>$35,575</td>
</tr>
<tr>
<td>Expenses</td>
<td>$53,816</td>
<td>$44,171</td>
<td>$24,898</td>
</tr>
<tr>
<td>Ending Cash</td>
<td>$342,529</td>
<td>$330,650</td>
<td>$341,239</td>
</tr>
</tbody>
</table>

### Certifications Summary

Since the inception of the agency, the Hoisting Machine Operators Advisory Board has certified over one thousand crane operators statewide. During Fiscal Year 2017-2018, the agency certified 72 new operators and renewed 91 current operators for a total of 382 current HMOAB crane operators statewide.

<table>
<thead>
<tr>
<th></th>
<th>2014-15</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Applicants</td>
<td>61</td>
<td>62</td>
<td>68</td>
<td>72</td>
</tr>
<tr>
<td>Renewals</td>
<td>53</td>
<td>42</td>
<td>52</td>
<td>81</td>
</tr>
<tr>
<td>Total Members</td>
<td>408</td>
<td>369</td>
<td>376</td>
<td>382</td>
</tr>
<tr>
<td>Response/48 Hours</td>
<td>91%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
</tbody>
</table>

### History, Purpose and Administrative Governance

The Hoisting Machine Operators Advisory Board was established by the Hawai‘i State Legislature under Act 165 in 1998. The Hoisting Machine Operators Advisory Board operates as an attached agency of the State of Hawai‘i Department of Labor and Industrial Relations.

The Board certifies operators of all construction crane and tower machines having a lifting capacity of one ton or more in the state. This power comes from definitions in Section 12-50-2 of the Hawai‘i Administrative Rules (HAR). Under Sections 19 and 20 of the State Occupational Safety and Health Law and Chapter 396 of HAR, the Hoisting Machine Operators Advisory Board requires all operators...
using equipment covered by the American Society of Mechanical Engineers (ASME) B30.5 (mobile and locomotive cranes) to be medically qualified, pass written and practical training examinations, and possess practical experience in order to safely operate hoisting machines in the State. These requirements ensure a minimum competency level of operators, assure employers that potential workers comply with relevant state and federal standards, and provide safeguards for the public that buildings are constructed and maintained using best available practices. Enforcement is covered in section 12-110-50 of the Hawai‘i Administrative Rules.

Prospective and renewing hoisting machine operators are required to submit an application for certification (found online at HMOAB.hawaii.gov), a current digital photograph of their head and shoulders, and pay the requisite fee of one hundred dollars ($100) per year of desired State certification (up to the balance of their national certification but shall not exceed five years). New applicants must also pay a one-time, non-refundable application fee of fifty dollars ($50). Replacement or reissued cards are supplied to current operators without cost.

Currently, HMOAB operates with a five-member advisory board, made up of representatives from organized labor and construction management firms, and are appointed by the Governor for four-year, staggered terms, and approved by the State Senate. While the Board of Trustees meet monthly, administrative and financial business for the agency are completed by an Executive Assistant, who serves at the direction of the Board.

For Further Contact
The Hoisting Machine Operators Advisory Board can be reached by calling (808) 586-8146 or emailing the office at HMOAB@hawaii.gov. The Board meets publicly on the second Wednesday of each month (except December) in Room #114 at 1:30 p.m.
The Wage Standards Division ("Division") protects Hawai‘i’s workers by administering and enforcing six different labor laws related to wages in the Hawai‘i Revised Statutes (HRS). The laws operate to keep young workers safe in the workplace (Child Labor Law, Chapter 390, HRS); ensure employees are paid their wages due, (Wage and Hour Law, Chapter 387, HRS; Payment of Wages and Other Compensation, Chapter 388, HRS; Wages and Hours of Employees on Public Works, Chapter 104, HRS) and provide job protection when family members need care or an employee is fired or discriminated against because of a lie detector test, a workers compensation injury, or taking an on-site drug test. (Hawai‘i Family Leave Law, Chapter 398, HRS, Employment Practices Law, Part II – Lie Detector Test and Part III – Unlawful Suspension or Discharge.)

SIGNIFICANT EVENTS
• The Division implemented Act 135, 2017, and assessed penalties to employers under the Payment of Wages and Other Compensation Law for the employee and for the general fund for non-compliance. Penalties assessed in the first year of implementation amounted to $62,000 to employees and $26,000 to the general fund. As of July 1, 2018, penalties previously deposited into the general fund will now be deposited into the Labor Law Enforcement Special Fund, to be used to assist in collection of amounts due to the Department.
• The DLIR Team of the Year was the Wage Standards Division’s 104 Team, pictured above. The Team was relentless in updating Hawai‘i Administrative Rules to reflect more than 22 law changes to the Wages and Hours of Employees on Public Works, Chapter 104, HRS.

SUCCESSES
The Compliance Branch resolved 519 cases this fiscal year. This included issuing 13 Notice of Violations to contractors on public works projects who had violated the prevailing wage law under Chapter 104, HRS, and ordered $206,000 in penalties paid to the State general fund.
The Compliance Branch identified $624,371 in back wages found due to 307 workers. The Hearings Branch disposed of 54 unlawful termination claims and resolved 9 prevailing wage claim appeals.

Almost six hundred complaints, an increase of 15% from FY2017, were processed by the Intake and Certification Branch (ICB) against employers this fiscal year. The number of child labor permits issued decreased by 3% to 11,401. Variances and addendums required for productions like “Hawaii Five-0”, and other commercial productions that included minors under age 16 working outside the hours permitted by law, totaled 29 down 30% from last year. All outreach to the child labor audience of working minors, parents, and employers of minors was accomplished via the WSD Facebook page Hawaii Teens at Work.

The Division documented responses to 4,648 inquiries and used the blog Inside Wage Standards Division and DLIR as a resource to supplement education and outreach. Activity on the website and audience on social media has increased each year.

The chart below shows they type of violations the Division has been assessing penalties for under the Act 135, 2017.
The State of Hawai‘i has a strong commitment to the protection of civil rights. Article I, Section 5 of the Hawai‘i Constitution provides that “no person shall be denied the enjoyment of civil rights or be discriminated against in the exercise thereof because of race, religion, sex or ancestry.” The legislature gave meaning to this commitment by creating the Hawaiian Civil Rights Commission (HCRC), through enactment of Act 219 in 1988 and Acts 386 and 387 in 1989.

