

DAVID Y. IGE

JOSH GREEN LT. GOVERNOR

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850 Fax Number: 586-2856 cca.hawaii.gov CATHERINE P. AWAKUNI COLÓN DIRECTOR

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

Before the House Committee on Consumer Protection and Commerce Tuesday, February 16, 2021 2:00 p.m. Via Videoconference

On the following measure: H.B. 90, H.D. 2, RELATING TO GOVERNMENT

Chair Johanson and Members of the Committee:

My name is Catherine Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (DCCA or Department), testifying in opposition to this bill. H.B. 90, H.D. 2 transfers: (1) the State Fire Council (SFC), for administrative purposes, from the Department of Labor and Industrial Relations (DLIR) to the DCCA; and (2) jurisdiction over the boiler and elevator safety law from the DLIR to the DCCA. The Department opposes this bill because the primary purpose of the SFC and the boiler and elevator safety law are to provide for safety, including, but not limited to, safe and healthful working conditions. As such, these programs are already located in the department whose mission is best aligned with its responsibilities.

Transfer of SFC to DCCA

The Department opposes transferring the SFC to the DCCA because the DLIR has the knowledge, expertise, and resources needed to oversee Hawaii fire services as part of its larger administration of programs under the DLIR's Occupational Safety and

Testimony of DCCA H.B. 90, H.D. 2 Page 2 of 3

Health Division. The responsibilities of the SFC¹ are well outside the jurisdiction of the DCCA, which protects consumers through business registration and professional licensure, monitoring the financial solvency of local financial institutions and insurance companies, and investigating complaints of unfair business practices and license violations. Given the tailored mission of the DCCA, it would be simply unfeasible for the Department to oversee all matters relating to fire prevention and protection, life safety, and other functions and activities of county fire departments.

Transfer of Authority Over Boiler and Elevator Safety Law to DCCA

The Department opposes placing the boiler and elevator safety law under the jurisdiction of the DCCA, rather than the DLIR. This bill promulgates a new statutory chapter that will "assure the safe operation and use of boilers, pressure systems, amusement rides, and elevators and kindred equipment in Hawaii," creates a boiler and elevator safety appeals board, and repeals Hawaii Revised Statutes chapter 397 (Boiler and Elevator Safety). This new statutory chapter falls squarely within the purview of the DLIR's Occupational Safety and Health Division, whose core mission is to "assure safe and healthful working conditions for the women and men of the State." In contrast, the DCCA's core mission is to protect consumers and service its business community with respect and fairness to the interests of both. Accordingly, it would be inapposite for the DCCA, a consumer protection department, to also: adopt and enforce boiler and elevator safety standards through compliance inspections and investigations; issue permits regarding boilers, pressure systems, amusement rides, and elevators and kindred equipment; review and approve plans for new installation, repairs, or modification of equipment; and adjudicate appeals from decisions involving boiler and elevator safety.

¹ As Hawaii's equivalent of the State Fire Marshal's Office, the SFC is responsible for: adopting the State Fire Code and corresponding rules; supporting and assisting with federal grant programs for fire services in Hawaii; advising and assisting county fire departments; prescribing standard procedures and forms related to inspections, investigations, and reporting of fires; and advising the Governor and Legislature on issues relating to fire prevention and protection, life safety, and other functions or activities of the county fire departments.

Testimony of DCCA H.B. 90, H.D. 2 Page 3 of 3

Finally, transferring the regulation and oversight, appropriations, and personnel of both the SFC and the Boiler and Elevator Safety Inspection Branch from the DLIR to the DCCA will be disruptive and time-consuming for both departments, with no budgetary or organizational benefit. For example, page 42, lines 9 through 11 of H.D. 2 provides: "All employees whose only function relates to the boiler and elevator safety law are transferred to the [DCCA]." H.D. 2 therefore does not provide for the transfer of any part-time positions. Should H.D. 2 pass, the Department would require additional positions to sufficiently cover the boiler and elevator safety functions being transferred to the DCCA.

Further, as a special-funded department, the DCCA expects its regulatory divisions to generate sufficient revenue to cover its personnel and operational costs, a contingency reserve, and an equitable share of the Department's administrative expenses. If the SFC, for example, is envisioned as a separate program, the Department is unsure how a general-funded division will be able to contribute to the DCCA's administrative costs.

Thank you for the opportunity to testify on this bill.

JOSH GREEN LIEUTENANT GOVERNOR



ANNE E. PERREIRA-EUSTAQUIO DEPARTMENT DIRECTOR

JOANN A. VIDINHAR DEPARTMENT DEPUTY DIRECTOR

JOVANIE DOMINGO DELA CRUZ EXECUTIVE DIRECTOR

STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS **OFFICE OF COMMUNITY SERVICES** 830 PUNCHBOWL STREET, ROOM 420 HONOLULU, HAWAII 96813 www.hawaii.gov/labor

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February 12, 2021

To: The Honorable Aaron Ling Johanson, Chair, The Honorable Lisa Kitagawa, Vice Chair, and Members of the House Committee on Consumer Protection and Commerce

- Hearing: Tuesday, February 16, 2021
- Time: 2:00 p.m.
- Place: Room 329 via Videoconference
- From: Jovanie Domingo Dela Cruz, Executive Director Office of Community Services - OCS

Re: H.B. No. 90, H.D.2, RELATING TO GOVERNMENT

I. OVERVIEW OF PROPOSED LEGISLATION

This measure would transfer the state fire council, for administrative purposes, from the Department of Labor and Industrial Relations to the Department of Commerce and Consumer Affairs. It would place the boiler and elevator safety law under the jurisdiction of DCCA rather than DLIR and would create a boiler and elevator safety appeals board. It would transfer administration of the human trafficking victim services fund from DLIR, which is within the purview of the Office of Community Services (OCS) to the Judiciary. It has a defective effective date.

