

STAND. COM. REP. NO.

1259

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 1004
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred H.B. No. 1004, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE BOILER AND ELEVATOR SAFETY LAW,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow the Department of Labor and Industrial Relations (DLIR) to prohibit the operation of pressure retaining items, amusement rides, and elevators and kindred equipment if fees and fines are not timely paid; and
- (2) Require the Director of Labor and Industrial Relations to establish by administrative rules, the fee schedules for services rendered by the Department and permits, certificates, and licenses required pursuant to the Boiler and Elevator Safety Law, rather than setting the fees in statute.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the Legislature established the Boiler and Elevator Special Fund in 2012, as a mechanism for self-



sufficiency for the DLIR's Boiler and Elevator Inspection Branch (Branch), Hawaii Occupational Safety and Health Division. The objective was to improve public safety by allowing the Branch to expend the fund to hire and retain the necessary staffing to clear the backlog of critical load tests on elevators, internal inspections of escalators, and inspections of amusement rides. In 2018, the fund was converted into the Boiler and Elevator Revolving Fund (Revolving Fund). Under the law, all fees collected for services rendered under the Boiler and Elevator Safety Law, such as inspection and examination fees and fees for issuance of permits, certificates, and licenses, are required to be paid into the Revolving Fund. Your Committee finds, however, that the viability of the Revolving Fund is currently threatened, as the DLIR has been struggling to collect the fees for inspections that have been completed. Due to insufficient resources, the DLIR has not been able to perform inspections of all elevators and kindred equipment in a timely manner.

Your Committee finds it imperative that the Revolving Fund be revitalized for the interest of public safety. Your Committee also finds that the fee schedules for boilers and pressure systems, elevators and kindred equipment, and amusement rides are outdated and unnecessary, as they are now set forth in the Department's administrative rules. This measure allows the DLIR to prohibit the operation of pressure retaining items, amusement rides, and elevators and kindred equipment if fees and fines are not timely paid, and requires the Director to establish by administrative rules, the fee schedules for services rendered by the department and permits, certificates, and licenses required pursuant to the Boiler and Elevator Safety Law, rather than setting the fees in statute.

Your Committee notes DLIR's testimony requesting that this measure reflect language from its companion, S.B. No. 1158, S.D. 1, which was previously passed by this Committee and is substantially similar to this measure. Your Committee finds that the language in S.B. No. 1158, S.D. 1, is preferable because the description of the conditions under which the DLIR may issue orders revoking or suspending permits to operate as well as when such orders shall be revoked is clearer. S.B. No. 1158, S.D. 1, also makes a conforming amendment to section 397-2, Hawaii Revised Statutes, as pointed out in the DLIR's testimony.




Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 1158, S.D.1; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1004, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1004, H.D. 1, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Labor, Culture and
the Arts,




BRIAN T. TANIGUCHI, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Labor, Culture and the Arts
LCA

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|--|--------------------------|-------------------------|----------------------------------|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| HB 1004 HD1 | LCA, WAM/JDC | 3/19/2021 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: | | | | |
| <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| TANIGUCHI, Brian T. (C) | ✓ | | | |
| IHARA, Jr., Les (VC) | ✓ | | | |
| CHANG, Stanley | ✓ | | | |
| KEOHOKALOLE, Jarrett | ✓ | | | |
| FEVELLA, Kurt | | | | ✓ |
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| TOTAL | 4 | 0 | 0 | 1 |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
|  | | | | |
| Distribution: | | | | |
| Original File with Committee Report | Yellow Clerk's Office | Pink Drafting Agency | Goldenrod Committee File Copy | |

*Only one measure per Record of Votes