The HCRC was organized in 1990 and officially opened its doors in January 1991. The HCRC enforces state laws prohibiting discrimination in employment (H.R.S. chapter 378, Part 1), housing (H.R.S. chapter 515); public accommodations (H.R.S. chapter 489), and access to state and state-funded services (H.R.S. §368-1.5). The HCRC receives, investigates, conciliates, and adjudicates complaints of discrimination. The HCRC has five (5) uncompensated volunteer Commissioners. They are appointed by the Governor, with the consent of the Senate, based on their knowledge and experience in civil rights matters and commitment to preserve the civil rights of all individuals.

By law the Commission may hold hearings and make inquiries, as it deems necessary, and has the authority to administer oaths and affirmations, conduct depositions, compel the attendance of parties and witnesses and the production of documents by the issuance of subpoenas, examine parties and witnesses under oath, require answers to interrogatories, and delegate these powers to any member of the commission or any person appointed by the commission for the performance of its functions.

Furthermore, the law authorizes the Commission to enforce the State’s anti-discrimination statutes or any of its orders, conciliation agreements, or predetermination settlements by commencing civil action in circuit court; by issuing “right to sue” authority to complainants; or by ordering appropriate legal and equitable relief or affirmative action when violations are found.

The law also authorizes the Commission to appoint an executive director, deputy executive director, hearings examiners, investigators and other necessary support personnel, as well as attorneys to represent the commission in litigation.

Complaints Filed FY 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Property Transactions</td>
<td>8.7%</td>
</tr>
<tr>
<td>Public Accommodations</td>
<td>3.9%</td>
</tr>
<tr>
<td>State &amp; State-funded Services</td>
<td>0.4%</td>
</tr>
<tr>
<td>Employment</td>
<td>87.1%</td>
</tr>
</tbody>
</table>
**Hawai‘i Labor Relations Board**

**Composition of the Hawai‘i Labor Relations Board (HLRB or Board)**
The HLRB is comprised of three Board Members appointed by the Governor, and confirmed by the Senate, to six-year terms of office. The Board members function as administrative law judges.

**The Goal of the HLRB**
The Board seeks to provide just, fair, and timely resolution of the issues brought before it, consistent with public policy to provide for collective bargaining in the public and private sectors, and to assure employee health and safety in the workplace.

**Missions of the Board**
The HLRB is charged with the implementation and administration of:
- Hawai‘i Revised Statutes (HRS) Chapter 89, a law implementing the right of public employees to organize for the purposes of collective bargaining.
- HRS Chapter 377, the Hawai‘i Employment Relations Act, which provides for certification of unions and collective bargaining in the private sector where the National Labor Relations Board has declined jurisdiction, particularly in the agricultural sector.

**Case Statistics:** The following represents the cases filed and pending before the HLRB in FY2018:

<table>
<thead>
<tr>
<th>Type of Case</th>
<th>Old Cases as of 6/30/2017</th>
<th>Old Cases Closed in FY18</th>
<th>New Cases (Cases Opened in FY18)</th>
<th>New Cases Closed in FY18</th>
<th>Pending Cases End of FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CHAPTER 377</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unfair Labor Practice Against Union - (CU)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Unfair Labor Practice Against Employer - (CE)</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>CHAPTER 89</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prohibited Practice Against Employer – CE</td>
<td>48</td>
<td>12</td>
<td>20</td>
<td>4</td>
<td>52</td>
</tr>
<tr>
<td>Prohibited Practice Against Union – CU</td>
<td>6</td>
<td>2</td>
<td>11</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Prohibited Practice Against Employee - CEE</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Impasse – I</td>
<td>14</td>
<td>14</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Declaratory Ruling – DR</td>
<td>2</td>
<td>0</td>
<td>4</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Unit Clarification – RA</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>MISCELLANEOUS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL 89/377 CASES</td>
<td>70</td>
<td>28</td>
<td>38</td>
<td>13</td>
<td>67</td>
</tr>
<tr>
<td><strong>CHAPTER 396 (HIOSH)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contested Citation</td>
<td>2</td>
<td>1</td>
<td>25</td>
<td>15</td>
<td>11</td>
</tr>
<tr>
<td>Discrimination</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL 396 (HIOSH) CASES</td>
<td>2</td>
<td>1</td>
<td>26</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>TOTAL OF CASES FILED</td>
<td>72</td>
<td>29</td>
<td>64</td>
<td>28</td>
<td>79</td>
</tr>
</tbody>
</table>
In addition, the HLRB acts on appeals under:

- HRS Chapter 396, the Hawai‘i Occupational Safety and Health Law, from citations issued by the Director of the Department of Labor and Industrial Relations through the Hawai‘i Occupational Safety and Health Division (HIOSH.)

The Board fulfills its statutory missions through making determinations, judgments, and providing resolution in matters related to:

- The certification of unions as exclusive representatives for bargaining units created through HRS Chapter 89 and by elections under HRS Chapter 377.
- The placement of individuals into appropriate bargaining units under HRS Chapter 89 and Chapter 377.
- Impasses in negotiations under HRS Chapter 89 and by elections under HRS Chapter 377.
- Prohibited Practice charges filed by unions, employers, and individual bargaining unit members under HRS Chapter 89 and Unfair Labor Practice charges filed under HRS Chapter 377.
- Requests for Declaratory Rulings made under Chapters 89 and 377, and any other statute over which the Board has jurisdiction.
- Appeals of citations and penalties issued through HIOSH to employers and employees.

Objectives of the HLRB in FY2018

- Beginning in 2013, the Board offered a free electronic filing service through File and ServeXpress (FSX) for public labor cases and expanded it to include HIOSH cases in 2014. At the end of FY2018, ninety-nine percent of all the parties appearing before the Board were utilizing FSX. Since electronic filing is the most efficient and cost-effective method of handling cases, the Board plans either through statutory or administrative rule to require all cases filed under HRS Chapters 89 and 377 and appeals under HRS Chapter 396 be managed through the use of electronic filing.

