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GOVERNOR

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LIEUTENANT GOVERNOR



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DEPUTY DIRECTOR

DEPT. COMM. NO. 266

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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January 20, 2017

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

The Honorable Joseph M. Souki, Speaker
and Members of the House of
Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, HI 96813

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

For your information and consideration, I am transmitting two (2) copies of the Hoisting Machine Operators' Advisory Board Report for the fiscal year ending June 30, 2016, as required by Section Act 74 Hawai'i Revised Statutes (HRS).

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

Sincerely,

Linda Chu Takayama
Director

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 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 the 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 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.

The Hoisting Machine Operators Advisory Board can be reached by calling (808) 586-8146, emailing HMOAB@Hawaii.gov, or [mailing](mailto:HMOAB@Hawaii.gov) HMOAB Room 114, 830 Punchbowl Street, Honolulu, HI 96813.

**Equal Opportunity Employer/Program
Auxiliary aids and services are available upon request to
individuals with disabilities.**

TDD/TTY Dial 711 then ask for (808) 586-8866.

The Hawai'i Hoisting Machine Operators Advisory Board

FY2015-16 Annual Report

For the Fiscal Year Ending June 30, 2016

An Introduction to HMOAB

The Hoisting Machine Operators Advisory Board (HMOAB) operates as an 'attached agency' within the Hawai'i State Department of Labor and Industrial Relations and is administered through the Hawai'i Occupational Safety and Health Division (HIOSH). Since 1998, HMOAB has been charged with assuring construction tower and crane operators across the Islands operate hoisting machines in a safe and lawful manner to the benefit of the citizens of Hawai'i.

FY2015-16 Highlights

FY2015--16, was a year of transition for HMOAB. The HMOAB office was relocated from a shared space on the third floor in the Director's office to Room 114 on the first floor of the Keelikolani Building at 830 Punchbowl Street.

The 28th Hawai'i State Legislature passed House Bill 2009, regarding the operation of HMOAB, which subsequently was signed by Gov. Ige as Act 103. Members of the Board spent time preparing testimony and communicating with legislators. Act 103 replaced the half-time executive director position with a half-time office assistant. In addition, the Legislature directed HMOAB to submit a report to the Legislature detailing: 1) current and pending federal Occupational and Safety and Health Administration rules; 2) comparison of the state law and federal rules and regulations concerning hoisting machine operators; 3) administration of certification of hoisting machine operators in other states; 4) the existing Hawai'i fee structure for certification; and 5) recommended changes to existing Hawai'i certification procedures.

HMOAB expanded its member and public outreach mission with a booth in the May 2-3, 2016 Pacific Rim Safety Conference, began the development of a new website with on-line application, payment, and member information, and began efforts to sponsor the 2017 commissioners meeting of the National Commission for the Certification of Crane Operators.

Executive Director Robert Armstrong resigned from his position and his last day of work was June 30, 2016. The Board recruited and filled the new half-time office assistant position.

Advisory Board

HMOAB operates with a five-member advisory Board, made up of representatives from organized labor and construction management firms. Board members are appointed for four-year, staggered terms by the Governor and approved by the State Senate. Board members serve without compensation. The Board meets monthly while the administrative and financial affairs for the Board are handled by the .05 FTE Office Assistant, who serves at the direction of the Board. The Board meets publicly on the third Wednesday of each month (except December) in the DLIR Conference Room #114 at 1:30 p.m.

Joaquin Diaz is the Chairperson of the Board. Mr. Diaz is also a member of the Hawai'i Occupational Safety and Health Advisory Committee. Mr. Diaz has been a safety professional for more than 19 years and is currently employed as the Health, Safety, and Environmental Director of Hawaiian Dredging Construction Company. Mr. Diaz has a Masters in Management.

Tristan Aldeguer serves as Vice-Chair of the Board. Mr. Aldeguer is employed as a Health, Safety and Environment Manager and provides various safety consulting services and training. Mr. Aldeguer has spent 16 years in the occupational safety and health field in Hawai'i.

Angela A. Chinen is an instructor with the Joint Apprenticeship Committee of Operating Engineers Local Union #3. Ms. Chinen has 31 years of construction industry experience and is a member of both HMOAB and the National Commission for the Certification of Crane Operators (NCCCO).

Richard E. Lentz III is responsible for training programs and more than fifty overhead and mobile company cranes for Hawthorne CAT for Hawai'i, Guam, Samoa, and Saipan. Mr. Lentz is a certified mobile crane inspector and an experienced safety/health manager, following a career in the U.S. Navy.

James Weander continues his 47-year career in the hoisting and rigging industry as President of his consulting firm. Mr. Weander is an active member of the Association of Crane and Rigging Professionals, certified as a field analyst and erector, and has consulted on crane designs, lifting apparatuses, and rigging configurations for some of the world's largest manufacturers and operations.

Funding

The HMOAB revolving fund supports the process of 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 HMOAB. The fund also covers the cost of preparing and disseminating information about the certification process, public outreach, member education programs, and the costs associated with the annual reporting of the agency's activities and accomplishments. HMOAB operates without expense to the taxpayers of the State of Hawai'i as it does not receive any general funds

Current Funding Summary

	2013-14	2014-15	2015-16
Beginning Cash	\$333,580	\$352,007	\$360,898
Revenues	\$49,275	\$43,451	\$35,447
Expenses	\$30,848	\$34,560	\$53,816
Ending Cash	\$352,007	\$360,898	\$342,529

The drop in revenues from \$43,451 to \$34,400 from FY2014-15 and FY2015-16 was due to a change that allowed for less than five-year certifications. In FY2015-16, 30% of new and renewed certifications were for one year; 24% were for two years; 8% were for 3 or 4 years; and 38% were for five years. If this pattern holds for the future, it appears that roughly 1/3 of the applications will be one year, 1/3 will be 2 years and 1/3 will be 5 years. This means revenues are expected to stabilize at about \$39,000 in the future. The rise in expenses this year is due primarily to the one-time \$15,000 cost of developing the new website.

Certifications Summary

HMOAB certified 104 hoisting operators in the last fiscal year.

	2012-13	2013-14	2014-15	2015-16
New Applicants	20	38	61	62
Renewals	36	44	53	42
Total Members	297	325	408	369
Response/48 hrs.	80%	89%	91%	95%