A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT.

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

- 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 funding programs
- 5 in a state in a manner that supports a comprehensive and
- 6 streamlined workforce development system in the state. As part
- 7 of the statewide review function in assisting the governors, the
- 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 board 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

- 1 appropriation and positions to the workforce development
- 2 division of the department of labor and industrial relations.
- 3 The legislature also finds that reports on the activities
- 4 of the k-12 agriculture workforce development pipeline
- 5 initiative are no longer needed and that the requirement should
- 6 be repealed from section 371-21, Hawaii Revised Statutes.
- 7 The purpose of this Act is to amend the Hawaii workforce
- 8 development council law to be consistent with the state budget
- 9 as enacted in Act 88, Session Laws of Hawaii 2021, and to
- 10 conform the state workforce development board statute to the
- 11 nomenclature and conflict of interest provisions found in the
- 12 Workforce Innovation and Opportunity Act and related regulations
- 13 in the Code of Federal Regulations.
- 14 SECTION 2. Chapter 202, Hawaii Revised Statutes, is
- 15 amended by adding a new section to be appropriately designated
- 16 and to read as follows:
- 17 "S202- Conflict of interest. (a) The Hawaii workforce
- 18 development board and local workforce development boards shall
- 19 develop written conflict of interest policies consistent with
- 20 P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)), title 29 Code of
- 21 Federal Regulations section 97.36, title 20 Code of Federal

Ţ	Regulatio	is parts 679 and 683, title 2 code of rederal	
2	Regulatio	ns parts 200 and 2900, as amended, and chapter 84.	
3	(b)	Separate from and in addition to any standards of	
4	conduct s	et forth in chapter 84, a member or standing committee	
5	member of	the Hawaii workforce development board, or a member or	
6	standing	committee member of a local workforce development board	
7	shall not:		
8	(1)	Vote on or participate in a discussion about a matter	
9		under consideration by the board or standing	
10		committee:	
11		(A) Regarding the provision of services by such	
12		member, or by an entity such member represents;	
13		<u>or</u>	
14		(B) That would provide direct financial benefit to	
15		such member or such member's immediate family; or	
16	(2)	Engage in any other activity determined by the	
17		governor to constitute a conflict of interest under	
18		P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)), title 29	
19		Code of Federal Regulations section 97.36, title 20	
20		Code of Federal Regulations parts 679 and 683, and	

1	title 2 Code of Federal Regulations parts 200 and
2	2900, as amended."
3	SECTION 3. Chapter 202, Hawaii Revised Statutes, is
4	amended by amending its title to read as follows:
5	"CHAPTER 202
6	HAWAII WORKFORCE DEVELOPMENT [COUNCIL] BOARD"
7	SECTION 4. Section 202-1, Hawaii Revised Statutes, is
8	amended to read as follows:
9	"§202-1 [Council;] Hawaii workforce development board;
10	appointment; tenure. [+](a)[} The advisory commission on
11	employment and human resources is hereby constituted as the
12	workforce development council. The council] There is
13	established the Hawaii workforce development board that shall be
14	placed within the department of labor and industrial relations
15	for administrative purposes and shall [also] fulfill the
16	functions of the state workforce development board for purposes
17	of the federal Workforce Innovation and Opportunity Act of 2014,
18	P.L. No. 113-128[+] (29 U.S.C. 3101 et. seq.).
19	(b) Except for the ex officio members or their designees,
20	the [council] board members shall be appointed by the governor
21	for four-year staggered terms as provided for in section 26-34

1	The gover	nor shall [appoint] select the chairperson of the
2	[council.	-] board from among the private sector members set forth
3	in paragr	caph (4). The [council] board shall be constituted as
4	provided	by the federal Workforce Innovation and Opportunity Act
5	of 2014,	P.L. 113-128 (29 U.S.C. 3111), of the following
6	members:	
7	(1)	The directors of labor and industrial relations and $\underline{\text{of}}$
8		business, economic development, and tourism; the
9		superintendent of education; and the president of the
10		University of Hawaii or their designees, as ex
11		officio, voting members;
12	(2)	The administrator of the division of vocational
13		rehabilitation, department of human services, as an ex
14		officio, voting member;
15	(3)	The private sector chairpersons of the four [county]
16		<u>local</u> workforce development boards, or their designees
17		from the private sector membership of their respective
18		boards, as ex officio, voting members;
19	(4)	Seventeen representatives from the private sector,
20		including nonprofit organizations and businesses in
21		the State, appointed from individuals nominated by

