

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

March 24, 2025

To: The Honorable Henry J.C. Aquino, Chair
The Honorable Chris Lee, Vice Chair, and
Members of the Labor and Technology Committee

Date: Monday, March 24, 2025
Time: 3:00 p.m.
Place: Conference Room 224, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

Re: S.C.R. 55 REQUESTING THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT TO CONDUCT A COMPREHENSIVE REVIEW OF THE BOILER AND ELEVATOR INSPECTION BRANCH TO INCREASE PERSONNEL RECRUITMENT AND RETENTION.

The DLIR supports this proposal that seeks to have a comprehensive review of the Boiler and Elevator Inspection Branch's organization, personnel requirements, salaries and other human resources-related requirements to strengthen efforts to address the Branch's long-term backlogs and resulting impacts on public safety.

Act 103 (SLH, 2012) established the boiler and elevator special fund, changed the means of financing to special funding, and provided a mechanism for self-sustainability for the Boiler and Elevator Branch. A key component to this initiative was compensation of the existing positions and adding 10 additional positions supported by the authority for the DLIR to set the fees in self-support for the program.

In passing Act 103, the Legislature recognized that the boiler and elevator inspection program staffing and budget had suffered from across-the-board cuts and neglect that had rendered it ineffective and a hindrance to economic revitalization, and most importantly, a threat to public safety.

Act 103's self-sustainability mechanism operates by assessing fees, which supports the operations of the Branch. Act 103's self-sustainability mechanism also provides a means for the program to hire and retain qualified personnel and carry out the inspection and permitting functions related to public safety and economic revitalization.

The department firmly believes it has the capacity and the support of the regulated

community to provide competitive salaries for the Branch. The DLIR believes it can compete with CAL/OSHA Associate Safety Engineer, Elevator & Associate Safety Engineer, Pressure Vessels salary levels (entry level \$113,160¹, no current openings²).

The current entry level salary for a HIOSH Elevator Inspector is \$77,784. The current entry level salary for a Boiler Inspector is \$61,884. The Branch currently has 1 out of three Boiler Inspectors vacant and 3 out of 12 Elevator Inspectors vacant. The Branch is projecting that a majority of its inspectors will retire during the upcoming biennium.

- 1 <https://calcareers.ca.gov/CalHRPublic/Search/JobSearchResults.aspx#classid=1506>
- 2 https://www.calhr.ca.gov/Pay%20Scales%20Library/PS_Sec_15.pdf



JOSH GREEN, M. D.
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KE KIA'ĀINA

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BRENNA H. HASHIMOTO
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BRIAN K. FURUTO
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STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
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Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
SENATE COMMITTEE ON LABOR AND TECHNOLOGY
Monday, March 24, 2025
3:00 PM
State Capitol, Conference Room 224

In consideration of
**SCR 55/SR 37, REQUESTING THE DEPARTMENT OF HUMAN RESOURCES
DEVELOPMENT TO CONDUCT A COMPREHENSIVE REVIEW OF THE BOILER
AND ELEVATOR INSPECTION BRANCH TO INCREASE PERSONNEL
RECRUITMENT AND RETENTION**

Chair Aquino, Vice Chair Lee, and the members of the committee:

The Department of Human Resources Development (HRD) offers the following comments for SCR 55/SR 37.

The purpose of SCR 55/SR 37 is to request HRD to conduct a comprehensive review of the following within the Boiler and Elevator Inspection Branch of the Department of Labor and Industrial Relations (LBR), drawing comparisons between the State of Hawai'i and similar regulatory branches in other State jurisdictions:

1. The current organizational composition and its effectiveness in meeting its responsibilities;
2. The current personnel requirements, including the number of inspectors, their qualifications, and their workloads;
3. The current salary scales for inspectors and other personnel and the competitiveness of these salary scales compared to similar positions in other states and the in-state private sector;

4. The identification of any potential deficiencies in the current organizational composition, classifications, personnel requirements, or salary scales; and
5. Recommendations for human resources-related improvements to enhance efficiency and efficacy.

SCR 55/SR 37 further requests that HRD submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than December 31, 2025.

We recognize the critical role of the oversight and inspection services provided by the Boiler and Elevator Inspection Branch and appreciate the measure's intent to support recruitment and retention efforts within the Branch. However, we believe that it would be more appropriate for LBR to lead this effort as they possess the operational expertise, and a better understanding of the organizational structure, program effectiveness, personnel requirements, and areas for improvement.

HRD does not have detailed knowledge of LBR's internal programs and operations and is therefore not well-positioned to conduct the operational analysis or identify challenges related to recruitment and retention. Furthermore, HRD does not have the necessary resources to take on a project of this scope at this time.

In the past, HRD has worked closely with LBR on increasing the salaries for Boiler and Elevator Inspectors by providing a shortage differential for new hires and incumbents to attract and retain employees. Additionally, HRD is currently working with LBR on reviewing the minimum qualification requirements and job functions of the Boiler Inspector classifications to create a career path in the occupation.

We appreciate the intent of this measure to enhance efficiency within the Boiler and Elevator Inspection Branch and to improve recruitment and retention. However, we respectfully request that this measure be amended to identify LBR as the lead agency for this proposed study. HRD stands ready to partner with LBR by evaluating current salary structures and provide human resources support throughout the comprehensive review.

Thank you for the consideration of our testimony. We are available for questions or further information as needed.

