

JOSH GREEN, MD
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

DEPT. COMM. NO. 19
WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

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

November 14, 2025

The Honorable Ronald D. Kouchi
President and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, HI 96813

The Honorable Nadine K. Nakamura
Speaker and Members House of Representatives
Thirty-Third State Legislature
State Capitol, Rm 431
Honolulu, HI 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting copies of the Boiler and Elevator Revolving Fund Report, as required by section [397-13, Hawaii Revised Statutes \(HRS\)](#).

In accordance with section 93-16, HRS, I am also informing you that the report may be viewed electronically at <http://labor.hawaii.gov/find-a-report/>.

Sincerely,

A handwritten signature in black ink, appearing to read "Jade T. Butay".

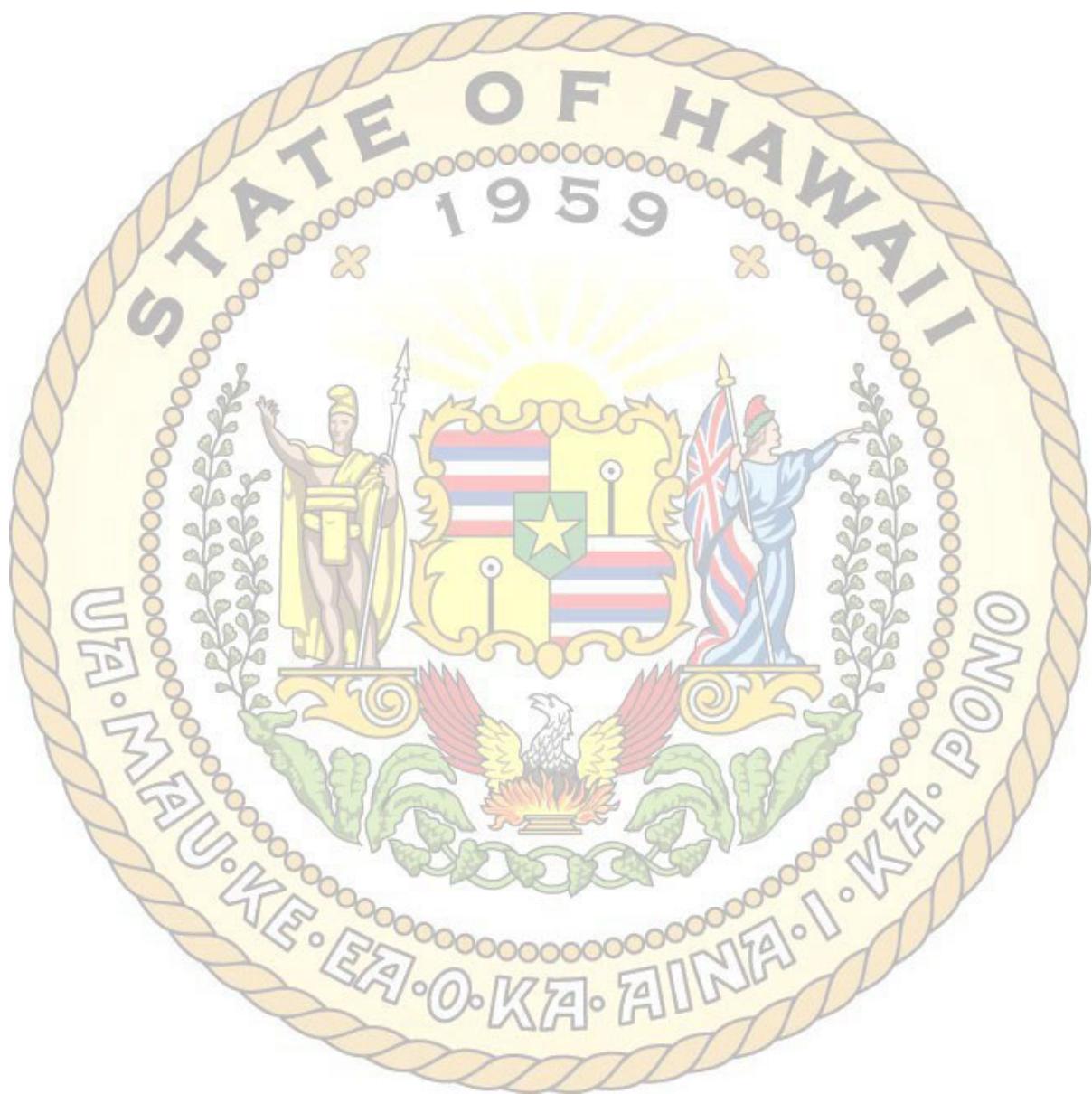
Jade T. Butay
Director of Labor and Industrial Relations

