
A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT BOARDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 202, Hawaii Revised Statutes, is
2 amended by adding two new sections to be appropriately
3 designated and to read as follows:

4 "§202- Board; appointment; tenure. (a) The board
5 shall fulfill the functions of the state workforce development
6 board for purposes of the federal Workforce Innovation and
7 Opportunity Act of 2014, P.L. 113-128.

8 (b) The board shall be constituted as provided by P.L.
9 113-128 (29 U.S.C. 3111) of the following members:

10 (1) The governor or the governor's designee;

11 (2) A member of each house of the legislature, for two-
12 year terms beginning in January of odd-numbered years,
13 appointed by the appropriate presiding officer of each
14 house, as ex officio, voting members;

15 (3) The following members to be appointed by the governor:

16 (A) The mayors of four counties or their designees,
17 as ex officio, voting members;



1 (B) The director of labor and industrial relations or
2 the director's designee, as an ex officio, voting
3 member;

4 (C) The superintendent of education or the
5 superintendent's designee, as an ex officio,
6 voting member;

7 (D) The administrator of the division of vocational
8 rehabilitation, department of human services, as
9 an ex officio, voting member;

10 (E) Thirteen representatives from the private sector,
11 comprised of:

12 (i) One or more private sector chairpersons of
13 the local workforce development boards, or
14 their designees from the private sector
15 membership of their respective boards, as ex
16 officio, voting members; and

17 (ii) Representatives of nonprofit organizations
18 and businesses in the State, appointed from
19 individuals nominated by state business
20 organizations and business trade
21 associations; and



1 (F) Five representatives of the workforce within the
2 State, at least two of whom shall be
3 representatives of labor organizations who have
4 been nominated by state labor federations, and at
5 least one of whom shall be a labor representative
6 from a joint labor-management apprenticeship
7 program, or if none exists, of an apprenticeship
8 program in the State; provided that no more than
9 a total of two workforce representatives shall be
10 from community-based organizations with
11 demonstrated experience and expertise in
12 addressing employment, training, or education
13 needs of individuals with barriers to employment,
14 or from organizations with demonstrated
15 experience and expertise in addressing
16 employment, training, or education needs of
17 eligible youth.

18 (c) Except for the ex officio members or their designees,
19 the board members appointed by the governor under subsection
20 (b) (3) shall serve for four-year staggered terms as provided for
21 in section 26-34.



(d) The governor shall select the chairperson of the board from among the members described in subparagraph (b) (3) (F).

(e) Board members shall serve without compensation but shall be reimbursed for travel expenses necessary for the performance of their duties.

(f) All board members may continue to serve on the board until their respective successors have been appointed. A person appointed to fill a vacancy shall serve the remainder of the term of the person's predecessor.

§202- Conflict of interest. (a) The workforce development board and local workforce development boards shall develop written conflict of interest policies consistent with P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)) and chapter 84.

(b) A member of the workforce development board, or a member or standing committee member of a local workforce development board shall not:

(1) Vote on or participate in a discussion about a matter under consideration by the board:

(A) Regarding the provision of services by the member or by an entity the member represents; or



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1 (B) That would provide direct financial benefit to
 2 the member or the member's immediate family; or
 3 (2) Engage in any other activity determined by the
 4 governor or the governor's designee to constitute a
 5 conflict of interest under P.L. 113-128 (29 U.S.C.
 6 3111(f) and 3122(h)) or state law."

7 SECTION 2. Chapter 202, Hawaii Revised Statutes, is
 8 amended by amending its title to read as follows:

9 **"CHAPTER 202**
 10 **HAWAII WORKFORCE DEVELOPMENT [COUNCIL] BOARD"**

11 SECTION 3. Section 202-3, Hawaii Revised Statutes, is
 12 amended to read as follows:

13 "**§202-3 Powers of [council.] board.** (a) The [workforce
 14 ~~development council]~~ director of labor and industrial relations
 15 shall appoint and fix the compensation of an executive director,
 16 who shall be exempt from [chapter 76, and may employ any other
 17 ~~personnel as it deems advisable within chapter 76.]~~ chapters 76
 18 and 89.

19 (b) The [council,] board, or on the authorization of the
 20 [council,] board, any subcommittee or panel thereof, may, for
 21 the purpose of carrying out its functions and duties, hold



1 ~~[such]~~ hearings and sit and act at ~~[such]~~ times and places as
2 the ~~[council]~~ board may deem advisable.

3 ~~[(e)] The council may negotiate and enter into contracts~~
4 ~~with public agencies or private organizations to carry out its~~
5 ~~studies and to prepare reports that the council determines to be~~
6 ~~necessary to the fulfillment of its duties.~~

7 ~~(d)]~~ (c) The ~~[council]~~ board may secure through the
8 governor's office, any information from any executive
9 department, agency, or independent instrumentality of the State
10 it deems necessary to carry out its functions.

