



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

March 13, 2025

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

Date: Thursday, March 13, 2025

Time: 9:00 a.m.

Place: Conference Room 309, State Capitol

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

Re: S.B. 1503 SD1 RELATING TO WORKFORCE DEVELOPMENT

I. OVERVIEW OF PROPOSED LEGISLATION

The DLIR supports the intent of this measure provided it does not conflict with the priorities identified in the Governor's Executive Budget request and offers the following comments. Currently, there is uncertainty regarding whether the federal administration's efforts to reduce the budget and size of the federal government will lead to a reduction in defense-related funding in Hawai'i, outside of the Department of Defense (DoD) budget.

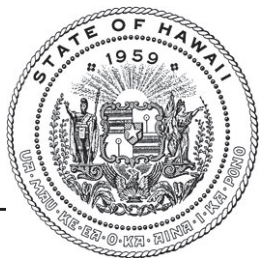
SB1503 SD1 requires the DLIR to develop and implement training programs, public-private partnerships, funding opportunities, and recruitment strategies to develop a local workforce to meet the growing demand in defense-related personnel and promote economic diversification.

II. CURRENT LAW

There is no current provision in law that requires the department to develop and implement training programs, public-private partnerships, funding opportunities, and recruitment strategies specifically for defense-related jobs.

III. COMMENTS ON THE SENATE BILL

While the DLIR supports the intent of this measure, the department notes that, although increases for defense-related personnel and other aspects of the DoD budget have been consistent, there is uncertainty regarding whether the current federal administration's efforts to reduce the budget and size of federal government will lead to a reduction in associated defense-related funding in Hawai'i.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
JAMES KUNANE TOKIOKA
Director

Department of Business, Economic Development, and Tourism before the
HOUSE COMMITTEE ON LABOR
Thursday, March 13, 2025
9:00 AM
State Capitol, Conference Room 309

In consideration of
SB 1503 SD1
RELATING TO WORKFORCE DEVELOPMENT

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

The Department of Business, Economic Development and Tourism (DBEDT) supports SB1503 SD1 relating to workforce development.

Defense spending represents the second largest sector of Hawaii's economy behind tourism. As the Department of Defense continues to focus on the Indo Pacific and the national security threats posed by near-peer competitors within the region, we expect DoD spending in Hawaii to increase.

Careers that support the workforce needs of the federal government and the local defense industrial base offer greater diversification of Hawaii's economy. Focusing on training programs, building collaborative public-private partnerships, providing funding opportunities, and engaging in proactive recruitment will help both our military partners and local people ensure Hawaii's continued economic growth and diversity.

Additionally, this effort should align with, and be complimentary to, existing programs within the University of Hawaii System. These may include the shipyard apprenticeship program at Honolulu Community College, the NSA curriculum at UH West Oahu, and the Pacific Center for Advanced Technology Training.

Thank you for the opportunity to testify.



**TESTIMONY IN SUPPORT OF SB 1503 SD1
Relating to Workforce Development**

Committee on Labor
Representative Jackson Sayama, Chair
Representative Mike Lee, Vice Chair

Thursday, March 13, 2025 at 9:00 AM
Conference Room 309 & Videoconference
415 South Beretania Street

Aloha Chair Sayama, Vice Chair Lee, and Members of the Committee:

The Hawaii Military Affairs Council ("MAC") supports SB 1503 SD1 which requires the Department of Labor and Industrial Relations to develop and implement training programs, public-private partnerships, funding opportunities, and recruitment strategies to develop a local workforce to meet the growing demand in defense-related personnel and promote economic diversification.

The MAC was established in 1985 when the Chamber was appointed by the State to serve as the liaison to the military. The MAC advocates on behalf of Hawaii's military, and is comprised of business leaders, academic institutions, State and County officials, members of the CODEL, community leaders, labor unions and organizations and retired U.S. flag and general officers. The MAC works to support Hawaii's location as a strategic U.S. headquarters in the Indo-Asia-Pacific region which is crucial for U.S. national and homeland security.