II. CURRENT LAW

As summarized above, the State Fire Council is under DLIR; boiler and safety laws are also currently under DLIR. Under current legislation, the very small trafficking victim services fund, which stands at very little more than \$1,000, is administered by OCS, which can do very little with such a small sum and has no real ability to increase the sum or do anything significant with this very small sum.

III. COMMENTS ON THE PRESENT BILL

OCS <u>supports</u> the portion of this bill that would transfer administration of the trafficking victims services fund to the Judiciary, where OCS trusts the Judiciary will be able to use it more effectively. OCS takes <u>no position</u> on any other aspect of this bill. Thank you for the opportunity to testify on this measure.

JOSH GREEN LIEUTENANT GOVERNOR



JOANN A. VIDINHAR DEPUTY DIRECTOR

STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS 830 PUNCHBOWL STREET, ROOM 321 HONOLULU, HAWAII 96813 www.labor.hawaii.gov

February 9, 2021

- To: The Honorable Richard H.K. Onishi, Chair, The Honorable Jackson D. Sayama, Vice Chair, and Members of the House Committee on Labor & Tourism
- Date: Tuesday, February 9, 2021

Time: 9:30 a.m.

- Place: Via Videoconference
- From: Anne Perreira-Eustaquio, Director Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 90 HD1 RELATING TO GOVERNMENT

Chair Onishi, Vice Chair Sayama, and Members of the Committee,

This measure transfers the State Fire Council to the Department of Commerce and Consumer Affairs (DCCA), the authority for the boiler and elevator safety law from the DLIR to DCCA, and administration of the human trafficking victim services fund from DLIR to the Judiciary. The department offers comments on the measure.

The State Fire Council (SFC) was administratively attached to the DLIR by Act 103 (SLH, 1985). Act 241 (SLH, 1978) abolished the State Fire Marshall and transferred the functions and responsibilities to the respective counties because, "existing State laws and county ordinances divide the accountability of the county fire chiefs by subjecting them to the supervision of both the State Fire Marshal and the mayors and county councils.

The SFC is administratively attached to the department through a Memorandum of Agreement (MOA)

Act 19 (SLH, 1980) established the boiler and elevator safety law because, "the Hawaii occupational safety and health law does not adequately provide for the safe operation and use of boilers, pressure systems, amusement rides, and elevators and kindred equipment." The department notes that Part III of HB90HD1 § -5 Fees does not include the updated fees of either boilers or elevators that currently exist in the Hawaii Administrative Rules (HAR, §12-220 and §12-220).

Act 119 (SLH, 2014) established the human trafficking victim services fund. During FY20 \$50 was deposited in the fund and at the end of the fiscal year the balance was \$1,080.

Equal Opportunity Employer/Program Auxiliary aids and services are available upon request to individuals with disabilities. TDD/TTY Dial 711 then ask for (808) 586-8866. MICHAEL P. VICTORINO Mayor DAVID C. THYNE Fire Chief

BRADFORD K. VENTURA Deputy Fire Chief





DEPARTMENT OF FIRE & PUBLIC SAFETY

COUNTY OF MAUI 200 DAIRY ROAD KAHULUI, HI 96732

February 16, 2021

The Honorable Aaron Ling Johanson, Chair Committee on Consumer Protection and Commerce House of Representatives State Capitol, Room 436 Honolulu, Hawaii 96813

Dear Chair Johanson:

Subject: House Bill (HB) 90, House Draft (HD) 2 Relating to Government

I am David C. Thyne, member of the Hawaii State Fire Council (SFC) and Fire Chief of the Maui Fire Department (MFD). The SFC and the MFD oppose HB 90, HD 2, which proposes to transfer the SFC, for administrative purposes, from the Department of Labor and Industrial Relations (DLIR) to the Department of Consumer and Commerce Affairs (DCCA).

Over the years since administrative attachment to the DLIR in 1985, the SFC has built satisfactory working relationships with personnel of the DLIR and has established and optimized procedures and workflows which are currently effective and efficient. Upon transfer to DCCA, the SFC will be required to reestablish the relationships, procedures, and workflows with the appropriate DCCA personnel.

The SFC is presently unable to foresee an economic or organization advantage to the administrative transfer proposed by HB 90, HD 2. The SFC and the HFD urge your committee's deferral of HB 90, HD 2.

Should you have questions, please contact SFC Administrative Specialist Lloyd Rogers at (808) 723-7176 or <u>lrogers@honolulu.gov</u>.

Sincerely,

DAVID C. THYNE Fire Chief