

## **Proposal by the State Department of Labor and Industrial Relations**

### **I. RUDDER**

#### **A. Background**

In an effort to help Hawaii's businesses combat the effects of the COVID-19, the Department of Labor and Industrial Relations' implemented the "RUDDER" (Reducing Unemployment Disruption and Driving Economic Regeneration) initiative, which provides up to \$100,000.00 of relief to registered and compliant Hawaii businesses for new employees hired after March 1, 2020. The RUDDER provides an initial \$500.00 payment for each new employee to offset training and associated costs upon notification to the Department of Labor and Industrial Relations, Workforce Development Division (WDD) of the initial hiring of the employee. After six months of continuous employment and upon receipt of certification from the employer that they have retained the employee, the WDD issues a second payment of \$500.00.

#### **B. Proposal**

Currently, there are 17 businesses who are waitlisted for the RUDDER Program. In order for WDD to assist these businesses, WDD will need \$2,000,000.00 to provide a minimum of 50 businesses an initial \$500.00 payment for each new employee who was not previously on the employer's payroll.

### **II. SEASONAL OPPORTUNITY**

#### **A. Program Design (Attached Document)**

B. Proposal

The total amount requested to support this initiative is \$16,570,993 as provided in detail below.

<b>Budget Proposal for Seasonal Opportunity</b>	
Total Participants	<b>600</b>
Participants' Costs	\$ 14,625,030.00
Clerical/Laborer: \$15/hr. for 200	\$ 3,120,000.00
Industrial: \$20/hr. for 200	\$ 4,160,000.00
Professional: \$25/hr. for 200	\$ 5,200,000.00
Fringe (8.91%)	\$ 1,111,968.00
Supportive Services (Safety Equipment, background checks)	\$ 90,000.00
Personnel (Statewide)	\$ 943,062.00
Fringe Benefits (63.08%)	\$ 594,884.00
Travel (Mileage)	\$ 2,500.00
Supplies (supplies, postage)	\$ 5,000.00
Other (Non-Personal Costs)	\$ 405,517.00
Total (Sum of above)	\$ 16,570,993.00