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HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
The Senate
Committee on Labor and Technology

Testimony by
Hawaii Government Employees Association

March 24, 2025

S.C.R 55/S.R 37 — REQUESTING THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT TO CONDUCT A COMPREHENSIVE REVIEW OF THE BOILER AND ELEVATOR INSPECTION BRANCH TO INCREASE PERSONNEL RECRUITMENT AND RETENTION.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports S.C.R 55/S.R 37, which request the Department of Human Resources and Development to conduct a review of the boiler and elevator inspection branch to increase personnel recruitment and retention.

We represent the elevator and boiler inspectors within the State Department of Labor and Industrial Relations. Due to uncompetitive pay relative to the private sector and our lethargic civil service hiring times, these employees are currently short staffed and cannot meet the current demand of inspections.

While we appreciate the intent of this resolution as it looks to address the recruitment and retention issues for these specific job classifications, we must stress that there are many other classifications that are equally deserving of this review. We represent employees within housing and land regulation, child welfare, education, healthcare, among others, and they too are currently short staffed which has led to a reduction in services that our communities rely on. Our state workforce is facing a 24% vacancy rate, and their needs to be an across-the-board review to improve the recruitment and retention of our overall workforce. Therefore, should the Department conduct a review to examine elevator and boiler inspectors, then we strongly recommend that the Department open its review up to the many other job classifications that are equally deserving.

Thank you for the opportunity to provide testimony in support of S.C.R 55/S.R 37.

Respectfully submitted,

Randy Perreira
Executive Director



NEII

NATIONAL ELEVATOR INDUSTRY, INC.

SETTING STANDARDS IN MOTION

**National Elevator Industry, Inc.
Statement for the Record
Hearing on Senate Resolution 37/Senate Concurrent Resolution 55**

**Submitted to
Hawai'i Senate Committee on Labor and Technology**

**Honolulu, Hawai'i
March 23, 2025**

The National Elevator Industry, Inc. (“NEII”) is the leading trade association for companies that manufacture, install, and maintain elevators, escalators, moving walks, and other building transportation products. NEII members collectively represent more than 85 percent of the work hours in the building transportation industry.

NEII welcomes the opportunity to comment on Senate Resolution 37 (SR37) and its companion, Senate Concurrent Resolution 55 (SCR55). These resolutions would direct the Department of Human Resources Development (DHRD) to conduct a comprehensive review of the boiler and elevator inspection branch to help us, collectively, identify current impediments and find potential solutions to increase personnel recruitment and retention.

A lack of available Qualified Elevator Inspectors (QEI) in Hawai'i is having a negative impact to the state's business environment as NEII-member companies report significant impediments to operations. Additionally, the lack of inspection resources is placing a considerable strain on the Occupational Safety and Health, Boiler and Elevator Inspection Branch (Inspection Branch) of the Department of Labor and Industrial Relations (DLIR).

Due to the shortage of QEIs, the Inspection Branch has adopted what can best be described as a triage-style approach. Under this approach, new construction is given priority, with the modernization of elevators and regular inspections in existing buildings addressed as the branch's work schedule and availability of personnel allows. While the triage method has addressed certain challenges in the past, there are signs that the system is nearing the breaking point. Inspections need to be reserved months in advance, sometimes before construction or modernization projects even begin. Inspections in new construction are among the last items required before a certificate of occupancy can be issued to the building owner and are often performed currently on an overtime basis. Delays in the inspection of modernized elevators have precipitated other types of problems. In many cases, elevator contractors are forced to repeatedly mobilize and de-mobilize a work site. These dislocations increase costs, incur delays, inconvenience the public, and increase marginal safety risks.

While NEII recognizes the challenges in recruiting qualified inspectors, the significant lag between public sector wages and private sector wages is unquestionably a major factor in

DLIR's inability to adequately recruit QEIs. In the 2024 Regular Session, the Legislature passed a supplemental appropriation to increase the pay of QEIs employed by DLIR. To date, DHRD has not modified hiring practices to boost the pay of QEI. As a result, DLIR continues to have difficulty hiring QEI since the pay differential between the public sector and the private sector is so significant. NEII supports SR37/SCR55 in part to obtain an update from DHRD as to when they will be able to modify hiring practices so that there is greater alignment between public sector and private sector wages.

In addition to the compensation of qualified inspectors, there are a number of other factors that contribute to the shortfalls in inspection resources. A comprehensive study, as envisioned by SR37/SCR55, will help identify additional impediments to an effective elevator inspection program for Hawai'i.

Improvements in the elevator inspection program will enhance the safety of the industry workforce and the riding public. It will also assist in supporting two important sectors of the economy—tourism and construction—by supporting the safe use and efficient availability of building transportation. A number of studies suggest the main drivers for the economic growth in 2025 will be construction, real estate and the continued recovery of tourism. Much of that anticipated construction will be new vertical construction, and safe and efficient elevators are vital to any high-rise building. Whether new installation construction or modernization, all elevators need a state inspection before the elevator can be placed in service.

In summary, NEII urges the committee to support these resolutions and to obtain the information needed to improve the elevator inspection program. Working in partnership, NEII believes Hawai'i can make significant progress in this critical public safety function. NEII staff and member companies are available to provide any additional information as needed.

Submitted by: Billy Taylor
Director, Government Affairs
National Elevator Industry, Inc.
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