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# A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT.

1           SECTION 1. The legislature finds that state workforce  
2 development boards assist the governors by reviewing statewide  
3 policies and programs, and making recommendations to align  
4 workforce, education, training, and employment programs in a  
5 manner that supports a comprehensive and coordinated workforce  
6 development system in the state. As part of the statewide  
7 review function in assisting the governors, the federal  
8 Workforce Innovation and Opportunity Act and related regulations  
9 outline requirements regarding conflicts of interest for  
10 recipients and subrecipients of federal awards as well as for  
11 state and local workforce development boards and standing  
12 committee members.

13           The legislature further finds that Act 88, Session Laws of  
14 Hawaii 2021, also known as the General Appropriations Act of  
15 2021, eliminated the program identification number for the  
16 Hawaii workforce development council and transferred its  
17 appropriation and positions to the workforce development  
18 division of the department of labor and industrial relations.



1           The legislature also finds that reports on the activities  
2 of the k-12 agriculture workforce development pipeline  
3 initiative are no longer needed and that the requirement should  
4 be repealed from section 371-21, Hawaii Revised Statutes.

5           The purpose of this Act is to:

6           (1) Rename the "Hawaii workforce development council" to  
7           the "Hawaii workforce development board";

8           (2) Clarify that the workforce development board is  
9           administratively attached to the department of labor  
10           and industrial relations, and as such, its program  
11           identification number, appropriations, and positions  
12           are to be transferred from the workforce development  
13           division; and

14           (3) Conform the state workforce development board statute  
15           to the nomenclature and conflict of interest  
16           provisions found in the Workforce Innovation and  
17           Opportunity Act and related regulations in the Code of  
18           Federal Regulations.

19           SECTION 2. Chapter 202, Hawaii Revised Statutes, is  
20 amended by adding a new section to be appropriately designated  
21 and to read as follows:



1           "§202- Conflict of interest. (a) The workforce  
2 development board and local workforce development boards shall  
3 develop written conflict of interest policies consistent with  
4 P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)), title 29 Code of  
5 Federal Regulations section 97.36, title 20 Code of Federal  
6 Regulations parts 679 and 683, title 2 Code of Federal  
7 Regulations parts 200 and 2900, as amended, and chapter 84.

8           (b) Separate from and in addition to any standards of  
9 conduct set forth in chapter 84, a member or standing committee  
10 member of the workforce development board, or a member or  
11 standing committee member of a local workforce development board  
12 shall not:

13           (1) Vote on or participate in a discussion about a matter  
14 under consideration by the board or standing  
15 committee:

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

18           (B) That would provide direct financial benefit to  
19 the member or the member's immediate family; or

20           (2) Engage in any other activity determined by the  
21 governor to constitute a conflict of interest under



1 P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)), title 29  
2 Code of Federal Regulations section 97.36, title 20  
3 Code of Federal Regulations parts 679 and 683, and  
4 title 2 Code of Federal Regulations parts 200 and  
5 2900, as amended."

6 SECTION 3. 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~~] board. The [~~council~~] board  
12 shall be placed within the department of labor and industrial  
13 relations for administrative purposes and shall [also] fulfill  
14 the functions of the state workforce development board for  
15 purposes of the federal Workforce Innovation and Opportunity Act  
16 of 2014, P.L. No. 113-128[~~7~~] (29 U.S.C. 3101 et. seq.).

17 (b) Except for the ex officio members or their designees,  
18 the [~~council~~] board members shall be appointed by the governor  
19 for four-year staggered terms as provided for in section 26-34.  
20 The governor shall appoint the chairperson of the [~~council~~]  
21 board from among the members of the board. The [~~council~~] board



1 shall be constituted as provided by the federal Workforce  
2 Innovation and Opportunity Act of 2014, P.L. 113-128 (29 U.S.C.  
3 3111) of the following members:

4 (1) The directors of labor and industrial relations and  
5 business, economic development, and tourism; the  
6 superintendent of education; and the president of the  
7 [University] university of Hawaii or their designees,  
8 as ex officio, voting members;