The defense industry is a critical economic driver for Hawaii, ranking as the second largest industry segment after tourism. Developing a local workforce to meet the growing demand in defense-related personnel is crucial for Hawaii's economic diversification and long-term prosperity.

By implementing comprehensive training programs, fostering public-private partnerships, creating funding opportunities, and executing targeted recruitment strategies, the state can capitalize on its strategic geographic location and strengthen its position as a hub for defense-related industries. This initiative not only addresses the immediate needs of the defense sector but also promotes sustainable economic growth by investing in the skills and capabilities of Hawaii's workforce, ensuring a robust and diversified economy for the future.

Thank you for the opportunity to offer testimony in support.

March 13, 2025

House Committee on Labor
Representative Jackson D. Sayama, Chair
Representative Mike Lee, Vice Chair



Working together for Kapolei

Thursday, March 13, 2025, 9:00 a.m.
Conference Room #309 and via video conference

RE: SB1503 SD1 Relating to Workforce Development

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

My name is Kiran Polk, and I am the Executive Director & CEO of the Kapolei Chamber of Commerce. The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region including Waipahu, Kapolei, 'Ewa Beach, Nānakūli, Wai'anae and Mākaha. The Chamber works on behalf of its members and the business community to improve the regional and State economic climate and help West O'ahu businesses thrive. We are a member-driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber of Commerce supports SB 1503 SD1 which requires the Department of Labor and Industrial Relations (DLIR) to develop and implement training programs, public-private partnerships, funding opportunities, and recruitment strategies to develop a local workforce to meet the growing demand in defense-related personnel and promote economic diversification.

Hawai'i's strategic location presents significant opportunities for job growth in defense-related industries. In fiscal year 2022, the state received nearly \$9 million in federal defense spending, contributing to an increase of 10,000 defense-related jobs since 2018. To meet the rising demand for skilled workers and support economic diversification, this bill directs the DLIR to implement training, recruitment, and job placement initiatives.

Investing in our workforce and diversifying our economy are priorities for the Kapolei Chamber which will keep pace with the growth in our region, the fastest growing region in the state.

Thank you for this opportunity to provide testimony.

Best,

Kiran Polk
Executive Director & CEO



**Testimony to the House Committee on Labor
Representative Jackson D. Sayama, Chair
Representative Mike Lee, Vice Chair**

**Thursday, March 13, 2025, at 9:00AM
Conference Room 309 & Videoconference**

RE: SB1503 SD1 Relating to Workforce Development

Aloha e Chair Sayama, Vice Chair Lee, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports Senate Bill 1503 Senate Draft 1 (SB1503 SD1), which requires the Department of Labor and Industrial Relations to develop and implement training programs, public-private partnerships, funding opportunities, and recruitment strategies to develop a local workforce to meet the growing demand in defense-related personnel and promote economic diversification. Requires reports to the Legislature.

SB1503 SD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Military & Defense. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii's strategic location presents strong opportunities for job growth in defense-related industries. In fiscal year 2022, the state received nearly \$9 million in federal defense spending, with defense jobs increasing by 10,000 since 2018. To meet growing workforce needs and support economic diversification, this bill directs the Department of Labor and Industrial Relations to implement training, recruitment, and job placement initiatives.

The bill establishes workforce programs through public-private partnerships, funding support, and targeted recruitment. Training will be developed with educational institutions and industry leaders, while partnerships with private-sector entities will expand internships and apprenticeships. Funding will support curriculum development, scholarships, and tuition assistance, while recruitment efforts will engage underrepresented communities. The Chamber supports this bill as a critical investment in economic resilience, industry leadership, and high-quality job opportunities for Hawaii residents.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass Senate Bill 1503 Senate Draft 1. Thank you for the opportunity to testify.