



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

April 11, 2025

To: The Honorable Jackson D. Sayama, Chair,
The Honorable Mike Lee, Vice Chair, and
Members of the House Committee on Labor

Date: Friday, April 11, 2025
Time: 9:30 a.m.
Place: Conference Room 309, 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.
GOVERNOR
KE KIA'ĀINA

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'ĀINA



BRENN A H. HASHIMOTO
DIRECTOR
KA LUNA HO'OKELE

BRIAN K. FURUTO
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
KA 'OIHANA HO'OMŌHALA LIMAHANA
235 S. BERETANIA STREET
HONOLULU, HAWAII 96813-2437

Statement of
BRENN A H. HASHIMOTO
Director, Department of Human Resources Development

Before the
HOUSE COMMITTEE ON LABOR
Friday, April 11, 2025
9:30 AM
State Capitol, Conference Room 309

In consideration of
**SCR 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.**

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

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

The purpose of SCR 55 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 Hawaii 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 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 acknowledge the critical role played by the Boiler and Elevator Inspection Branch in ensuring public safety through its oversight and inspection services. We also understand the importance of ongoing recruitment and retention efforts for this highly specialized workforce. However, we believe that any meaningful recruitment and retention study must go beyond salary comparisons and pay scales.

Given the complexity of this issue, we respectfully recommend that LBR serve as the lead agency for this initiative. LBR has the operational expertise, program knowledge, and insight into the organizational structure and personnel needs required to conduct a comprehensive and impactful review. This level of subject matter expertise extends beyond the scope and capacity of HRD.

HRD has worked closely with LBR in the past to implement shortage differentials for Boiler and Elevator Inspectors—an effort that has helped attract and retain employees over the past 24 years. We are also currently collaborating with LBR to review minimum qualification requirements and job functions to help establish a clearer career pathway within the classification. Despite these efforts, it is evident that more targeted action and input from the industry, which already works closely with LBR, is needed.

We strongly support amending this measure to designate LBR as the lead agency for the proposed study. HRD remains committed to partnering with LBR by reviewing salary structures and providing human resources support throughout the process.

Thank you for the opportunity to provide testimony. We are available to answer any questions or provide additional information upon request.

SCR-55

Submitted on: 4/9/2025 6:00:31 AM

Testimony for LAB on 4/11/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Dick Waltz	Waltz Engineering, Inc.	Support	Written Testimony Only

Comments:

The Boiler Inspection Branch is an important Agency serving our Industry. The number of installations in our Industry has grown, and the availability of Boiler Inspectors is critical to serving these existing & new Installations. Please help the Boiler Inspection Branch grow to help and serve our Hawaii Industry.

Thank-you,

Dick Waltz, V.P. - Senior Project Manager

Waltz Engineering, Inc.



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
House of Representatives
Committee on Labor

Testimony by
Hawaii Government Employees Association

April 11, 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



**Hawaiian
Electric**

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR

SCR 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.

Friday, April 11, 2025

9:30 AM

State Capitol, Conference Room 309

Andy Hignite
Power Supply
Technical Services Superintendent
Hawaiian Electric

Dear Chair Sayama, Vice Chair Lee, and Members of the Committee,

My name is Andy Hignite and I am submitting written testimony on behalf of Hawaiian Electric in support of SCR 55, which requests the Department of Human Resources Development to conduct a comprehensive review of the Boiler and Elevator Inspection Branch to support increased personnel recruitment and retention.

Hawaiian Electric works closely with the Boiler and Elevator Inspection Branch to maintain the Hawaiian Electric Boiler and Elevator Inspection and Permitting Programs. Proper oversight and administration of these programs and inspections by the Boiler and Elevator Inspection Branch is essential for the safety for our Utility workers and the public.

The Boiler and Elevator Inspection Branch is very supportive in aiding us to maintain these programs while adhering to the highest level of safety standards. However, due to under manning, we see delays in the processing of these essential inspections and permits. The Branch currently has one out of three Boiler Inspectors vacant and three out of twelve Elevator Inspectors vacant and the Branch is projecting that many of the inspectors will retire within the next two years.