9 (2) The administrator of the division of vocational  
10 rehabilitation, department of human services, as an ex  
11 officio, voting member;

12 (3) The private sector chairpersons of the four [~~county~~]  
13 local workforce development boards, or their designees  
14 from the private sector membership of their respective  
15 boards, as ex officio, voting members;

16 (4) Seventeen representatives from the private sector,  
17 including nonprofit organizations and businesses in  
18 the State, appointed from individuals nominated by  
19 state business organizations and business trade  
20 associations;



1 (5) Eight representatives from labor organizations and  
2 workforce training organizations, two or more of whom  
3 shall be representatives of labor organizations who  
4 have been nominated by state labor federations, and  
5 one of whom shall be a labor representative from a  
6 community-based native Hawaiian organization that  
7 operates workforce development programs;

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

12 (7) The four mayors or their designees, as ex officio,  
13 voting members; and

14 (8) The governor or the governor's designee.

15 [+(c) [+~~Council~~] Board members shall serve without  
16 compensation but shall be reimbursed for travel expenses  
17 necessary for the performance of their duties.

18 [+(d) [+]] From June 6, 2016, and until such time that the  
19 [~~council~~] board has forty-one members, sixteen [~~council~~] board  
20 members shall constitute a quorum to do business, and the



1 concurrence of at least sixteen [~~council~~] board members shall be  
2 necessary to make any action of the [~~council~~] board valid.

3       [+] (e) [+] All [~~council~~] board members may continue to  
4 serve on the [~~council~~] board until their respective successors  
5 have been appointed. A person appointed to fill a vacancy shall  
6 serve the remainder of the term of the person's predecessor."

7       SECTION 4. Section 202-2, Hawaii Revised Statutes, is  
8 amended to read as follows:

9       "**§202-2 Duties of [~~council~~] board.** In accordance with  
10 P.L. 113-128 (29 U.S.C. section 3111), the workforce development  
11 [~~council~~] board shall assist the governor in:

12       (1) The development, implementation, and modification of  
13 the state plan consistent with P.L. 113-128 (29 U.S.C.  
14 section 3112);

15       (2) The review of statewide policies, statewide programs,  
16 and recommendations on actions that should be taken by  
17 the State to align workforce development programs in a  
18 manner that supports a comprehensive and streamlined  
19 workforce development system in the State, including  
20 consideration of programs and activities of one-stop  
21 partners that are not core programs;



1        (3) Coordination of the local workforce development boards  
2        to maximize and continue to improve the quality of  
3        services and develop a comprehensive and high-quality  
4        workforce development system;

5        [~~+3~~] (4) The development and continuous improvement of the  
6        workforce development system in the State;

7        [~~+4~~] (5) The development and updating of comprehensive  
8        state performance accountability measures, including  
9        state adjusted levels of performance, to assess the  
10       effectiveness of the core programs in the State as  
11       required under P.L. 113-128 (29 U.S.C. section  
12       3141(b));

13       [~~+5~~] (6) The identification and dissemination of  
14       information on best practices for the effective  
15       operation of one-stop centers, and the development of  
16       effective local boards and effective training  
17       programs;

18       [~~+6~~] (7) The development and review of statewide policies  
19       affecting the coordinated provision of services  
20       through the State's one-stop delivery system;



1        [~~(7)~~] (8) The development of strategies for technological  
2                    improvements to facilitate access to, and improve the  
3                    quality of, services and activities provided through  
4                    the one-stop delivery system;

5        [~~(8)~~] (9) The development of strategies for aligning  
6                    technology and data systems across one-stop partner  
7                    programs to enhance service delivery and improve  
8                    efficiencies in reporting on performance  
9                    accountability measures, including the design and  
10                   implementation of common intake, data collection, case  
11                   management information, and performance accountability  
12                   measurement and reporting processes, and the  
13                   incorporation of local input into the design and  
14                   implementation, to improve coordination of services  
15                   across one-stop partner programs;

