

STAND. COM. REP. NO.

967

Honolulu, Hawaii

MAR 21 2013

RE: H.B. No. 918
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 918, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYMENT AND TRAINING
FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to permit the
Department of Labor and Industrial Relations to temporarily use
employment and training fund monies to administer, manage, report,
and oversee Title I programs funded under the federal Workforce
Investment Act of 1998; as amended (Workforce Investment Act).

Your Committee received testimony in support of this measure
from the Department of Labor and Industrial Relations;
International Longshore and Warehouse Union, Local 142; and one
individual.

Your Committee finds that programs funded under the federal
Workforce Investment Act are primarily intended to provide adults,
dislocated workers, youth, and other target groups with relevant
training programs and intensive job counseling services to better
prepare them for new careers. However, the Department of Labor
and Industrial Relations testified that since 2011, the amount of
funds that may be used to administer Workforce Investment Act
programs has been reduced by sixty-seven percent, while the
State's responsibilities regarding program management,
administration, reporting, and oversight have remained the same.



Without supplemental funds, the Department may be unable to fulfill all of its federally mandated responsibilities, which could potentially subject the State to disallowed costs for non-compliance, which can only be repaid by using non-federal funds, thereby increasing the State's general fund liabilities. This measure temporarily allows the Department to use employment and training fund monies to supplement the reduced funding for statewide administration and fulfill its federal responsibilities until a longer-term solution is derived.

Your Committee has amended this measure by:

- (1) Deleting the language in the effective date language regarding the repeal and reenactment of section 383-128, Hawaii Revised Statutes;
- (2) Inserting an effective date of July 1, 2013; and
- (3) Making a technical, nonsubstantive amendment for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 918, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 918, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



CLAYTON HEE, Chair



Record of Votes
Committee on Judiciary and Labor
JDL

*Only one measure per Record of Votes