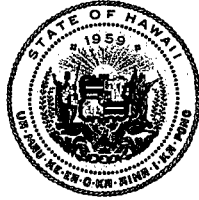


DAVID Y. IGE  
GOVERNOR

SHAN S. TSUTSUI  
LIEUTENANT GOVERNOR



LINDA CHU TAKAYAMA  
DIRECTOR

LEONARD HOSHIJO  
DEPUTY DIRECTOR

**DEPT. COMM. NO. 97**

STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
830 PUNCHBOWL STREET, ROOM 321  
HONOLULU, HAWAII 96813

[www.labor.hawaii.gov](http://www.labor.hawaii.gov)  
Phone: (808) 586-8844 / Fax: (808) 586-9099  
Email: [dliir.director@hawaii.gov](mailto:dliir.director@hawaii.gov)

December 19, 2016

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 a copy of the Department of Labor and Industrial Relation's (DLIR) Special Compensation Fund as required by section 386-151, Hawaii Revised Statutes (HRS).

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,

Linda Chu Takayama  
Director

Enclosure

**Report on Non-General Fund Information**  
for Submittal to the 2017 Legislature

Department: Labor and Industrial Relations  
 Prog ID(s): LBR 183/DA  
 Name of Fund: Special Compensation Fund (SCF)  
 Legal Authority: Chapter 386-151, HRS

Contact Name: Francis Kagawa  
 Phone: 586-8897  
 Fund type (MOF) Special (B), Trust (T)  
 Appropriation Acct. No. S-302-L, T-907-L

Intended Purpose: To pay benefits to injured workers for second injuries, uninsured and insolvent employers, benefit adjustment, attendant services and concurrent employment.

Source of Revenues: Special assessment on the gross premiums of employers' workers' compensation (WC) insurance, interest earned on investments, fines, forfeits, and penalties.

Current Program Activities/Allowable Expenses: Payment of WC benefits, WC claims facilitator branch, litigation costs, audit fees, and legal services through the Department of Attorney General.

Purpose of Proposed Ceiling Increase (if applicable): None

Variances: None

Financial Data							
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)	(estimated)
Appropriation Ceiling	23,274,182	23,821,406	23,851,406	23,851,406	23,851,406	23,851,406	23,851,406
Beginning Cash Balance	15,343,909	15,270,458	13,457,014	12,456,536	13,393,560	13,393,560	13,393,560
Revenues	16,014,725	13,732,481	15,058,666	15,859,015	16,000,000	16,000,000	16,000,000
Expenditures	16,088,176	15,545,925	16,059,144	14,921,991	16,000,000	16,000,000	16,000,000
Transfers							
List each by JV# and date							
Net Total Transfers							
Ending Cash Balance	15,270,458	13,457,014	12,456,536	13,393,560	13,393,560	13,393,560	13,393,560
Encumbrances							
Unencumbered Cash Balance	15,270,458	13,457,014	12,456,536	13,393,560	13,393,560	13,393,560	13,393,560

Additional Information:

Amount Req. by Bond Covenants							
Amount from Bond Proceeds							
Amount Held in CODs, Escrow Accounts, or Other Investments							