



STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
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February 6, 2015

To: The Honorable Gilbert S.C. Keith-Agaran, Chair,
The Honorable Maile S.L. Shimabukuro, Vice Chair, and
Members of the Senate Committee on Judiciary and Labor

Date: Tuesday, February 10, 2015
Time: 9:15 a.m.
Place: Conference Room 016, State Capitol

From: Elaine N. Young, Director
Department of Labor and Industrial Relations (DLIR)

**Re: S.B. No. 1120 Relating to Notice of Hearing by the Labor and
Industrial Relations Appeals Board**

I. OVERVIEW OF PROPOSED LEGISLATION

To allow the Labor and Industrial Relations Appeals Board (LIRAB) the option to provide notice of hearing by online posting on the LIRAB's webpage if service by first class mail is undeliverable. The department strongly supports this Administration proposal, which is consistent with the Administration's efforts to make government more efficient without sacrificing levels of service.

II. CURRENT LAW

The LIRAB is currently subject to chapter 91, which requires the Board to provide notice of hearing by publication in a newspaper of general circulation if service by first class mail cannot be made.

III. COMMENTS ON THE SENATE BILL

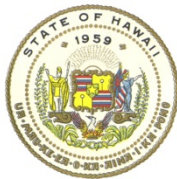
One strategy to preserve services during the "Great Recession" was to severely reduce the operating budgets in the department and no restoration has occurred. The DLIR has addressed this by using Administration proposals to improve business processes and using technology to improve the delivery of DLIR's programs and quality of services to Hawaii's people [Act 261 (SLH, 2012), Act 262 (SLH, 2012), Act 14 (SLH, 2013), Act 15 (SLH, 2013), Act 96 (SLH, 2013), Act 98

(SLH, 2013).

SB1120 offers the opportunity for the LIRAB to use the operational savings to help meet the increased need to service persons with Limited English Proficiency (LEP) and take small steps towards going paperless, among other costs.

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT
GOVERNOR



DANNY J. VASCONCELLOS
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MELANIE S. MATSUI
MEMBER

LABOR & INDUSTRIAL RELATIONS APPEALS BOARD
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February 9, 2015

TO: The Honorable Gilbert S.C. Keith-Agaran, Chair
The Honorable Maile Shimabukuro, Vice Chair, and
Members of the Senate Committee on Judiciary and Labor

DATE: Tuesday, February 10, 2015
TIME: 9:15 A.M.
PLACE: Conference Room 016, State Capitol

FROM: Danny J. Vasconcellos, Chair
Labor and Industrial Relations Appeals Board

**RE: S.B. 1120 Relating to Notice of Hearing by the Labor and
Industrial Relations Appeals Board (LIRAB)**

I. OVERVIEW OF PROPOSED LEGISLATION

SB1120 is an Administration proposal that authorizes LIRAB the option to provide notice of hearing to a party by online posting on LIRAB's webpage if service of the notice by first class mail is returned as undeliverable and a forwarding address for the party cannot be ascertained after a reasonable and diligent effort.

LIRAB strongly supports SB1120 because online posting of notice of hearing provides an effective and cost-saving option to publication of the notice by newspaper.

II. CURRENT LAW

LIRAB is subject to the Administrative Procedures Act (APA) in Chapter 91 of the Hawaii Revised Statutes (HRS). The APA requires LIRAB to provide notification of hearing to a party who has a pending appeal at LIRAB. Under section 371-4(c), HRS, the manner of providing such notice is by first class mail. If, however, the notice is returned as undeliverable or a party moves away and a forwarding address cannot be ascertained after a reasonable and diligent effort, LIRAB is required by section 371-4(d), HRS to provide notice of hearing by publication in a newspaper of general circulation.

III. COMMENTS ON THE SENATE BILL

Notice by newspaper publication is costly and has not been an effective means of providing notice to a party. An average newspaper ad costs the LIRAB \$383.00. LIRAB spent close to \$5,000 in newspaper ads in the last four years. At least for the last twenty-five years, no party has ever appeared at LIRAB for a hearing after notice by newspaper publication.

The notice of hearing that the LIRAB seeks authority to post online is not a public notice directed at a group or the general population. It is directed at a specific party who, at one time, was a participant in a pending LIRAB appeal, but has since abandoned the appeal, moved away without a forwarding address, or whose address cannot be ascertained.

The option to provide notice of hearing by posting on the LIRAB's webpage is effective and economical. The LIRAB already has an online presence on the department's website (labor.hawaii.gov). Information posted online is more readily accessible than information buried in legal print ads. Public libraries provide computers and internet connection to those who do not own computers.

Online posting of information has become commonplace in today's digital world. Many State departments and boards already post notices of meetings and other events on their websites.

This proposed bill is consistent with the Administration's efforts to use technology to improve efficiency and reduce costs without sacrificing customer service.