- In 2007, the HLRB was designated the Hawai‘i Occupational Safety and Health (HIOSH) Appeals Board for HIOSH citations. However, when these cases were transferred from the jurisdiction of the Labor and Industrial Relations Appeal Board, no positions were transferred to HLRB nor were any new positions assigned to the Board to handle this increased workload. In 2018, the Hawai‘i State Legislature funded two (2) additional permanent positions to assist with the Board caseload.

- Pursuant to HRS Chapter 91, the Board received approval of the administrative rules for the “card check” method of certifying union representation under HRS Chapter 377 after holding public meetings on all islands. On October 27, 2017, the “card check” rules were posted on the Board’s web site.

- The Board worked to reduce the “back-log” of old cases, while addressing in a timely manner, new prohibited practice complaints and HIOSH appeals filed in FY2018. In FY 2016 there were 136 cases older than 12 months on its books. In FY 2017, the old cases were reduced to 96 cases, and by the close of FY 2018, there were 70 old cases on its books. Over the last three fiscal years, the Board has made significant strides in reducing the “back-log” of cases by about half. With the two additional staff positions, the Board can continue to reduce the backlog of old cases while resolving the currently filed cases in a timely manner.

- The Board began to hold hearings on the Neighbor Islands to comply with HRS 89-5(j) whenever it is more cost efficient in consideration of the parties and witnesses involved” and to promote just and fair consideration of Prohibited Practice and Unfair Labor Practice charges when they occur on the Neighbor Island. This advances the parties’ rights to due process, removes a financial burden on access; especially to those self-represented litigants. In 2018, the Legislature provided travel funds for this purpose and the Board has used it for Neighbor Island hearings.
• In FY 2018 the Board began using FreeConferenceCall.com to record all its proceedings. This web-based service was not only cost effective but also provides good sound quality, and the audio recordings are available 24/7 over the internet.

• The Board updated most of its forms to make them consistent with its electronic filing and electronic service protocol. These new online forms were converted to fillable pdf which are more user friendly for Self-Represented Litigants.

• The Board has spent the last several years reviewing and drafting new procedural rules governing cases under HRS Chapters 89, 377, and 396, and will hold public meetings on all islands and seek formal approval in 2019. The present rules were last amended in 1981.
The Unemployment Insurance (UI) program provides temporary partial wage replacement to eligible workers and stabilizes the economy during recessions. Administrative costs to operate the UI program are funded 100% by federal (FUTA) taxes paid by employers. UI benefits paid to eligible jobless persons are paid by state unemployment taxes assessed on businesses.

While the UI system is administered under state statutes, the US Department of Labor regulates conformity with federal laws and oversees compliance with performance standards for states to be certified to receive federal grants to operate the UI system and to qualify for FUTA tax offsets.

Eligibility for jobless benefits is contingent upon meeting specific legal requirements under Chapter 383, Hawai‘i Revised Statutes, including involuntary unemployment, workforce attachment and ability to availability for work. For Calendar Year (CY) 2018, individuals can collect up to a maximum of $619 per week for 26 weeks. Nearly 100% of all applications and weekly certifications are processed through an online filing system, which provides flexibility, security and convenience for claimants. Access to the web-based system is possible by computers or mobile devices. UI payments are transmitted through direct deposits to claimant bank accounts.

Two major disaster declarations were announced by the U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA) in 2018: Kilauea volcano eruption in the Hilo area on Hawai‘i Island (Incident period May 3, 2018 to August 17, 2018) and flooding in the Princeville/Hanalei areas on Kaua‘i (Incident period April 13, 2018 to 16, 2018). As a result, individuals who became unemployed as a result of lava flows in the Hilo area and severe rainstorms/mudslides in the Princeville/Hanalei areas became eligible to collect Disaster Unemployment Assistance (DUA) benefits. DUA payments apply to workers who do not qualify for regular unemployment insurance benefits, such as self-employed persons or workers that cannot accept available employment due to road closures.

Improved customer service and program integrity continue to be UI priorities that influence changes to business models to meet clients’ expectations. Upgrades to UI automated functions and development of innovative processes, made possible through special federal supplemental grants, have increased program efficiency and effectiveness. Major future and ongoing automation projects in 2018 include:

- **Kaua‘i**:
  
  Disaster eligibility period -- 4/15/2018 to 11/10/2018  
  37 applications filed and 24 eligible  
  $54,375 in DUA benefits paid.

- **Hawai‘i**:
  
  Disaster eligibility period – 5/6 to 11/10/2018  
  190 applications filed and 96 eligible  
  $461,098 in DUA benefits paid.

At the end of 2017, the balance of the Hawai‘i UI trust fund was $522,453,826. In CY 2017, 67,923 initial claims and 425,034 weekly certifications were filed. The unemployment rate was an average of 2.4% for 2017. The last time it was at or close to 2.4% was in 1989, when it was 2.5%.
The Disability Compensation Division (DCD) administers the Workers' Compensation (WC) law, the Temporary Disability Insurance (TDI) law, and the Prepaid Health Care (PHC) law. All employers with one or more employees, whether working full-time or part-time, are directly affected.

The purpose of the Workers' Compensation law is to provide wage loss compensation and medical care to those employees who suffer work-related injuries. Workers' Compensation is an employer paid insurance program that provides economic relief for employees injured on the job. WC benefits include medical and hospital expenses, lost wages, permanent disability disfigurement, and vocational rehabilitation.

Temporary Disability Insurance benefits partially replace wages lost when an employee is unable to work because of an off-the-job sickness or injury, if the employee meets the qualifying conditions of the law. TDI is an employer provided insurance that supplies partial wage loss benefits to employees who suffer off-the-job injuries or illnesses.

The PHC law requires that employers provide employees adequate medical coverage for non-work related illness or injury, if employees meet the qualifying conditions of the law. Coverage includes hospitalization, surgery, physician office visits, diagnostic tests, and maternity benefits. Hawai‘i is the only state to adopt a prepaid health care law and continues to be a leader in providing universal health care coverage.

