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**DEPARTMENT OF HUMAN SERVICES**

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February 28, 2021

TO: The Honorable Senator Karl Rhoads, Chair  
Senate Committee on Judiciary

FROM: Cathy Betts, Director

SUBJECT: **SB 1270 – RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL.**

Hearing: Tuesday, March 2, 2021, 9:35 am  
Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this measure to amend the State's statute to bring Hawaii's law into compliance with federal regulations regarding the composition of the Workforce Development Council.

**PURPOSE:** The purpose of the bill replaces the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation, Department of Human Services, as an ex officio, voting member on the Workforce Development Council.

The proposed amendment is required by the federal Workforce Innovation Opportunity Act (WIOA) of 2014, specifically, 34 Code of Federal Regulations (CFR) 361.13(c)(1), 20 CFR 679.110(b)(3)(iii)(A)(i)(iii), and 20 CFR 679.120(a). These regulations require that a representative from the vocational rehabilitation agency, with the requisite experience and expertise, serve on the State's Workforce Development Council (WDC) as a voting member with the sole responsibility of the vocational rehabilitation agency, including participation in the State Workforce Development and Local Workforce Development Boards (LWDBs). The DVR representative on the WDC must be an individual who has optimum policy making authority for

the DVR program, and each LWDB is required to have at least one representative from program carried out under Title I of the Rehabilitation Act (other than Section 112 or part C of that Title).

The WDC's six core programs, including the Division of Vocational Rehabilitation (DVR) Administrator, together set strategy and policies for an aligned workforce development system that partners with the education continuum, economic development, human services, and businesses. These core programs work together to create and implement the required WIOA Hawaii Unified State Plan (USP) in accordance with 20 CFR 676.105.

Currently, the Hawaii USP is under conditional approval and may not be approved if the language is not amended. We are also informed that fiscal penalties may be imposed for failing to conform Hawaii's law.

Thank you for the opportunity to provide testimony to this committee.

DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LIEUTENANT GOVERNOR



LESLIE WILKINS  
CHAIRPERSON

ALLICYN C.H. TASAKA  
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March 2, 2021

To: The Honorable Karl Rhoads, Chair  
The Honorable Jarrett Keohokalole, Vice Chair, and  
Members of the Senate Committee on Judiciary

Date: Tuesday, March 2, 2021  
Time: 9:35 a.m.  
Place: Videoconference

From: Allicyn Tasaka, Executive Director  
Workforce Development Council

**Re: SB 1270 RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL**

**I. OVERVIEW OF PROPOSED LEGISLATION**

This measure amends HRS Chapter 202 by replacing the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation as an ex-officio, voting member on the Workforce Development Council.

The Workforce Development Council (WDC) strongly supports this bill.

**II. CURRENT LAW**

HRS Chapter 202-1 details the WDC, it's appointments of members and tenure.

Chapter 202-1(1) identifies the Directors of the departments of Labor and Industrial Relations, Human Services, and Business, Economic Development, and Tourism, the Superintendent of Education, and the President of the University of Hawaii or their designees, as ex-officio voting members.

The federal regulations in the Workforce Innovation and Opportunity Act of 2014 (WIOA) 34 Code of Federal Regulations (C.F.R.) Section 361.13(c)(1) of the Federal Register specifies certain functions that are the sole

responsibility of the vocational rehabilitation agency, including participation in the State workforce development system.

20 C.F.R. Section 679.110(b)(3)(iii)(A)(I)(iii) and C.F.R. Section 679.120(a) mandates a representative from the vocational rehabilitation agency who has optimum policy-making authority serve on the State workforce board.

### **III. COMMENTS ON SENATE BILL**

The WDC strongly supports the measure to amend its statute to comply with federal regulations regarding the composition of the council members. The replacement of the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation merely changes the positions and not the number of participants. There are currently 41 members of the council, of whom 29 are business executives and community and labor leaders, a representative from the House and Senate, and ten ex-officio state and county representatives from the departments, DOE and UH (HRS Chapter 202-1). Failure to amend this chapter would result in federal non-compliance, non-approval of the WIOA Hawaii Unified State Plan, and possible penalties with funding.