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GOVERNOR

SHAN S. TSUTSUI  
LIEUTENANT GOVERNOR



LINDA CHU TAKAYAMA  
DIRECTOR

LEONARD HOSHIJO  
DEPUTY DIRECTOR

DEPT COMM NO. 92

STATE OF HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
830 PUNCHBOWL STREET, ROOM 321  
HONOLULU, HAWAII 96813  
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December 8, 2017

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

The Honorable Scott K. Saiki, Speaker  
and Members of the House of  
Representatives  
Twenty Ninth 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) Work Opportunity Tax Credit Report for the fiscal year ending June 30, 2017, as required by section 37-47, Hawaii 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,

A handwritten signature in black ink, appearing to read "Linda Chu Takayama".

Linda Chu Takayama  
Director

Enclosures

**Report on Non-General Fund Information**  
for Submittal to the 2018 Legislature

Department: Labor and Industrial Relations  
 Prog ID(s): LBR 111/ PA  
 Name of Fund: Work Opportunity Tax Credit (WOTC)  
 Legal Authority: \_\_\_\_\_

Contact Name: Sam Ngo  
 Phone: 586-9973  
 Fund type (MOF) N  
 Appropriation Acct. No. S-208-L

**Intended Purpose:** This federal tax credit was designed to help individuals from certain target groups who consistently face significant barriers to employment move from economic dependency to self-sufficiency by encouraging businesses to hire target group members and be eligible to claim tax credits against the wages paid to the new hires during the first year of employment.

**Source of Revenues:** CFDA17-271

**Current Program Activities/Allowable Expenses:** States are to use these formula grants for: accepting WOTC applications from employers; determining eligibility of individuals as members of the target groups; issuing employer certifications or denials; developing working agreements with partner agencies in American Job Centers (also called One-Stop Career Centers) or other State agencies to verify or document eligibility of new hires, including issuing Conditional Certifications; and coordinating efforts to promote WOTC with employers, job seekers and other Workforce innovation and Opportunity Act (WIOA) partners.

**Purpose of Proposed Ceiling Adjustment (if applicable):**

**Variances:**

Financial Data							
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)	(estimated)
Appropriation Ceiling	0	0	206,000	209,102	210,000	210,000	210,000
Beginning Cash Balance	0	0	0	0	0	0	0
Revenues	0	0	0	0	0	0	0
Expenditures	0	0	65,586	98,102	100,000	100,000	100,000
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
			65,586	98,102	100,000	100,000	100,000
Net Total Transfers	0	0	65,586	98,102	100,000	100,000	100,000
Ending Cash Balance	0	0	0	0	0	0	0
Encumbrances							
Unencumbered Cash Balance	0	0	0	0	0	0	0

Additional Information:

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