The DCD’s mission is to provide economic security and stability for Hawai‘i’s workforce through education, enforcement, and adjudication of the WC, TDI, and PHC laws. Its primary objectives include ensuring efficient processing of claims; timely provision of medical services and payment of benefits to injured workers; employer compliance with WC, TDI, and PHC insurance coverage requirements; and monitoring health plans to ensure employees are provided with the benefits that are required under the PHC law.

DCD plans, directs, and coordinates statewide activities relating to interpretation, implementation and administration of WC, TDI and PHC laws, rules, regulations, policies and procedures. The division’s staff of 100 employees is organized into three (3) program offices (WC, TDI/PHC, and Program Support) and five (5) operational branches (Plans, Enforcement, WC Claims, Hearings, and Vocational Rehabilitation). The main office is located in Honolulu with district offices on the Neighbor islands (Wailuku-Maui, Kealakekua-Hawai‘i, Hilo-Hawai‘i, and Lihu‘e-Kaua‘i).
HIGHLIGHTS 2017

STATE OF HAWAI‘I

REPORTED CASES: 20,629
PROCESSED CASES: 41,487
PROCESSED CASES WITH COST: 29,526
TOTAL COST: $325,104,451
COST PER CASE: $11,011
MEDICAL COST: $145,170,774
DAYS LOST: 1,165,718
REPORTED FATALITIES: 16

Kaua‘i County
Reported Cases: 1,262
Processed Cases: 2,411
Processed Cases with Cost: 1,660
Total Cost: $14,417,261
Cost Per Case: $8,685
Medical Cost: $7,533,598
Days Lost: 49,909
Reported Fatality: 0

Maui County
Reported Cases: 2,816
Processed Cases: 5,395
Processed Cases with Cost: 3,894
Total Cost: $41,003,842
Cost Per Case: $10,530
Medical Cost: $17,841,683
Days Lost: 119,873
Reported Fatality: 3

Hawai‘i County
Reported Cases: 2,419
Processed Cases: 5,283
Processed Cases with Cost: 3,815
Total Cost: $42,102,410
Cost Per Case: $11,036
Medical Cost: $18,001,320
Days Lost: 178,287
Reported Fatality: 0

O‘ahu
Reported Cases: 14,132
Processed Cases: 28,398
Processed Cases with Cost: 20,157
Total Cost: $227,580,938
Cost Per Case: $11,290
Medical Cost: $101,794,173
Days Lost: 817,649
Reported Fatality: 13

Note: Cost may not add due to rounding.
Labor Industrial Relations Appeals Board

The Labor & Industrial Relations Appeals Board (LIRAB) is a quasi-judicial agency that is attached to DLIR for administrative and budgetary purposes only. LIRAB adjudicates appeals from decisions rendered by the Director via the Disability Compensation Division relating to workers’ compensation matters (Chapter 386, Hawai‘i Revised Statutes (HRS)) and decisions rendered by the Director relating to the Boiler and Elevator Safety Law (Chapter 397, HRS). Proceedings before LIRAB are subject to the Hawai‘i Administrative Procedures Act (Chapter 91, HRS) and other applicable administrative rules and laws.

Program Objective
LIRAB’s program objective is to provide prompt, just, and efficient adjudication of appeals from decisions of the Director relating to Workers’ Compensation and Boiler and Elevator Safety.

LIRAB Members
LIRAB is comprised of one Chairperson and two Board Members appointed by the Governor of the State of Hawai‘i and confirmed by the Hawai‘i State Senate for 10-year terms. The Chairperson is required by law to be an attorney licensed to practice in all Hawai‘i courts.

LIRAB Staff
LIRAB is supported by a staff of 7 employees. The employees include the following: (1) Executive Officer, (2) Hearings Officer, (3) Staff Attorney, (4) Researcher, (5) Chief Clerk, (6) Secretary, and (7) Office Assistant.

LIRAB ACTIVITIES for FY 2018

<table>
<thead>
<tr>
<th>Workers’ Compensation Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>New LIRAB appeals received in FY 2018</td>
</tr>
<tr>
<td>Cases disposed of or closed by settlement, dismissal, Decision and Order, or other means in FY 2018</td>
</tr>
<tr>
<td>Cases pending as of June 30, 2018</td>
</tr>
<tr>
<td>Pre-hearing conferences (initial, settlement and status conferences) held in FY 2018</td>
</tr>
<tr>
<td>Motions/Orders to Show Cause/Oral Arguments heard in FY 2018</td>
</tr>
<tr>
<td>Trials held in FY 2018</td>
</tr>
<tr>
<td>Percentage of appeals resolved within 15 months of receipt in FY 2018</td>
</tr>
<tr>
<td>Percentage of appeals upheld by appellate court in FY 2018</td>
</tr>
<tr>
<td>Number of cases awaiting written decision and order in FY 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Boiler &amp; Elevator Safety Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases pending as of June 2018</td>
</tr>
<tr>
<td>New appeals filed during FY 2018</td>
</tr>
</tbody>
</table>
LIRAB FY 2018 Highlights

• LIRAB continues to successfully implement and maintain its electronic document management system to scan and index paper case files as part of its goal to move to a digitized and paperless office.
• LIRAB, in collaboration with the Disability Compensation Division, finalized the documentation of its workflow and business processes in preparation for a multi-year modernization project to automate the state’s workers’ compensation system.

LIRAB FY 2018 Challenges

• Although 62% of appeals resolved in FY2018 were resolved within 15 months of receipt of the appeal, the turnaround time for the remaining 38% of appeals took more than 15 months to resolve. This is especially true for appeals awaiting a written decision and order, which took an average of 29 months to resolve. To reduce the wait time for a written decision and order, the LIRAB will be seeking funding for more legal staff to help write decisions.
The Employment Security Appeals Referees' Office's (“ESARO”) principal function is to provide an independent review of Unemployment Insurance (“UI”) Division determinations through an administrative appeals process, and plays an integral role in promoting the overall UI program objective of alleviating financial hardship for qualified unemployed individuals and stabilizing the economy during recessionary periods.