16        [~~(9)~~] (10) The development of allocation formulas for the  
17                    distribution of funds for employment and training  
18                    activities for adults, and youth workforce investment  
19                    activities, to local areas as permitted under P.L.  
20                    113-128 (29 U.S.C. sections 3163(b)(3), 3173(b)(3));



- 1        [~~(10)~~] (11) The preparation of annual reports as described  
2                    in P.L. 113-128 (29 U.S.C. section 3141(d));
- 3        [~~(11)~~] (12) The development of the statewide workforce and  
4                    labor market information system described in the  
5                    Wagner-Peyser Act (29 U.S.C. section 491-2(e));
- 6        [~~(12)~~] (13) The development of other policies as may promote  
7                    statewide objectives for, and enhance the performance  
8                    of, the workforce development system;
- 9        [~~(13)~~] (14) Creating public awareness and understanding of  
10                   the State's workforce development plans, policies,  
11                   programs, and activities, and promoting the plans,  
12                   policies, programs, and activities as economic  
13                   investments;
- 14        [~~(14)~~] (15) Submitting annual reports of the [~~council's~~]  
15                   board's activities and recommendations to the governor  
16                   and the legislature, and posting the annual reports  
17                   electronically on the [~~council's~~] board's website no  
18                   later than twenty days before the convening of each  
19                   regular session. Annual reports shall include:
- 20                   (A) The status of the comprehensive state plan for  
21                   workforce development; and



1 (B) Information regarding the workforce development  
2 programs offered throughout the State, the number  
3 of individuals placed in high-demand or high-  
4 growth employment through workforce development  
5 programs by departments, the type or category of  
6 employment garnered, and allocations of state,  
7 federal, and other funding to achieve placements  
8 into higher-skilled jobs;

9 [~~(15)~~] (16) Evaluating the state workforce development plan  
10 in terms of how its purposes, goals, and objectives  
11 have been carried out throughout the State;

12 [~~(16)~~] (17) Providing technical assistance to local  
13 workforce development boards and other similar  
14 organizations;

15 [~~(17)~~] (18) Carrying out required functions and duties  
16 related to workforce development of any advisory body  
17 required or made optional by federal legislation;

18 [~~(18)~~] (19) The review and certification of local workforce  
19 development boards and plans prepared by local  
20 workforce development boards for the use of federal



1 workforce development funds as provided in P.L. 113-  
2 128 (29 U.S.C. section 3122(b)-(c)); and  
3 [~~19~~] 20 Commenting on the measures taken pursuant to  
4 section 122(c)(17) of the Carl D. Perkins Career and  
5 Technical Education Act of 2006, P.L. 109-270."

6 SECTION 5. Section 202-3, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 "**§202-3 Powers of [~~council~~] board.** (a) The workforce  
9 development [~~council~~] board shall appoint and fix the  
10 compensation of an executive director, who shall be exempt from  
11 chapter 76[~~, and may employ any other personnel as it deems~~  
12 ~~advisable within chapter 76~~].

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

18 (c) The [~~council~~] board may negotiate and enter into  
19 contracts with public agencies or private organizations to carry  
20 out its studies and to prepare reports that the [~~council~~] board  
21 determines to be necessary to the fulfillment of its duties.



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

5 (e) The [~~council~~] board may convene [~~such~~] public  
6 conferences and forums as it deems useful to keep the public  
7 informed of workforce development needs, developments, and  
8 initiatives.

9 (f) The [~~council~~] board may administer funds allocated for  
10 its work and may accept, disburse, and allocate funds which may  
11 become available from other governmental and private sources;  
12 provided that all the funds shall be disbursed or allocated in  
13 compliance with the objectives set forth herein, and applicable  
14 laws."

15 SECTION 6. Section 371-21, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "~~{}~~§371-21~~{}~~ **K-12 agriculture workforce development**  
18 **pipeline initiative.** (a) There shall be created in the  
19 department a k-12 agriculture workforce development pipeline  
20 initiative to conduct training sessions for teachers and school



1 administrators on the islands of Oahu, Hawaii, Maui, Molokai,  
2 Lanai, and Kauai, regarding agricultural self-sufficiency.