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1		state business organizations and business trade
2		associations;
3	(5)	Eight representatives from labor organizations and
4		workforce training organizations, two or more of whom
5		shall be representatives of labor organizations who
6		have been nominated by state labor federations, and
7		one of whom shall be a labor representative from a
8		community-based native Hawaiian organization that
9		operates workforce development programs;
10	(6)	A member of each house of the legislature, for two-
11		year terms beginning in January of odd-numbered years,
12		appointed by the appropriate presiding officer of each
13		house, as ex officio, voting members;
14	(7)	The four mayors or their designees, as ex officio,
15		voting members; and
16	(8)	The governor or the governor's designee.
17	[+] (c)[] Council] <u>Board</u> members shall serve without
18	compensat:	ion but shall be reimbursed for travel expenses
19	necessary	for the performance of their duties.
20	[-{ (d)	From June 6, 2016, and until such time that the
21	council ha	as forty-one members, sixteen council members shall

-	conditioned a quotam to do Babiness, and the concurrence of at
2	least sixteen council members shall be necessary to make any
3	action of the council valid.
4	{(e)}] (d) All [council] board members may continue to
5	serve on the [council] board until their respective successors
6	have been appointed. A person appointed to fill a vacancy shall
7	serve the remainder of the term of the person's predecessor."
8	SECTION 5. Section 202-2, Hawaii Revised Statutes, is
9	amended to read as follows:
10	"§202-2 Duties of [council.] board. In accordance with
11	P.L. 113-128 (29 U.S.C. section 3111), the <u>Hawaii</u> workforce
12	development [council] board shall assist the governor in:
13	(1) The development, implementation, and modification of
14	the state plan consistent with P.L. 113-128 (29 U.S.C.
15	section 3112);
16	(2) The review of statewide policies, statewide programs,
17	and recommendations on actions that should be taken by
18	the State to align workforce development programs in a
19	manner that supports a comprehensive and streamlined
20	workforce development system in the State, including

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1		consideration of programs and activities of one-stop
2		partners that are not core programs;
3	(3)	Coordination of the local workforce development boards
4		to maximize and continue to improve the quality of
5		services and develop a comprehensive and high-quality
6		workforce development system;
7	[-(3) -]	(4) The development and continuous improvement of the
8		workforce development system in the State;
9	[-(4)-]	(5) The development and updating of comprehensive
10		state performance accountability measures, including
11		state adjusted levels of performance, to assess the
12		effectiveness of the core programs in the State as
13		required under P.L. 113-128 (29 U.S.C. section
14		3141(b));
15	[-(5)-]	(6) The identification and dissemination of
16		information on best practices for the effective
17		operation of one-stop centers, and the development of
18		effective local boards and effective training
19		programs;

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1	[-(6) -]	The development and review of statewide policies
2		affecting the coordinated provision of services
3		through the State's one-stop delivery system;
4	[(7)]	(8) The development of strategies for technological
5		improvements to facilitate access to, and improve the
6		quality of, services and activities provided through
7		the one-stop delivery system;
8	[-(8)]	(9) The development of strategies for aligning
9		technology and data systems across one-stop partner
10		programs to enhance service delivery and improve
11		efficiencies in reporting on performance
12		accountability measures, including the design and
13		implementation of common intake, data collection, case
14		management information, and performance accountability
15		measurement and reporting processes, and the
16		incorporation of local input into the design and
17		implementation, to improve coordination of services
18		across one-stop partner programs;
19	[(9)]	(10) The development of allocation formulas for the
20		distribution of funds for employment and training
21		activities for adults, and youth workforce investment