Hearing officers, also referred to as appeals referees, conduct an appeal hearing and issue written decision based on all relevant evidence presented during an appeal. The administrative appeals process provides individuals and employers with an opportunity to fully develop and articulate their position regarding a UI Division determination, and thereafter to promptly receive a detailed explanation about the outcome. Individuals or employers have the ability to either request a reopening or reconsideration by ESARO, and/or to seek judicial appeal by the state circuit courts thereafter.

Besides a chief appeals officer/administrator who also conducts hearings, ESARO was staffed by three full-time hearing officers, two per diem hearing officers (limited to no more than nine work days per month), one secretary, one full-time office assistant, and one part-time intermittent office assistant. Each hearing officer is typically scheduled for 25 to 26 hearings per week, or its daily equivalent.

At the end of June 2018, one of the full-time officers retired. As of November 2, 2018, a second full-time officer left employment as well. Recruitment is currently ongoing to fill those two vacancies. In the interim, the existing per diem hearings officers and two 89-day temporary hearing officers have been assigned as needed.

2018 Challenges and Highlights
ESARO has federally-mandated performance standards. Specifically, ESARO must issue at least 60% of its decisions within 30 days from the appeal request date, and 80% within 45 days. The average case age of all pending cases (ones in which a decision has not yet been rendered) must be less than 30 days.

In the fiscal year ending June 30, 2018, ESARO had an average completion rate of 83% in 30 days and 93% in 45 days, with an average case age of 26.5 days. During this period, ESARO issued 4,014 decisions, or an average of approximately 335 decisions per month. The same statistics for the prior year are provided below for comparison.

<table>
<thead>
<tr>
<th></th>
<th>FY2018</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-day completion rate</td>
<td>83%</td>
<td>87%</td>
</tr>
<tr>
<td>45-day completion rate</td>
<td>93%</td>
<td>94%</td>
</tr>
<tr>
<td>Average case age</td>
<td>26.5</td>
<td>20.5</td>
</tr>
<tr>
<td>Total appeals filed</td>
<td>3761</td>
<td>3588</td>
</tr>
<tr>
<td>Total appeal decisions</td>
<td>4014</td>
<td>3789</td>
</tr>
</tbody>
</table>

At the same time as ESARO significantly lowered the average case age to 20.5 days from the date an appeal is filed until resolution of that appeal, the completion rate averages have also improved. Although not at the same rate as the drop in unemployment levels, the number of appeals have also dropped as shown above. Despite ongoing high workloads for the relatively few personnel, ESARO continues to meet all federal performance standards and consistently ranks in the top 15-20% nationwide in completion rates.

Our estimated workload for the upcoming fiscal year is 4100 new appeals. When fully staffed, ESARO does not anticipate any difficulties in continuing to meet federal performance standards.

The online appeals system, launched in December 2013, continues to grow in usage, with approximately 75-80% of our customers using the system. The online appeal system gives customers real-time access without having to physically check a mailbox or post office box from any location. Paper filing is still available, however, to those with technical or access challenges. If available in the upcoming year, ESARO will again look for supplemental federal monies to upgrade the existing system.
The Research and Statistics (R&S) Office conducts labor research and analysis; develops labor force estimates on employment and unemployment in cooperation with the Bureau of Labor Statistics (BLS) and the Employment and Training Administration of the U.S. DOL; and provides technical assistance and management data to the DLIR’s divisions. R&S supports the DLIR in carrying out its mission by providing labor market and labor-related information that helps with research, business planning, job search, and career decisions.

The Labor Force Research staff developed, analyzed, and disseminated information on the labor force, unemployment, employment, industry wages, job counts, and hours and earnings as required by contractual agreement with the BLS. They kept everyone up to date on the latest employment figures and the State’s unemployment rate. These statistics are available for download from Hawai‘i Infonet at www.hiwi.org.

The Labor Market Research (LMR) staff produced state industry and occupational projections for the short-term 2017-2019 as well as the long-term 2016-2026. Beginning this year, the BLS introduced a new methodology to calculate job openings that better reflects the current dynamics of the workforce. As a result, total projected job openings posted a significant increase compared to prior projection periods. The Occupational Employment Statistics (OES) program generated occupational employment and wage data for 2017 at the state, metropolitan statistical area, and county level. All reports can be found at www.hiwi.org.

The LMR staff continued to maintain the Hawai‘i Directory of Green Employers, and Green Jobs portal, www.greenjobs.hawaii.org. Staff provided support for the Workforce Development Council’s and the Workforce Development Division’s websites. In addition, staff also updated the labor market analysis section of the Workforce Innovation and Opportunity Act (WIOA) Unified State Plan.

### Seasonally Adjusted Unemployment Rate

State of Hawaii

July 2017 - June 2018

<table>
<thead>
<tr>
<th>Month</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul-17</td>
<td>2.3%</td>
</tr>
<tr>
<td>Aug-17</td>
<td>2.2%</td>
</tr>
<tr>
<td>Sep-17</td>
<td>2.2%</td>
</tr>
<tr>
<td>Oct-17</td>
<td>2.1%</td>
</tr>
<tr>
<td>Nov-17</td>
<td>2.1%</td>
</tr>
<tr>
<td>Dec-17</td>
<td>2.1%</td>
</tr>
<tr>
<td>Jan-18</td>
<td>2.1%</td>
</tr>
<tr>
<td>Feb-18</td>
<td>2.1%</td>
</tr>
<tr>
<td>Mar-18</td>
<td>2.1%</td>
</tr>
<tr>
<td>Apr-18</td>
<td>2.0%</td>
</tr>
<tr>
<td>May-18</td>
<td>2.0%</td>
</tr>
<tr>
<td>Jun-18</td>
<td>2.1%</td>
</tr>
</tbody>
</table>
Career Kōkua, the Hawai‘i Career Information Delivery System, https://careerkokua.hawaii.gov, provided up-to-date localized career and related training information to Hawai‘i’s schools and workforce development agencies. During 2017 - 2018 the most accessed information files were the Local Occupations information followed by the Programs of Study and Training information, and information about local postsecondary schools.

