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DEPT. COMM. NO. 281

**STATE OF HAWAII**  
**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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December 26, 2019

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

The Honorable Scott K. Saiki, Speaker  
and Members of the House of  
Representatives  
Thirtieth 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 Non-General Fund Report for the fiscal year ending June 30, 2019, as required by sections 37-47 and 37-52.5, 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,

  
Scott T. Murakami  
Director

Enclosure

**Report on Non-General Fund Information**  
for Submittal to the 2020 Legislature

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

Contact Name: Belen K. Cabase  
 Phone: 586-9973  
 Fund type (MOF) N  
 Appropriation Acct. No. S-XX-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):** N/A

**Variations:** None

Financial Data							
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	(actual)	(actual)	(actual)	(actual)	(estimated)	(estimated)	(estimated)
Appropriation Ceiling	206,000	209,102	90,000	90,000	90,000	90,000	90,000
Beginning Cash Balance	-	-	-	-	-	-	-
Revenues	65,586	98,102	80,362	72,900	85,000	85,000	85,000
Expenditures	65,586	98,102	80,362	72,900	85,000	85,000	85,000
Transfers							
List each net transfer in/out/ or projection in/out; list each account number							
Net Total Transfers	-	-	-	-	-	-	-
Ending Cash Balance	-	-	-	-	-	-	-
Encumbrances							
Unencumbered Cash Balance	-	-	-	-	-	-	-

Additional Information:

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