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               activities, to local areas as permitted under P.L.
 2
               113-128 (29 U.S.C. sections 3163(b)(3), 3173(b)(3));
 3
        [\frac{10}{10}] (11) The preparation of annual reports as described
 4
               in P.L. 113-128 (29 U.S.C. section 3141(d));
 5
        [\frac{(11)}{(12)}] (12) The development of the statewide workforce and
 6
               labor market information system described in the
 7
               Wagner-Peyser Act (29 U.S.C. section 491-2(e));
 8
        [\frac{(12)}{(13)}] (13) The development of other policies as may promote
               statewide objectives for, and enhance the performance
 9
10
               of, the workforce development system;
11
        [\frac{(13)}{(14)}] (14) Creating public awareness and understanding of
12
               the State's workforce development plans, policies,
13
               programs, and activities, and promoting the plans,
14
               policies, programs, and activities as economic
15
               investments:
16
        [\frac{(14)}{(15)}] (15) Submitting annual reports of the [council's]
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               board's activities and recommendations to the governor
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               and the legislature, and posting the annual reports
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               electronically on the [council's] board's website no
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               later than twenty days before the convening of each
21
               regular session. Annual reports shall include:
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1		(A)	The status of the comprehensive state plan for
2			workforce development; and
3		(B)	Information regarding the workforce development
4			programs offered throughout the State, the number
5			of individuals placed in high-demand or high-
6			growth employment through workforce development
7			programs by departments, the type or category of
8			employment garnered, and allocations of state,
9			federal, and other funding to achieve placements
10			into higher-skilled jobs;
11	[(15)]	(16)	Evaluating the state workforce development plan
12		in to	erms of how its purposes, goals, and objectives
13		have	been carried out throughout the State;
14	[(16)]	(17)	Providing technical assistance to local
15		work	force development boards and other similar
16		orga	nizations;
17	[(17)]	(18)	Carrying out required functions and duties
18		rela	ted to workforce development of any advisory body
19		requ	ired or made optional by federal legislation;
20	[(18)]	(19)	The review and certification of local workforce
21		deve	lopment boards and plans prepared by local

I	workforce development boards for the use of federal
2	workforce development funds as provided in P.L. 113-
3	128 (29 U.S.C. section 3122(b)-(c)); and
4	$[\frac{(19)}{(20)}]$ Commenting on the measures taken pursuant to
5	section 122(c)(17) of the Carl D. Perkins Career and
6	Technical Education Act of 2006, P.L. 109-270."
7	SECTION 6. Section 202-3, Hawaii Revised Statutes, is
8	amended to read as follows:
9	"§202-3 Powers of [council.] board. (a) The Hawaii
10	workforce development [council] board shall appoint and fix the
11	compensation of an executive director, who shall be exempt from
12	[chapter] chapters 76[, and may employ any other personnel as it
13	deems advisable within chapter 76.] and 89.
14	[(b) The council, or on the authorization of the council,
15	any subcommittee or panel thereof, may, for the purpose of
16	carrying out its functions and duties, hold such hearings and
17	sit and act at such times and places as the council may deem
18	advisable.
19	(c) The council may negotiate and enter into contracts
20	with public agencies or private organizations to carry out its

- 1 studies and to prepare reports that the council determines to be
- 2 necessary to the fulfillment of its duties.
- 3 (d) (b) The [council] board may secure, through the
- 4 governor's office, any information from any executive
- 5 department, agency, or independent instrumentality of the State
- 6 it deems necessary to carry out its functions.
- 7 [(e)] (c) The [council] board may convene [such] public
- 8 conferences and forums as it deems useful to keep the public
- 9 informed of workforce development needs, developments, and
- 10 initiatives.
- 11 [(f) The council may administer funds allocated for its
- 12 work and may accept, disburse, and allocate funds which may
- 13 become available from other governmental and private sources;
- 14 provided that all the funds shall be disbursed or allocated in
- 15 compliance with the objectives set forth herein, and applicable
- 16 laws.]"
- 17 SECTION 7. Section 304A-303, Hawaii Revised Statutes, is
- 18 amended by amending subsection (a) to read as follows:
- "(a) There is established a career and technical education
- 20 coordinating advisory council, which shall serve in an advisory
- 21 capacity to the board of regents. The council shall consist of