The occupations with the most hits during 2017-2018 were:
- Psychologists
- Industrial Designers
- Psychiatrists
- Science Technicians
- Registered Nurses
- Lawyers
- Film and Video Editors
- Photographers
- Accountants and Auditors
- Preschool and Kindergarten Teachers

The Operations Management Information (OMI) staff provided research and statistical services required by State and Federal laws and supported the core programs administered by the DLIR’s line divisions, the U.S.DOL, and federal contracts. For the Unemployment Insurance (UI) Division, OMI produced federally-mandated UI statistical reports, the UI annual trust fund financing report, the UI Fact Book, Characteristics of the Insured Unemployed in Hawaii, and the UI trust fund projections; and conducted the UI data validation program. For the Disability Compensation Division, OMI calculated the Special Compensation Fund Levy, published the Workers’ Compensation Data Book and conducted the Medical Fee Schedule survey. OMI staff also reviewed union contracts and published the Wage Rate Schedule (Chapter 104, HRS).

For the Hawai‘i Occupational Safety and Health Division (HIOSH), the OMI staff conducted the Annual State and County Government Survey and produced quarterly building permits samples and information for their planning reports. The OMI staff also conducted the Survey of Occupational Injuries and Illnesses (SOII) and provided data and characteristics of Hawai‘i work-related fatalities for the Census of Fatal Occupational Injuries (CFOI) program. In addition, the OMI staff supported the DLIR with statistics required by law such as the Employment of State Residents on Construction Procurement Contracts (Chapter 103B, HRS) and the State Average Monthly Wage (Chapter 421C, HRS), as well as Limited English Proficiency data.

These OMI reports and publications may be accessed on the DLIR’s web site at http://labor.hawaii.gov/rs/.
The Office of Community Services (OCS) was established by Act 305 (SLH, 1985) to facilitate the development, delivery, and coordination of human service programs to assist low-income individuals and families, refugees, and immigrants so they can live healthier lives and achieve greater economic self-sufficiency.

Administratively attached to DLIR, OCS has been working diligently to become a model for grant administration in the State of Hawai’i. OCS’ goal is to improve the effectiveness and efficiency of administering grants by using sound fiscal management, maximizing the utilization of grant funds, improving contract and on-site monitoring, and improving overall contract performance.

OCS administers many of the Chapter 42F (HRS) Grants-in-Aid (GIA) appropriated by the Hawai’i State Legislature to non-profit agencies for which DLIR is the expending agency. In 2018, the Legislature appropriated $8,136,900 to OCS for a total of 38 grants, of which $6,231,000 was for capital improvement projects and $1,905,900 was for operating grants. In addition, OCS manages another 61 grants from prior years that total a little over $24 million, giving OCS a current management portfolio of more than $32.2 million.

OCS also administers a state-funded employment core services program that helps Hawai’i’s low-income individuals and immigrants gain employment skills, find and retain jobs. The total appropriation in FY 18: $1.3 million. In FY 18, OCS also administered eight recurring federal grant programs through contracts with non-profits totaling nearly $5.6 million.

The following were the programs administered by OCS during the fiscal year:

**Community Services Block Grants (CSBG)**
- Support Hawai’i’s four Community Action Agencies (Honolulu Community Action Program, Hawai’i County Economic Opportunity Council, Maui Economic Opportunity, and Kaua’i Economic Opportunity) with funding to underwrite a broad array of services that range from job training and job placement to Head Start, housing assistance, and financial literacy. FFY 2018 grant award: $3,714,415.

**The Emergency Food Assistance Program (TEFAP)** provides canned and dried foods such as cereal and pasta to supplement the diets of low-income individuals at no cost. TEFAP is by far our largest food program, serving an estimated weekly average of 35,000 people through funding from the U.S. Department of Agriculture (USDA)’s Food and Nutrition Service (FNS) branch. FFY 2018 grant award: $1,403,643.

**Commodity Supplemental Food Program (CSFP)** provides one box of pre-selected canned and packaged foods per person per month to 3,700 low-income seniors through the USDA’s FNS branch. A typical box contains a cross-section of foods, including canned fruits and vegetables, and dry goods such as flour, rice, and cereals. FFY 2018 grant award: $297,952.

**Senior Farmers’ Market Nutrition Program (SFMNP).** In FY 2018, this USDA FNS program provided more than 9,000 low-income seniors with food coupons to purchase locally grown fruits and vegetables from farmers, farmers’ markets and other outlets. FFY 2018 grant award: $498,746.

**Legal Advocacy, Outreach, and Referral Services to Protect the Rights of Children and Their Families.** Two programs that collectively serve approximately 2,800 children under this grant funded by the U.S. Department of Health and Human Services (DHHS) provide legal services to children in low-income households to address myriad issues ranging from family violence, abuse, and neglect, to child support and access to education and social safety-net services. FFY 2018 grant awards: $150,000 and $132,000.

**Weatherization Assistance Program (WAP)** provides funding from the U.S. Department of Energy for energy conservation education and the installation of weatherization measures to low-income households to reduce their energy costs. Among the weatherization measures approved for installation under this grant are solar water heaters,
hybrid heat pumps, refrigerator replacements, and low-flow faucet aerators and showerheads. FFY 2018 WAP grant award: $215,751.

**Low-Income Home Energy Assistance Program (LIHEAP)** funding through Hawai‘i’s State Department of Human Services is used in conjunction with WAP funding to install energy-saving appliances or measures to reduce household energy costs. The OCS portion of LIHEAP FFY 2018 grant award: $417,157. Total weatherization funding: $632,908.

**Refugee and Entrant Assistance Program (ORR)** provides refugees, asylees, and human trafficking victims with two types of services under this formula grant from the U.S. DHHS Office of Refugee Resettlement: (1) Social services for employment and other social services for up to five years after arrival into the U.S. and (2) Cash and medical assistance for up to eight months from arrival into the U.S. FFY 2018 grant award: (1) $75,000 and (2) $11,000.