11 ~~[(e)]~~ (d) The ~~[council]~~ board may convene ~~[such]~~ public
12 conferences and forums as it deems useful to keep the public
13 informed of workforce development needs, developments, and
14 initiatives.

15 ~~[(f)] The council may administer funds allocated for its~~
16 ~~work and may accept, disburse, and allocate funds which may~~
17 ~~become available from other governmental and private sources;~~
18 ~~provided that all the funds shall be disbursed or allocated in~~
19 ~~compliance with the objectives set forth herein, and applicable~~
20 ~~laws.] "~~



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SECTION 4. Section 304A-303, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) There is established a career and technical education coordinating advisory council, which shall serve in an advisory capacity to the board of regents. The council shall consist of eleven members, nine appointed and two ex officio[+], [+] voting members. Of the nine appointed members:

(1) Three shall be appointed from the board of regents by the chairperson of that body;

(2) Three shall be appointed from the board of education by the chairperson of that body; and

(3) Three shall be appointed from the workforce development [~~council~~] board by that [~~council~~.] board.

Of the three members appointed from the workforce development [~~council~~,] board, one member shall represent management, one member shall represent labor, and the third shall represent the public. Of the two ex officio members, one shall be the president of the university and the other shall be the superintendent of education."

SECTION 5. Section 348-8, Hawaii Revised Statutes, is amended as follows:



1 1. By amending subsection (a) to read:

2 "(a) There is established within the department a state
3 rehabilitation council. The council shall consist of twenty-one
4 members appointed by the governor as provided in section 26-34
5 and without regard to section 78-4. The members shall include:

6 (1) At least one representative of a parent training and
7 information center;

8 (2) At least one representative of the client assistance
9 program;

10 (3) At least one qualified vocational rehabilitation
11 counselor with knowledge of and experience with
12 vocational rehabilitation programs, who shall serve as
13 an ex officio, nonvoting member if employed by the
14 vocational rehabilitation division of the department;

15 (4) At least one representative of community
16 rehabilitation program service providers;

17 (5) Four representatives of business, industry, and labor;

18 (6) Representatives of disability advocacy groups
19 representing a cross section of individuals with
20 physical, cognitive, sensory, and mental disabilities,
21 and parents, family members, guardians, advocates, or



1 authorized representatives of individuals with
2 disabilities who have difficulty in representing
3 themselves or are unable due to their disabilities to
4 represent themselves;

5 (7) Current or former applicants for or recipients of
6 vocational rehabilitation services;

7 (8) At least one representative of the state educational
8 agency responsible for the public education of
9 students with disabilities;

10 (9) At least one representative of the state workforce
11 development [~~council;~~] board; and

12 (10) The administrator of the vocational rehabilitation
13 division of the department, who shall be an ex
14 officio, nonvoting member;

15 provided that the council shall include at least one member from
16 each county; and provided further that a majority of the council
17 members shall be persons who have disabilities and are not
18 employed by the vocational rehabilitation division of the
19 department. The council members shall elect a chairperson from
20 the membership. Each member of the council shall serve a three-
21 year term but may not serve more than two consecutive full



1 terms. Any vacancy occurring in the council membership shall be
2 filled in the same manner as the original appointment, except
3 that the governor may delegate the authority to fill such a
4 vacancy to the remaining members of the council after making the
5 original appointment."

6 2. By amending subsection (c) to read:

7 "(c) The council, after consulting with the state
8 workforce development [~~council,~~] board, shall advise the
9 vocational rehabilitation division of the department on
10 eligibility, order of selection, extent, scope, and
11 effectiveness of services provided, and performance of state
12 agencies that affect or that potentially affect the ability of
13 individuals with disabilities in achieving employment outcomes.
14 The council shall develop, agree to, and review state goals and
15 priorities, advise the vocational rehabilitation division of the
16 department regarding authorized activities, and assist in the
17 preparation of the state plan and amendments to the plan,
18 applications, reports, needs assessment, and evaluations. The
19 council shall conduct a review and analysis of the effectiveness
20 of, and consumer satisfaction with, the performance by the
21 vocational rehabilitation division of the department, vocational



1 rehabilitation services provided by state agencies, and other
2 public and private entities, and employment outcomes achieved by
3 eligible individuals receiving services, including the
4 availability of health and other employment benefits in
5 connection with employment outcomes. The council shall prepare
6 and submit an annual report to the governor on the status of
7 vocational rehabilitation programs within the State and make the
8 report available to the public."

9 3. By amending subsection (d) to read:

10 "(d) The council shall coordinate with other councils
11 within the State including the state council on developmental
12 disabilities, ~~[the]~~ state council on mental health, ~~[the]~~
13 advisory panel of individuals with disabilities in education,
14 and ~~[the]~~ state workforce development ~~[council.]~~ board. The
15 council shall establish working relationships between the
16 vocational rehabilitation division of the department and other
17 councils and coordinate other functions as deemed appropriate
18 under federal law."

