



STATE OF HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

February 21, 2012

**TESTIMONY TO THE
SENATE COMMITTEE ON WAYS AND MEANS**

For Hearing on Thursday, February 23, 2012
9:00 a.m., Conference Room 211

BY

BARBARA A. KRIEG
INTERIM DIRECTOR

Senate Bill No. 2220
Relating to the Boiler and Elevator Safety Law

TO CHAIRPERSON IGE AND MEMBERS OF THE COMMITTEE:

S.B. No. 2220 establishes the boiler and elevator special fund, authorizes the establishment of up to ten additional positions, appropriates funds for start up costs and the hiring of staff, and provides authority for the Department of Labor and Industrial Relations (DLIR) Director to set compensation and other working conditions that may be different from those administered by the Department of Human Resources Development (DHRD).

The Department of Human Resources Development appreciates the intent of this measure, but has the following concern as it relates to section 4, part (b) of the bill.

Section 4, part (b) authorizes the Department of Labor and Industrial Relations Director to set compensation and other working conditions that may be different from those administered by the Department of Human Resources Development. Upon discussion with DLIR, it was determined that existing personnel rules and procedures provide the needed flexibility to hire and retain qualified staff. Therefore, DHRD respectfully requests removal of section 4, part (b) from the bill.

Thank you for the opportunity to provide testimony on this measure.



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The Twenty-Sixth Legislature, State of Hawaii
The Senate
Committee on Ways and Means

Testimony by
Hawaii Government Employees Association
February 23, 2012

S.B. 2220 - RELATING TO THE BOILER
AND ELEVATOR SAFETY LAW

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the purpose and intent of S.B. 2220, which establishes the boiler and elevator special fund within the Department of Labor and Industrial Relations to collect and deposit fees for inspections, permits, and examinations of boilers, pressure systems, and elevators. This bill will provide a mechanism for the program to be self-sufficient and the necessary funding to hire and retain a sufficient number of qualified personnel to inspect boilers, elevators, pressure systems and amusement rides. This program is essential in protecting public health and safety.

The bill directly addresses the need for more manpower necessary to work on a backlog of inspections. Currently, about 75% of the elevators and 50% of the boilers are operating without a current permit because of overdue inspections or their permits are delayed. There is also a backlog in conducting critical load tests on elevators, internal inspections of escalators and inspection of amusement rides. By increasing its funding and being able to hire additional staff, the department can enhance public safety.

In addition, S.B. 2220 will help developers to obtain building and occupancy permits faster and, thus, will be able to recover costs and move on to the next project. Contractors will be better able to plan for ongoing and future construction projects and bring unemployed workers back to work. Finally, building and building operating costs will be reduced as timely permits to operate will be issued thereby assuring building insurers that the equipment is safe to operate.

Thank you for the opportunity to testify in support of S.B. 2220.

Respectfully submitted,

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

[Uploaded via Capitol Website](#)

February 23, 2012

TO: HONORABLE SENATORS DAVID IGE, CHAIR, MICHELLE KIDANI, VICE CHAIR AND MEMBERS OF THE SENATE COMMITTEE ON WAYS AND MEANS

SUBJECT: **COMMENTS REGARDING S.B. 2220, RELATING TO BOILER AND ELEVATOR SAFETY LAW.** Establishes the boiler and elevator special fund to collect and deposit fees for inspections, permits, and examinations of boilers, pressure systems, elevators, and kindred equipment; provides for sufficient operating costs to carry out the purpose of the boiler and elevator safety law. Authorizes the director of labor and industrial relations to establish up to ten additional positions, including elevator and boiler inspectors. Appropriates funds for start up costs and hiring of necessary staff.

HEARING

DATE: Thursday, February 23, 2012

TIME: 9:00 A.M.

PLACE: Conference Room 211

Dear Chair Ige, Vice Chair Kidani and Members,

The General Contractors Association (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80th anniversary this year; it remains the largest construction association in the State of Hawaii. GCA is submitting **comments** regarding S.B. 2220, Relating to Boiler and Elevator Safety Law.

S.B. 2220 proposes to require the Department of Labor and Industrial Relations to establish a special fund to pay for the cost of operating the Boiler and Elevator Inspection Branch. All fees collected for inspections, permits and examinations of boilers and elevators shall be deposited into the fund effective July 1, 2012. The Bill also establishes a schedule of inspection and licensing fees to be charged pending establishment of a fee schedule under Chapter 91. This Bill would appropriate \$1,000,000 for fiscal year 2012-2013 from general revenues, as start up funds to be deposited into the boiler and elevator special fund, and additionally it would appropriate the sum of \$2,900,000 from the special fund to carry out this Act and hire appropriate staff.

The GCA recognizes the necessity of funds to pay for the inspections and examination of boilers and elevators since the installation and operation of defective equipment poses a danger to the general public that use elevators and come in contact with boilers and other pressure vessels.

A large number of elevators and pressure systems are operating without a current permit due to lack of sufficient staff to carry out the needed inspections. The health and safety of the general

public could be jeopardized due to lack of funding to carry out the required inspections. Furthermore, projects could potentially get stalled if the appropriate safety inspections are not conducted in a timely manner.

The GCA therefore, supports the intent of S.B. 2220; however, we take no position regarding the specific fee schedule proposed in the bill. We believe that the specific fee schedule proposed in the bill needs to be explained and examined before we can determine whether the amounts proposed are justified.

Thank you for this opportunity to present our views on this measure.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: iuec126@hawaiiintel.net
Subject: Testimony for SB2220 on 2/23/2012 9:00:00 AM
Date: Wednesday, February 22, 2012 8:09:39 AM

Testimony for WAM 2/23/2012 9:00:00 AM SB2220

Conference room: 211
Testifier position: Support
Testifier will be present: No
Submitted by: Steve Tsunemoto
Organization: International Union of Elevator Constructors
E-mail: iuec126@hawaiiintel.net
Submitted on: 2/22/2012

Comments:

The Honorable David Ige, Chair, Michelle Kidani, Vice-Chair, and Members of the Senate Committee on Ways and Means

SB2220 addresses the growing and significant backlog of annual elevator inspections in the State of Hawaii. By the implementation a higher inspection fee and the creation of a special fund, SB2220 will enable the Boiler and Elevator Inspection Branch to hire and retain the additional inspectors and administrative staff required to correct the backlog. In addition, the additional inspectors will enable the inspection branch to maintain currentcy with the ever increasing amount of elevators in Hawaii.

We believe that the annual inspections by the Boiler and Elevator Inspection Branch is an important component of the process of ensuring the safety of the general public.

The International Union of Elevator Constructors, Local 126, fully supports and urges the passage of SB2220.

Thank you.