**Comprehensive Services for Human Trafficking Victims** provides culturally appropriate services to victims of sex and labor trafficking identified or living in Honolulu. This is a three-year grant award from US Dept of Justice, Office for Victims of Crime, that has been extended for one additional fiscal year. FFY 2015-2018: $584,000.
The State Fire Council (SFC) is administratively attached to the State of Hawai'i's (State) Department of Labor and Industrial Relations and comprised of the four county Fire Chiefs. The SFC's primary mission is to develop a comprehensive fire service emergency management network for the protection of life, property, and environment throughout the State. The SFC is responsible for adopting a state fire code, applying and administering federal fire-related grants, and administering a Reduced Ignition Propensity Cigarette (RIPC) Program. The SFC may establish qualifications for testing and certifying individuals who perform maintenance and testing of portable fire extinguishers, fire protection systems, and fire alarm systems. They may also advise and assist the county fire departments where appropriate and prescribe standard procedures and forms related to inspections, investigations, and fire reporting. It also advises the Governor and Legislature on issues relating to fire prevention and protection, life safety, and any other function or activity for which the various county fire departments are responsible.

The National Fire Protection Association (NFPA) 1 Fire Code, 2012 Edition
The State Fire Code Investigative Committee, which is comprised of one member from each county fire department and an NFPA representative, completed its review and amendments to the NFPA 1 Fire Code, 2015 Edition. The 2015 amendment package was forwarded to the State Attorney General for review. The first draft of the amendments to the NFPA 1 Fire Code, 2018 Edition were completed. The State Fire Code, in union with the county fire codes, comprehensively addresses minimum requirements for the protection of life and property to mitigate and prevent the disastrous effects of fire, explosion, and hazardous materials incidents.

The SFC has been a voting member of the State Building Code Council (SBCC) since its inception in 2007. Its 11 voluntary members are comprised of county, State, and private stakeholders who review and approve a comprehensive set of national model building codes and standards for design and construction in the State. These approved codes are used as the basis for the county building codes. The State Department of Accounting and General Services, to which the SBCC is administratively attached, is authorized to adopt the approved State building codes as administrative rules. The SBCC completed its review and approved the National Electrical Code, 2017 edition. The SBCC continued its review of the International Building Code (IBC) and the International Residential Code (IRC), 2012 editions and the Uniform Plumbing Code (UPC), 2012 edition. Investigative committees began their review and amendment packages to the IBC, IRC, UPC, 2018 editions. Act 120 appropriated funds for the SBCC for a Federal Emergency Management Agency reimbursable grant to update the State building and residential code standards for hurricane mitigation.

After the passage of Act 218, 2008 Hawai'i Legislative Session, Hawai'i became the 36th state, along with the District of Columbia, requiring that only RIPC be sold in the State effective September 30, 2009. By the end of 2011, all 50 states and the District of Columbia had passed RIPC laws. The SFC administers the RIPC Program. The purpose of this law is to reduce the number of accidental fires involving smoking-related materials and decrease the number of injuries and fatalities. A total of 748 brand/styles of cigarettes are approved for sale in the State. Retail inspections reveal that closer to 250 of those brand/styles are actually being sold in retail outlets. Work in progress included administrative rules, enforcement procedures, independent compliance testing guidelines, fire investigation statistical analysis, and “roll your own” compliance issues.

RIPC Program

1. In June 2018 an RIPC Administrative Rules draft was finalized and forwarded to the Department of the Attorney General (DAG) for review before forwarding it to the Legislative Reference Bureau.
2. After two independent RIPC Test failures of ITG's Maverick Menthol 100s samples in April and October 2017, the SFC, in consultation with the DAG, decided not to take any immediate action on this matter until the conclusion of a similar litigation involving ITG with the state of Massachusetts. In the meantime, subsequent independent RIPC
testing of ITG's Maverick Menthol 100s in fiscal year (FY) 2018 was conducted. All Maverick Menthol 100s samples that were tested have passed.

3. Retail outlet cigarette inspections will be reduced in FY 2019 and limited to the island of Oahu. Independent RIPC testing will continue to be conducted.

4. Anticipated RIPC certification fees to be collected is about $72,750.

5. The SFC will continue to work with the legislature for approval to revise Hawai’i Revised Statutes § 132C to allow funding of SFC programs and expenses, including the addition of another position, with RIPC certification fees.

The SFC supported and submitted testimony during the 2018 Legislative Session on bills related to worker’s compensation benefits for fire fighters; using the RIPC Program special fund to support the administrative costs of the State Fire Council; prohibiting counties from requiring residential fire sprinklers in new or existing one- and two-family dwellings; a residential fire sprinkler tax credit; fireworks housekeeping; increasing pyrotechnic display permit fees; and prohibiting the statewide use of consumer fireworks on three designated holidays. It also submitted a resolution that would bring stakeholders together to evaluate the costs of residential fire sprinklers in each county. Act 107 acknowledged the occupational hazards that are inherent with being a fire fighter and provides sufficient medical coverage so that appropriate and timely treatment would reduce the impact of cancer for the families of fire fighters. None of the other bills passed.

The SFC coordinated statewide fire service training courses in Initial Fire Investigation for First Responders, Wildland-Urban Interface Fighting, Creating Environments for Professional Growth, Preparation for Initial Company Operations, Fire Adapted Communities in the Wildland Urban Interface, and Decision Making for Initial Company Operations.

Table 1: Total inspections conducted, brand style cigarettes tested (and cost), and RIPC fees collected

<table>
<thead>
<tr>
<th></th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspections</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Brands</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tested/Cost</td>
<td>0/$0</td>
<td>$34,125</td>
<td>0/$0</td>
<td>0/$0</td>
</tr>
<tr>
<td>Fees Collected</td>
<td>$361,500</td>
<td>$102,000</td>
<td>$160,875</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspections</td>
<td>0</td>
<td>19</td>
<td>415</td>
<td>793</td>
</tr>
<tr>
<td>Brands</td>
<td>0</td>
<td>0</td>
<td>100</td>
<td>244</td>
</tr>
<tr>
<td>Tested/Cost</td>
<td>0/$0</td>
<td>100/$27,041</td>
<td>244/$103,307</td>
<td>604/$221,190</td>
</tr>
<tr>
<td>Fees Collected</td>
<td>$33,750</td>
<td>$112,875</td>
<td>$136,125</td>
<td>$43,500</td>
</tr>
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<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspections</td>
<td>181</td>
<td>0</td>
<td>0</td>
<td>1408</td>
</tr>
<tr>
<td>Brands</td>
<td>92/35,933</td>
<td>0/$0</td>
<td>0/$0</td>
<td>1,040/387,471</td>
</tr>
<tr>
<td>Tested/Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees Collected</td>
<td>$233,625</td>
<td>$1,218,375</td>
<td>$1,218,375</td>
<td></td>
</tr>
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</table>
The SFC worked on revising its strategic plan to focus on core projects which are achievable with its present staff. In addition to its statutory responsibilities, they include coordinating mutual aid agreements, promoting statewide fire and life safety education, data collection and analysis, and fire service professional development.