Enclosure

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BOILER AND ELEVATOR REVOLVING FUND

REPORT TO THE 2026 LEGISLATURE



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

STATE OF HAWAII
JOSH GREEN, M.D., Governor

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
JADE T. BUTAY, Director
WILLIAM G. KUNSTMAN, Deputy Director

OCCUPATIONAL SAFETY AND HEALTH DIVISION
BOILER AND ELEVATOR BRANCH
ARTHUR TALAEAI, Administrator
JULIUS DACANAY, Branch Manager

I. INTRODUCTION

Pursuant to 397-13, Hawaii Revised Statutes (HRS), the Director of Labor and Industrial Relations (DLIR), "...shall submit a report to the legislature on the status of the boiler and elevator revolving fund, including expenditures and program results, not less than twenty days prior to the convening of each regular session."

II. PURPOSE

Act 103 (Session Laws of Hawai'i (SLH), 2012) established the Boiler and Elevator Special Fund, transitioning the program to a special fund model and creating a mechanism to support the self-sustainability of the Boiler and Elevator Branch (Branch) within the Hawai'i Occupational Safety and Health Division (HIOSH).

In enacting Act 103, the Legislature acknowledged that repeated budget cuts during downturns and systemic neglect had significantly weakened the effectiveness of the boiler and elevator inspection program. This deterioration not only compromised public safety but impeded economic revitalization efforts. Act 186 (SLH, 2018) subsequently amended the law by converting the special fund into a revolving fund.

Under Act 103, the Branch funds its operations through assessed fees. This funding model enables the program to recruit and retain qualified personnel and to perform essential inspection and permitting functions that protect public safety and support economic development.

The 2021 General Appropriations Act (Act 88, SLH, 2021) eliminated the positions of two Branch supervisors and one elevator inspector, as well as cut funding for two more elevator inspectors. The Supplemental Appropriations Act of 2022 restored funding for two elevator inspector positions, and the Branch subsequently redescribed a vacant elevator inspector position into an elevator supervisor. The Branch now has nineteen authorized positions, three fewer than before Act 88 (SLH, 2021).

Act 103 has been codified in the Hawaii Revised States (HRS) as a new section §397-13 (**Boiler and elevator revolving fund; establishment; purposes.**), and amendments to §397-5 (**Fees.**) and 397-8 (**Violations and penalties**).

III. PROGRAM RESULTS

The Branch performed 3,158 elevator inspections and conducted or accepted 4,793 boiler & pressure vessel inspections during FY2024-25. The Boiler Section also performed 5 ASME/NB accreditation and certification reviews of manufacturing firms and repair organizations in the State.

The Branch completed the rulemaking process and adopted revisions to the Pressure Retaining Items section of the Hawaii Administrative Rules (HAR), effective November 1, 2024. The updates include new safety codes and adjusted fees.

The Branch is adopting revisions to the Elevator and Related Systems rules and presented these changes to the Small Business Regulatory Review Board on October 16, 2025. The proposed revisions allow the use of newer versions of the International Building Code to reduce construction costs without compromising safety, combine certain safety tests to shorten project timelines and reduce follow-up inspections, provide flexibility in posting operating permits, and update related fees.

The Boiler Section is onboarding with the National Board of Boiler and Pressure Vessel Inspectors' JRS platform to replace its current system for managing boiler inspection workflows and databases. The JRS platform will allow the Boiler Section to plan work, perform inspections, record results, conduct quality assurance, generate invoices, process payments, and issue certificates—all within a single centralized system.

IV. BUDGET

In accordance with Act 103 (SLH, 2012), as amended in 2018 and 2022 (§397-13), the Branch repaid \$100,000 to the General Fund, thus fully reimbursing the \$1,000,000 seed money provided by the Legislature in 2012.

Fiscal Year 2024-2025

Beginning Balance	\$1,352,556
Revenues, Fees, Interest	\$2,575,615
Expenditures	\$2,460,281
Loan Repayment	\$100,000
Balance as of 6/30/2025	\$1,367,890

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