19 SECTION 6. Section 202-1, Hawaii Revised Statutes, is
20 repealed.



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1 ~~["§202-1 Council; appointment; tenure. [(a)] The~~
2 ~~advisory commission on employment and human resources is hereby~~
3 ~~constituted as the workforce development council. The council~~
4 ~~shall also fulfill the functions of the state workforce~~
5 ~~development board for purposes of the federal Workforce~~
6 ~~Innovation and Opportunity Act of 2014, P.L. No. 113-128.~~

7 ~~(b) Except for the ex officio members or their designees,~~
8 ~~the council members shall be appointed by the governor for four-~~
9 ~~year staggered terms as provided for in section 26-34. The~~
10 ~~governor shall appoint the chairperson of the council. The~~
11 ~~council shall be constituted as provided by P.L. 113-128 (29~~
12 ~~U.S.C. 3111) of the following members:~~

13 ~~(1) The directors of labor and industrial relations and~~
14 ~~business, economic development, and tourism; the~~
15 ~~superintendent of education; and the president of the~~
16 ~~University of Hawaii or their designees, as ex~~
17 ~~officio, voting members;~~

18 ~~(2) The administrator of the division of vocational~~
19 ~~rehabilitation, department of human services, as an ex~~
20 ~~officio, voting member;~~



- ~~(3) The private sector chairpersons of the four county workforce development boards, or their designees from the private sector membership of their respective boards, as ex officio, voting members;~~
- ~~(4) Seventeen representatives from the private sector, including nonprofit organizations and businesses in the State, appointed from individuals nominated by state business organizations and business trade associations;~~
- ~~(5) Eight representatives from labor organizations and workforce training organizations, two or more of whom shall be representatives of labor organizations who have been nominated by state labor federations, and one of whom shall be a labor representative from a community-based native Hawaiian organization that operates workforce development programs;~~
- ~~(6) A member of each house of the legislature, for two-year terms beginning in January of odd-numbered years, appointed by the appropriate presiding officer of each house, as ex officio, voting members;~~



1 ~~(7) The four mayors or their designees, as ex officio,~~
2 ~~voting members; and~~

3 ~~(8) The governor or the governor's designee.~~

4 ~~[(e)] Council members shall serve without compensation but~~
5 ~~shall be reimbursed for travel expenses necessary for the~~
6 ~~performance of their duties.~~

7 ~~[(d)] From June 6, 2016, and until such time that the~~
8 ~~council has forty-one members, sixteen council members shall~~
9 ~~constitute a quorum to do business, and the concurrence of at~~
10 ~~least sixteen council members shall be necessary to make any~~
11 ~~action of the council valid.~~

12 ~~[(e)] All council members may continue to serve on the~~
13 ~~council until their respective successors have been appointed.~~
14 ~~A person appointed to fill a vacancy shall serve the remainder~~
15 ~~of the term of the person's predecessor."]~~

16 SECTION 7. Sections 201-16, 202-2, 202-4, 202-5, 202-10,
17 304A-1143, 304A-3252, 373C-23, and 394-5, Hawaii Revised
18 Statutes, are amended by substituting the word "board", or
19 similar term, wherever the word "council", or similar term,
20 appears, as the context requires.



1 SECTION 8. All rules, policies, procedures, guidelines,
2 and other material adopted or developed by the workforce
3 development council to implement provisions of the Hawaii
4 Revised Statutes that are made applicable to the department of
5 labor and industrial relations or workforce development board,
6 as appropriate, by this Act shall remain in full force and
7 effect until amended or repealed by the department of labor and
8 industrial relations pursuant to chapter 91, Hawaii Revised
9 Statutes, as appropriate. In the interim, every reference to
10 the workforce development council in those rules, policies,
11 procedures, guidelines, and other material is amended to refer
12 to the department of labor and industrial relations or workforce
13 development board, as appropriate.

14 SECTION 9. All deeds, leases, contracts, loans,
15 agreements, permits, or other documents executed or entered into
16 by or on behalf of the workforce development council, pursuant
17 to the provisions of the Hawaii Revised Statutes, that are
18 reenacted or made applicable to the department of labor and
19 industrial relations by this Act shall remain in full force and
20 effect. Upon the effective date of this Act, every reference to
21 the workforce development council or the executive director of



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1 the workforce development council in those deeds, leases,
2 contracts, loans, agreements, permits, or other documents shall
3 be construed as a reference to the department of labor and
4 industrial relations, as appropriate.

5 SECTION 10. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 11. This Act shall take effect on July 1, 2023.

8

INTRODUCED BY:



JAN 21 2022



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Report Title:

Workforce Development Board; Local Workforce Development Boards;
Composition; Conflict of Interest; DLIR

Description:

Renames the workforce development council the workforce development board. Requires the state workforce development board and local workforce development boards to develop conflict of interest policies. Amends the composition and powers of the board. Effective 7/1/2023.

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