Accordingly, Hawaiian Electric supports SCR 55. Thank you for this opportunity to submit written testimony.

SCR-55

Submitted on: 4/9/2025 1:19:09 PM

Testimony for LAB on 4/11/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Javier Pommerenk	Otis Elevator Company	Support	In Person

Comments:

On Behalf of Otis Elevator Company we stand in support of SCR55. State Elevator Inspection Branch plays an integral role in the on time completion of Construction projects throughout the State. This department has been running short staffed for years so any additional support which will increase the staffing level of Elevator Inspectors is greatly needed.



NATIONAL ELEVATOR INDUSTRY, INC.

SETTING STANDARDS IN MOTION

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

**Submitted to
Hawai'i House Committee on Labor**

**Honolulu, Hawai'i
April 11, 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 Concurrent Resolution 55 (SCR55). This resolution 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 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 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 this resolution 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.
btaylor@neii.org



LATE Testimony submitted late may not be considered by the Committee for decision making purposes.

LOCAL UNION NO. 126

OF THE

International Union of Elevator Constructors

AFFILIATED WITH THE AFL-CIO

50 S. BERETANIA ST. C211-E • HONOLULU, HI 96813 • TELEPHONE (808) 536-8653 • FAX (808) 537-3779

The Thirty-Third Legislature
Regular Session of 2025
House of Representatives

Committee On Labor

Friday, April 11, 2025
9:30 am, Conference Room 309

Senate Concurrent Resolution 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

Testimony in Support of Senate Concurrent Resolution 55

The Honorable Jackson Sayama, Chair, Mike Lee, Vice-Chair, and Esteemed Members of the Committee on Labor

My testimony, on behalf of the International Union of Elevator Constructors, Local 126, is offered in strong support of Senate Concurrent Resolution 55 (SCR55), which requests the Department of Human Resources Development to conduct a comprehensive review of the Boiler and Elevator Inspection Branch to increase personnel recruitment and retention.

There is a critical underlying issue within the Boiler and Elevator Inspection Division: the inability to attract a broader base of Qualified Elevator Inspectors (QEIs) or individuals who may be looking to become QEIs. This point is significant because it reveals a systemic challenge beyond simply filling existing vacancies.

I believe the primary reason for this difficulty in attracting new talent is insufficient pay. The reality is that no one will leave the private sector to work as an inspector for the state due to uncompetitive compensation. This is not a new problem; in fact, this issue has been festering for many years and has certainly gotten worse recently.

The reliance on retired elevator mechanics becoming inspectors further illustrates this point. While their experience is valuable and they are able to supplement their retirement income by taking on these roles, this reliance indicates a failure to attract individuals who are still active in their careers and looking for long-term employment as inspectors.

The consequences of this inability to recruit and retain a sufficient number of inspectors are severe. Something significant needs to be done, and a comprehensive review, as proposed by SCR55, is a necessary first step, but it cannot end there. The urgency of this situation is underscored by the fact that the backlog of uninspected elevators is growing by the day. Furthermore, the lack of a full complement of elevator inspectors amplifies the race to the bottom, suggesting potential compromises in safety and quality due to overstretched resources.

In conclusion, the concerns raised by the Elevator Industry Stakeholders strongly support the need for the comprehensive review requested in the resolution. Addressing the fundamental issues of recruitment and retention, particularly the issue of uncompetitive pay, is crucial for the effective operation of the Boiler and Elevator Inspection Branch and, ultimately, for public safety. We urge the committee to support the passage of SCR55 to initiate this vital review and pave the way for meaningful improvements.

Thank you for the opportunity to weigh in on this matter.

Mahalo,

A handwritten signature in cursive script, reading "Marc Yamane".

Marc Yamane

Business Representative

International Union of Elevator Constructors, Local 126

SCR-55

Submitted on: 4/10/2025 1:34:17 PM

Testimony for LAB on 4/11/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Rossi	Individual	Support	Written Testimony Only

Comments:

The boiler and elevator inspection branch is critical to Hawaii public safety and commerce, ensuring this key equipment is periodically inspected for safe operation. I fully support this SCR to ensure the branch is adequately staffed and funded for this very important role.