JOSH GREEN LIEUTENANT GOVERNOR



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

### January 31, 2022

To: The Honorable Brian T. Taniguchi, Chair, The Honorable Les Ihara, Jr. Vice Chair, and Members of the Senate Committee on Labor, Culture and the Arts

Date: Monday, January 31, 2022

Time: 3:00 p.m.

Place: Conference Room 225, State Capitol

From: Anne Perreira-Eustaquio, Director Department of Labor and Industrial Relations (DLIR)

# Re: S.B. 3127 RELATING TO WORKFORCE DEVELOPMENT BOARDS

## I. OVERVIEW OF PROPOSED LEGISLATION

SB3127 proposes to amend Chapter 202, Hawaii Revised Statues (HRS), by amending the Workforce Development Board law to be consistent with the General Appropriations Act 2021 (Act 88 SLH, 2021).

The DLIR strongly supports this Governor's Package measure.

### 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 SENATE BILL

The DLIR strongly 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 law.

The bill also 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.



HAWAII STATE ETHICS COMMISSION

State of Hawaii · Bishop Square, 1001 Bishop Street, ASB Tower 970 · Honolulu, Hawaii 96813

Committee:	House Committee on Labor, Culture, and the Arts
Bill Number:	S.B. 3127
Hearing Date/Time:	January 31, 2022 at 3:00 p.m.
Re:	Testimony of the Hawaii State Ethics Commission SUPPORTING
	H.B. 3126, Relating to State Boards and Commissions with a
	PROPOSED AMENDMENT

Aloha Chair Taniguchi and Committee Members:

Thank you for the opportunity to testify on S.B. 3127, which, among other things, requires the Hawai'i Workforce Development Board and local workforce development boards to develop written conflict of interest policies consistent with Haw. Rev. Stat. Chapter 84. The Hawai'i State Ethics Commission ("Commission") respectfully *supports* this measure.

The Commission is charged with ensuring that Hawai'i's public officers and employees "exhibit the highest standards of ethical conduct . . . ." Accordingly, the Commission supports efforts to develop written ethical standards, such as conflict of interest provisions, and stands by ready to assist in the development of future language.

**Proposed amendment.** On page 2, the language used says "[e]ngage in any other activity determined by the governor to constitute a conflict of interest under P.L. 113-128 or state law." It is unusual to delegate this type of authority solely to the Governor. Such language may trigger a Constitutional issue. Removing the three words "by the governor" may reach the same result without needing to limit the scope of authority?

Once again, mahalo for the opportunity to testify.

Very truly yours,

<u>/s/ Robert D. Harris</u> Robert D. Harris Executive Director and General Counsel