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- 1 eleven members, nine appointed and two ex officio[\dagger],[\dagger] voting
- 2 members. Of the nine appointed members:
- 3 (1) Three shall be appointed from the board of regents by
- 4 the chairperson of that body;
- 5 (2) Three shall be appointed from the board of education
- 6 by the chairperson of that body; and
- 7 (3) Three shall be appointed from the Hawaii workforce
- 8 development [council] board by that [council.] board.
- 9 Of the three members appointed from the Hawaii workforce
- 10 development [council,] board, one member shall represent
- 11 management, one member shall represent labor, and the third
- 12 shall represent the public. Of the two ex officio members, one
- 13 shall be the president of the university and the other shall be
- 14 the superintendent of education."
- 15 SECTION 8. Section 371-21, Hawaii Revised Statutes, is
- 16 amended to read as follows:
- "[+]\$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.
- (c) Course material for the training sessions under
- 12 subsection (a) shall be approved by the Hawaii agriculture
- 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 9. Sections 201-16, 202-10, 304A-1143, 304A-3252,
- 18 373C-23, and 394-5, Hawaii Revised Statutes, are amended by
- 19 substituting the words "Hawaii workforce development board"
- 20 wherever the words "workforce development council" appear, as
- 21 the context requires.

- 1 SECTION 10. Section 202-4, Hawaii Revised Statutes, is
- 2 amended by substituting the word "board" wherever the word
- 3 "council" appears and substituting the words "Hawaii workforce
- 4 development board" wherever the words "workforce development
- 5 council" appear, as the context requires.
- 6 SECTION 11. Section 348-8, Hawaii Revised Statutes, is
- 7 amended by substituting the words "Hawaii workforce development
- 8 board" wherever the words "state workforce development council"
- 9 appear, as the context requires.
- 10 SECTION 12. Section 202-5, Hawaii Revised Statutes, is
- 11 repealed.
- 12 ["\$202-5 Organizational relationships. The workforce
- 13 development council is placed within the department of labor and
- 14 industrial relations for administrative purposes and shall act
- in an advisory capacity to the governor."
- 16 SECTION 13. All rules, policies, procedures, guidelines,
- 17 and other material adopted or developed by the workforce
- 18 development council to implement provisions of the Hawaii
- 19 Revised Statutes that are reenacted or made applicable to the
- 20 department of labor and industrial relations by this Act shall
- 21 remain in full force and effect until amended or repealed by the

- 1 department of labor and industrial relations pursuant to chapter
- 2 91, Hawaii Revised Statutes, as appropriate. In the interim,
- 3 every reference to the workforce development council in those
- 4 rules, policies, procedures, guidelines, and other material is
- 5 amended to refer to the department of labor and industrial
- 6 relations, as appropriate.
- 7 SECTION 14. All deeds, leases, contracts, loans,
- 8 agreements, permits, or other documents executed or entered into
- 9 by or on behalf of the workforce development council, pursuant
- 10 to the provisions of the Hawaii Revised Statutes, that are
- 11 reenacted or made applicable to the department of labor and
- 12 industrial relations by this Act shall remain in full force and
- 13 effect. Upon the effective date of this Act, every reference to
- 14 the workforce development council or the executive director of
- 15 the workforce development council in those deeds, leases,
- 16 contracts, loans, agreements, permits, or other documents shall
- 17 be construed as a reference to the department of labor and
- 18 industrial relations, as appropriate.
- 19 SECTION 15. Statutory material to be repealed is bracketed
- 20 and stricken. New statutory material is underscored.

21

1 SECTION 16. This Act shall take effect on January 1, 2050.

Report Title:

Hawaii Workforce Development Council; Hawaii Workforce Development Board; Conflict of Interest; Chairperson of Board; K-12 Agriculture Workforce Development Pipeline Initiative

Description:

Amends chapter 202, Hawaii Revised Statutes, to be consistent with the General Appropriations Act of 2021, Act 88, Session Laws of Hawaii 2021. Renames "Hawaii workforce development council" to "Hawaii workforce development board". Requires the Hawaii 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 seventeen private sector members. Requires the Hawaii 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-12agriculture workforce development pipeline initiative. Effective 1/1/2050. (HD1)

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