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# A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT BOARDS.

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

1 PART I

2 SECTION 1. Chapter 202, Hawaii Revised Statutes, is  
3 amended by amending its title to read as follows:

4 "CHAPTER 202

5 HAWAII WORKFORCE DEVELOPMENT [~~COUNCIL~~] BOARD"

6 SECTION 2. Section 202-1, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 "§202-1 [~~Council;~~] Hawaii workforce development board;

9 appointment; tenure. [~~](a) [—The advisory commission on~~  
10 ~~employment and human resources is hereby constituted as the~~  
11 ~~workforce development council.] There is established within the~~

12 department of labor and industrial relations for administrative  
13 purposes only, the Hawaii workforce development board. The

14 [~~council~~] Hawaii workforce development board shall [~~also~~]

15 fulfill the functions of the state workforce development board

16 for purposes of the federal Workforce Innovation and Opportunity

17 Act of 2014, P.L. No. 113-128 [~~-~~] (29 U.S.C. 3101 et. seq.).



1           (b) Except for the ex officio members or their designees,  
2 the [~~council~~] board members shall be appointed by the governor  
3 for four-year staggered terms as provided for in section 26-34.  
4 The governor shall appoint the chairperson of the [~~council~~]  
5 board as provided in section 26-34. The [~~council~~] board shall  
6 be constituted as provided by the federal Workforce Innovation  
7 and Opportunity Act of 2014, P.L. 113-128 (29 U.S.C. 3111), of  
8 the following members:

- 9           (1) The directors of labor and industrial relations and of  
10           business, economic development, and tourism; the  
11           superintendent of education; and the president of the  
12           University of Hawaii or their designees, as ex  
13           officio, voting members;
- 14           (2) The administrator of the division of vocational  
15           rehabilitation, department of human services, as an ex  
16           officio, voting member;
- 17           (3) The private sector chairpersons of the four [~~county~~]  
18           local workforce development boards, or their designees  
19           from the private sector membership of their respective  
20           boards, as ex officio, voting members;



- 1           (4) Seventeen representatives from the private sector,  
2           including nonprofit organizations and businesses in  
3           the State, appointed from individuals nominated by  
4           state business organizations and business trade  
5           associations;
- 6           (5) Eight representatives from labor organizations and  
7           workforce training organizations, two or more of whom  
8           shall be representatives of labor organizations who  
9           have been nominated by state labor federations, and  
10          one of whom shall be a labor representative from a  
11          community-based native Hawaiian organization that  
12          operates workforce development programs;
- 13          (6) A member of each house of the legislature, for two-  
14          year terms beginning in January of odd-numbered years,  
15          appointed by the appropriate presiding officer of each  
16          house, as ex officio, voting members;
- 17          (7) The four mayors or their designees, as ex officio,  
18          voting members; and
- 19          (8) The governor or the governor's designee.



1           ~~[(c)]~~ ~~[Council]~~ Board members shall serve without  
2 compensation but shall be reimbursed for travel expenses  
3 necessary for the performance of their duties.

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

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

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

15           "**§202-3 Powers of ~~[council.]~~ board.** (a) The ~~[workforce~~  
16 ~~development council]~~ governor shall appoint ~~[and fix the]~~ an  
17 executive director of the board from a list of three nominees  
18 submitted by the board. The governor shall set the compensation  
19 of ~~[an]~~ the executive director, who shall be exempt from  
20 ~~[chapter]~~ chapters 76 ~~[, and may employ any other personnel as it~~  
21 ~~deems advisable within chapter 76.]~~ and 89.



1           (b) The [~~council~~] board, or on the authorization of the  
2 [~~council~~] board, any subcommittee or panel thereof, may, for  
3 the purpose of carrying out its functions and duties, hold such  
4 hearings and sit and act at such times and places as the  
5 [~~council~~] board may deem advisable.

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

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

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

18          ~~[(f) The council may administer funds allocated for its~~  
19 ~~work and may accept, disburse, and allocate funds which may~~  
20 ~~become available from other governmental and private sources;~~  
21 ~~provided that all the funds shall be disbursed or allocated in~~



1 ~~compliance with the objectives set forth herein, and applicable~~  
2 ~~laws.] "~~

3 SECTION 4. Section 202-5, Hawaii Revised Statutes, is  
4 repealed.

5 "~~§202-5 Organizational relationships. The workforce~~  
6 ~~development council is placed within the department of labor and~~  
7 ~~industrial relations for administrative purposes and shall act~~  
8 ~~in an advisory capacity to the governor.] "~~

9 SECTION 5. Sections 202-2, 202-4, and 202-10, Hawaii  
10 Revised Statutes, are amended by substituting the word "board"  
11 wherever the word "council" appears, as the context requires.

12 SECTION 6. All rules, policies, procedures, guidelines,  
13 and other material adopted or developed by the workforce  
14 development council to implement provisions of the Hawaii  
15 Revised Statutes that are reenacted or made applicable to the  
16 department of labor and industrial relations by this Act shall  
17 remain in full force and effect until amended or repealed by the  
18 department of labor and industrial relations pursuant to chapter  
19 91, Hawaii Revised Statutes. In the interim, every reference to  
20 the workforce development council in those rules, policies,  
21 procedures, guidelines, and other material is amended to refer



1 to the board or the department of labor and industrial  
2 relations, as appropriate.

3 SECTION 7. All deeds, leases, contracts, loans,  
4 agreements, permits, or other documents executed or entered into  
5 by or on behalf of the workforce development council, pursuant  
6 to the provisions of the Hawaii Revised Statutes, that are  
7 reenacted or made applicable to the department of labor and  
8 industrial relations by this Act shall remain in full force and  
9 effect. Upon the effective date of this Act, every reference to  
10 the workforce development council or the executive director of  
11 the workforce development council in those deeds, leases,  
12 contracts, loans, agreements, permits, or other documents shall  
13 be construed as a reference to the board, the executive director  
14 of the board, or the department of labor and industrial  
15 relations, as appropriate.

16 PART II

17 SECTION 8. Chapter 202, Hawaii Revised Statutes, is  
18 amended by adding a new section to be appropriately designated  
19 and to read as follows:

20 "§202- Conflict of interest. No member of the Hawaii  
21 workforce development board or local workforce development



1 boards shall engage in any activity determined by the governor  
2 to constitute a conflict of interest as established by the  
3 federal Workforce Innovation and Opportunity Act of 2014, P.L.  
4 113-128 (29 U.S.C. 3111(f) and 3122(h)) or pursuant to chapter  
5 84."

6 PART III

7 SECTION 9. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9 SECTION 10. This Act shall take effect upon its approval.



**Report Title:**

Hawaii Workforce Development Council; Hawaii Workforce Development Board; Conflict of Interest

**Description:**

Renames the Hawaii Workforce Development Council as the Hawaii Workforce Development Board. Requires the Governor to appoint an Executive Director of the Board from a list of three nominees submitted by the Board. Prohibits members of the Hawaii Workforce Development Board and local workforce development boards from engaging in any activity determined by the Governor to constitute a conflict of interest as provided in the federal Workforce Innovation and Opportunity Act of 2014 or chapter 84, Hawaii Revised Statutes. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