3 (b) The k-12 agriculture workforce development pipeline  
4 initiative shall be headed by a coordinator who shall be  
5 appointed by the director, subject to chapter 76, to carry out  
6 the purposes of this section, which may include developing and  
7 proposing scholarships, travel offsets, course credits, and  
8 stipends. The coordinator may hire, subject to chapter 76,  
9 necessary staff, including a workforce development specialist,  
10 to carry out the purposes of this section.

11 (c) Course material for the training sessions under  
12 subsection (a) shall be approved by the Hawaii agriculture  
13 workforce advisory board established pursuant to section 371-19.

14 ~~[(d) The department shall submit annual reports to the  
15 legislature on the activities of the k-12 agriculture workforce  
16 development pipeline initiative.]"~~

17 SECTION 7. The program identification number and positions  
18 for the Hawaii workforce development council that were  
19 transferred to the workforce development division of the  
20 department of labor and industrial relations by Act 88, Session



1 Laws of Hawaii 2021, shall be restored and transferred to the  
2 Hawaii workforce development board.

3 SECTION 8. Sections 201-16, 202-4, 202-5, 202-10, 304A-  
4 303, 304A-1143, 304A-3252, 348-8, 373C-23, and 394-5, Hawaii  
5 Revised Statutes, are amended by substituting the words  
6 "workforce development board" wherever the words "workforce  
7 development council" appear, as the context requires.

8 SECTION 9. Section 202-4, Hawaii Revised Statutes, is  
9 amended by substituting the word "board" wherever the word  
10 "council" appears, as the context requires.

11 SECTION 10. In accordance with section 9 of article VII of  
12 the Hawaii State Constitution and sections 37-91 and 37-93,  
13 Hawaii Revised Statutes, the legislature has determined that the  
14 appropriations contained in Act 164, Regular Session of 2023,  
15 and this Act will cause the state general fund expenditure  
16 ceiling for fiscal year 2024-2025 to be exceeded by  
17 \$ or per cent. This current declaration takes  
18 into account general fund appropriations authorized for fiscal  
19 year 2024-2025 in Act 164, Regular Session of 2023, and this Act  
20 only. The reasons for exceeding the general fund expenditure  
21 ceiling are that:



1 (1) The appropriation made in this Act is necessary to  
2 serve the public interest; and

3 (2) The appropriation made in this Act meets the needs  
4 addressed by this Act.

5 SECTION 11. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$ or so  
7 much thereof as may be necessary for fiscal year 2024-2025 to  
8 fund full-time equivalent ( FTE) positions within the  
9 Hawaii workforce development board.

10 The sum appropriated shall be expended by the Hawaii  
11 workforce development board for the purposes of this Act.

12 SECTION 12. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 13. This Act shall take effect on July 1, 2050.



**Report Title:**

DLIR; Workforce Development Council; Workforce Development Board; Chairperson; Conflict of Interest; K-12 Agriculture Workforce Development Pipeline Initiative; Expenditure Ceiling; Appropriation

**Description:**

Renames the "Hawaii Workforce Development Council" to the "Hawaii Workforce Development Board". Requires the Workforce Development Board and local workforce development boards to develop written conflict of interest policies consistent with federal law and regulations. Requires the Governor to select the chairperson of the board from among the board members. Requires the Workforce Development Board to assist the Governor in coordinating local workforce development boards to improve the workforce development system. Repeals the requirement for the Department of Labor and Industrial Relations to submit an annual report to the Legislature on the activities of the K-12 Agriculture Workforce Development Pipeline Initiative. Restores program identification numbers and positions for the Hawaii Workforce Development Board that were transferred to the Workforce Development Division of the Department of Labor and Industrial Relations by Act 88, Session Laws of Hawaii 2021. Declares that the general fund expenditure ceiling is exceeded. Makes an appropriation. Takes effect 7/1/2050. (SD2)

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

