JOANN A. VIDINHAR DEPUTY DIRECTOR



# STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS www.labor.hawaii.gov

April 7, 2022

To: The Honorable Karl Rhoads, Chair,

The Honorable Jarrett Keohokalole, Vice Chair, and Members of the Senate Committee on Judiciary

The Honorable Donovan M. Dela Cruz, Chair,

The Honorable Gilbert S.C. Keith-Agaran, Vice Chair, and Members of the Senate Committee on Ways and Means

Date: Thursday, April 7, 2022

Time: 9:45 a.m.

Place: Conference Room 211, State Capitol

From: Anne Perreira-Eustaquio, Director

Department of Labor and Industrial Relations (DLIR)

#### Re: H.B. 2159 HD1SD1 RELATING TO WORKFORCE DEVELOPMENT BOARDS

#### I. OVERVIEW OF PROPOSED LEGISLATION

HB2159 HD1 proposes to amend Chapter 202, Hawaii Revised Statues (HRS), by amending the Workforce Development Council law to be consistent with the General Appropriations Act 2021 (Act 88 SLH, 2021) as well as changing the composition of the board.

The DLIR <u>supports</u> this Governor's Package measure and <u>requests</u> an amendment.

#### II. CURRENT LAW

The General Appropriations Act of 2021, eliminated the program identification number (LBR135) of the Workforce Development Council (WDC) and transferred its appropriation and positions to the Workforce Development Division (WDD).

#### III. COMMENTS ON THE HOUSE BILL

The DLIR supports this measure that amends the Workforce Development Council (WDC) law to be consistent with the state budget as enacted in the General Appropriations Act of 2021 (Act 88 SLH, 2021), and conforms the WDC statute to the conflict of interest provisions and nomenclature found in the corresponding federal Workforce Innovation and Opportunity Act (WIOA).

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The bill makes the terminology used in the state statute consistent with the federal law by changing the name of the state and local entities, i.e., Hawaii Workforce Development Board and local workforce development boards as well as makes conforming amendments to the chapters where the WDC is mentioned.

The DLIR requests amending the measure to include the conflict-of-interest language found in Section 1 of the HD1. The department worked with the Hawaii State Ethics Commission to hone the language of this ethics provision to clarify the responsibilities of the Governor pursuant to Chapter 202 (HRS) and the provisions found in the WIOA.

To: SENATE COMMITTEE ON WAYS AND MEANS / SENATE COMMITTEE ON JUDICIARY

Honorable Senator Donovan Dela Cruz, Chair Committee on Ways and Means Honorable Senator Gilbert Keith-Agaran, Vice Chair Committee on Ways and Means

Honorable Senator Karl Rhoads, Chair Committee on Judiciary Honorable Senator Jarrett Keohokalole, Vice Chair Committee on Judiciary

From: Alan S. Hayashi, Chairman Workforce Development Council

Subject: HB2159 HD1, SD1 RELATING TO WORKFORCE DEVELOPMENT BOARDS

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Honorable Senator Donovan Dela Cruz, Chair Committee on Ways and Means, Honorable Senator Gilbert Keith-Agaran, Vice Chair Committee on Ways and Means, Honorable Senator Karl Rhoads, Chair Committee on Judiciary, Honorable Senator Jarrett Keohokalole, Vice Chair Committee on Judiciary, and Members of the Joint Committee on Ways and Means, and Judiciary:

My name is Alan Hayashi, Chairman of the Workforce Development Council (WDC). We respectfully SUPPORT the proposed HB2159 HD1, SD1 measure.

We understand the possible concern with size and inefficiency of some large Boards. However, because the workforce issues cover all sectors of the broad Hawaiian economy, the WDC has members representative of Business, Labor, Education, Government, Military, and Community Support Agencies, from all sectors of the economy. Besides quarterly WDC Board meetings, the Board members meet as participants in one of 9 standing committees as needed (Executive Committee, Employer Engagement, Finance, Special Projects, Performance Measures, Military and Veterans Affairs, Sector Strategies and Career Pathways, Youth Services). All major WDC Board issues are vetted by the Executive Committee consisting of the Chair, Vice Chair and the 8 Committee Chairs, and reported to the full Board, making the current WDC Board organization structure very efficient and effective.

We have great interest and participation from the members and the public. While we currently have 36 appointed WDC Board members (41 authorized), our <u>total WDC Board committee</u> <u>participation is over 130 participants</u>. We feel privileged to have such community participation in Government. Therefore, we respectfully suggest that the WDC Board is correctly sized in the public interest, and does not need a reduction in size or diversity.

We also support the Workforce Development Council's Executive Director appointment be recommended by the WDC, and appointed by the Governor, per proposed language in SB3127 SD1 and current HB2159, HD1, SD1.

Thank you for the opportunity to testify. I will be glad to answer any questions, if requested.



### **UNIVERSITY OF HAWAI'I SYSTEM**



## Legislative Testimony

Testimony Presented Before the
Senate Committee on Judiciary and
Senate Committee on Ways and Means
Thursday, April 7, 2022, at 9:45 a.m.
By
Erika Lacro, Vice President for Community Colleges
University of Hawai'i System

#### HB 2159 HD1 SD1 - RELATING TO WORKFORCE DEVELOPMENT BOARDS

Chairs Rhoads and Dela Cruz, Vice Chairs Keohokalole and Keith-Agaran, and members of the committees:

Thank you for the opportunity to testify on House Bill (HB) 2159 House Draft (HD) 1, Senate Draft (SD) 1, relating to Workforce Development Boards. The University of Hawai'i (UH) supports the measure.

HB 2159 HD1 SD1 amends the Hawai'i Revised Statutes to change the title of the Workforce Development Council to the Hawai'i Workforce Development Board and amends composition of the board responsible for fulfilling duties required by the federal Workforce Investment and Opportunity Act (WIOA).

UH provides a significant amount of workforce training and coordinates with the State of Hawai'i Department of Education on preparing students for the workforce, whether the postsecondary education and training requires short term, non-credit training, a degree, or more advanced training. UH's workforce programs include the UH community colleges which awarded more than 2,600 career and technical education Associates degrees or Certificates of Achievement and provided more than 16,000 non-credit workforce training opportunities in 2020-21. In 2020, in partnership with the Workforce Development Council, UH secured a 3-year, \$13.3 million federal workforce grant which is providing job training in healthcare, technology and skilled trades through the Hana Career Pathways program (uhcc.hawaii.edu/training). Also, Hawai'i P-20 Partnerships for Education, which is an administrative unit of UH, functions as the State Office of Career and Technical Education manages federal Perkins Career and Technical Education.

The state workforce development board is a forum for coordinating workforce development among agencies and funding sources. UH looks forward to continuing and strengthening our collaboration with the state workforce board. Thank you for the opportunity to testify on this measure.