The SFC revisited the certification and recertification of its emergency medical services (EMS). Involved agencies include the State EMS, the Department of Commerce and Consumer Affairs, and the different emergency medical technicians certification levels. Discussions of residential fire sprinklers continued throughout the year with building and water officials for Kaua‘i, Maui, and Hawai‘i. Specification information on five eight-inch water meters and sprinkler heads were presented that could significantly reduce installation costs. There is a need to have emergency medical responders possess some type of State license in order for the State to have oversight in keeping the public safe.

A public hearing on the administrative rules for testing, certifying, and credentialing individuals who perform maintenance testing of portable fire extinguishers, fire protection systems, and fire alarm systems was held on March 13, 2018. They will proceed to the Governor for final approval. The rules will require that individuals who conduct maintenance testing of these systems and appliances shall obtain a certificate of fitness from the county fire department by successfully passing certification requirements from a third-party agency.

The SFC meets quarterly to fulfill its statutory duties and responsibilities.
DLIR Directory

Administration
Director's Office ........................................ 586-8844
Deputy Director's Office .................................. 586-8852
Administrative Services Office .......................... 586-8888
Human Resources Office .................................... 586-9048
Information Line ............................................. 586-8842
Website ......................................................... http://labor.hawaii.gov
Email ......................................................... dlir.director@hawaii.gov

District Offices
Hilo ......................................................... 974-6464
Kona ......................................................... 322-4808
Maui ......................................................... 243-5322
Kaua'i ......................................................... 274-3351

Disability Compensation Division
Workers' Compensation Facilitator ...................... 586-9161
Medical Fee Schedule (WC) .................................. 586-9161
Vocational Rehabilitation (WC) ............................ 586-9178
Prepaid Health Care ......................................... 586-9188
Temporary Disability Insurance (TDI) ............. 586-9188
Email ......................................................... dlir.workcomp@hawaii.gov
  dlir.templ.disability.ins@hawaii.gov
  dlir.prepaid.healthcare@hawaii.gov

Employment Security Appeals Referees' Office
Honolulu ..................................................... 586-8930
Molokai/Lāna'i ................................................ 1 (800) 468-4644, ext. 6-8930
Kaua'i ......................................................... 274-3141, ext. 6-8930
Maui ......................................................... 984-2400, ext. 6-8930
Hawai'i ........................................................ 974-4000, ext. 6-8930
Email ......................................................... dlir.esar.o@hawaii.gov

Hawai'i Civil Rights Commission
Phone ......................................................... 586-8636
Email ......................................................... dlir.hcr hội@hawaii.gov

Hawai'i Labor Relations Board
(Public Sector Collective Bargaining) ......... 586-8610
Email ......................................................... dlir.laborboard@hawaii.gov

Hawai'i Occupational Safety & Health
General Phone ............................................. 586-9116
Accident Reporting Line ................................... 586-9102
Complaints .................................................. 586-9092
Consultation & Training ................................... 586-9100
Occupational Health ....................................... 586-9090
Occupational Safety ....................................... 586-9110
Explosive Permits .......................................... 586-9110
Boiler/Elevator ............................................. 586-9141
Email ......................................................... dlir.hiosh@hawaii.gov
  dlir.hiosh.complaints@hawaii.gov
  dlir.hiosh.ctr@hawaii.gov (Consultation/Training)
  dlir.hiosh.boiler@hawaii.gov (Boiler)
  dlir.hiosh.elevator@hawaii.gov (Elevator)

Labor & Industrial Relations Appeals Board
Tel ............................................................... 586-8600
Email ......................................................... dlir.appealsboard@hawaii.gov

Office of Community Services
(Refugees, Immigrants, Economically Disadvantaged)
Tel ............................................................ 586-8675

Research & Statistics Office
Tel ............................................................... 586-8999
Email ......................................................... dlir.research@hawaii.gov
Websites ..................................................... www.hawaii.org
  https://labor.hawaii.gov
  https://careerkoku.hawaii.gov
  www.greenjobshawaii.org

State Fire Council
Tel ............................................................ 723-7101

Unemployment Insurance Division
Tel ............................................................ 586-9070
File a Claim Online ...................................... https://uiclaims.hawaii.gov
Claims & Benefits:
O'ahu ....................................................... 586-8970
Hilo .......................................................... 974-4086
Kona .......................................................... 322-4822
Maui and Moloka'i ........................................ 984-8400
Kaua'i ......................................................... 274-3043
Employer Services:
O'ahu ....................................................... 586-8926
Hilo .......................................................... 974-4095
Kona .......................................................... 974-4095
Maui and Moloka'i ........................................ 984-8410
Kaua'i ......................................................... 274-3025

Wage Standards Division
Tel ............................................................ 586-8777
Email ......................................................... dlir.wages@hawaii.gov

Workforce Development Council
Tel ............................................................ 586-8630
Email ......................................................... dlir.workforce.council@hawaii.gov
Websites ................................................... hirenethawaii.com
American Job Centers
Hawai'i ....................................................... 935-6527
Kaua'i ......................................................... 274-3059
Maui .......................................................... 270-5777
O'ahu .......................................................... 768-5700

Workforce Development Division
General Tel .................................................. 586-8877
Apprenticeship ............................................. 586-8877
Employment & Training Fund ......................... 586-8877

American Job Centers
Hawai'i ....................................................... 935-6527
Kaua'i ......................................................... 274-3059
Maui .......................................................... 270-5777
O'ahu .......................................................... 768-5700
Moloka'i ...................................................... 553-1755
Kaua'i ......................................................... 274-3056