

JAN 23 2026

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 Hawaii is at a
2 critical demographic and economic crossroads. The 2025 Holomua
3 Collective Affordability Survey surveyed over three thousand two
4 hundred local working residents, and found that seventy-five per
5 cent of respondents are currently considering, or are unsure if
6 they will have to, relocate to a less expensive state, with
7 fifty-seven per cent of those considering a move within the next
8 five years. These numbers exemplify the widening gap between
9 local wages and the cost of living. In 2023, the asset limited,
10 income constrained, employed (ALICE) household survival budget
11 for a family of four was \$110,112, and forty-five per cent of
12 households fell below this threshold.

13 The legislature further finds that the State's youth face a
14 precarious future. The Hawaii Workforce Funders Collaborative
15 reports that nearly thirty per cent of the approximately one
16 hundred seventy thousand young residents estimated to enter the
17 State's workforce over the next decade will lack viable



1 opportunities to build a sustainable career in the state. To
2 prevent a permanent loss of local talent, the State must bridge
3 the gap between education and employment by investing in robust
4 career counseling infrastructure and work-based learning
5 opportunities that connect students to high-quality, local
6 opportunities.

7 The legislature recognizes that efforts from multiple state
8 departments and agencies, nonprofit partners, and labor unions
9 have made, and continue to make significant foundational
10 progress in increasing workforce development opportunities for
11 local working residents, including through the adoption of the
12 State Unified Plan by the department of labor and industrial
13 relations and the workforce development council. This
14 collaborative framework has begun to bring together education,
15 industry, labor, and social services to connect federal
16 Workforce Innovation and Opportunity Act funding with state
17 resources. However, achieving the vision of a resilient,
18 inclusive economy requires transitioning from a temporary
19 collaborative effort to a codified, long-term aligned strategy
20 and goal.



1 The legislature further finds that successful models in
2 states such as Idaho, Maine, Minnesota, and Virginia demonstrate
3 that comprehensive workforce strategies anchored by a common,
4 statewide North Star goal are essential for long-term alignment
5 and accountability. By establishing clear metrics and a
6 whole-of-government approach, these states have integrated
7 funding streams and established momentum through data
8 collection, sharing, and analysis.

9 Despite considerable effort and growth over the past
10 decade, the State's workforce development landscape lacks a
11 common long-term strategy. The establishment of a common
12 long-term strategy can provide the framework, funding, and
13 motivation for all stakeholders to move in concert toward a
14 shared definition of success, and will improve the State's
15 talent pipelines in high-demand, high-wage occupations.

16 Accordingly, the purpose of this Act is to require the
17 workforce development council to:

18 (1) Recommend to the governor, for inclusion into the
19 state unified plan, a comprehensive statewide
20 workforce strategy; and



1 (2) Facilitate the alignment of workforce development
2 efforts and programs conducted by state departments
3 and agencies to achieve the state unified plan and the
4 comprehensive statewide workforce strategy.

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

7 "**§202-2 Duties of council.** (a) In accordance with P.L.
8 113-128 (29 U.S.C. section 3111), the workforce development
9 council shall assist the governor in:

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

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

20 (3) The development and continuous improvement of the
21 workforce development system in the State;



- 1 (4) The development and updating of comprehensive state
2 performance accountability measures, including state
3 adjusted levels of performance, to assess the
4 effectiveness of the core programs in the State as
5 required under P.L. 113-128 (29 U.S.C. section
6 3141(b));
- 7 (5) The identification and dissemination of information on
8 best practices for the effective operation of one-stop
9 centers, and the development of effective local boards
10 and effective training programs;
- 11 (6) The development and review of statewide policies
12 affecting the coordinated provision of services
13 through the State's one-stop delivery system;
- 14 (7) The development of strategies for technological
15 improvements to facilitate access to, and improve the
16 quality of, services and activities provided through
17 the one-stop delivery system;
- 18 (8) The development of strategies for aligning technology
19 and data systems across one-stop partner programs to
20 enhance service delivery and improve efficiencies in
21 reporting on performance accountability measures,



1 including the design and implementation of common
2 intake, data collection, case management information,
3 and performance accountability measurement and
4 reporting processes, and the incorporation of local
5 input into the design and implementation, to improve
6 coordination of services across one-stop partner
7 programs;

8 (9) The development of allocation formulas for the
9 distribution of funds for employment and training
10 activities for adults, and youth workforce investment
11 activities, to local areas as permitted under P.L.
12 113-128 (29 U.S.C. sections 3163(b)(3), 3173(b)(3));

13 (10) The preparation of annual reports as described in P.L.
14 113-128 (29 U.S.C. section 3141(d));

15 (11) The development of the statewide workforce and labor
16 market information system described in the
17 Wagner-Peyser Act (29 U.S.C. section 491-2(e));

18 (12) The development of other policies as may promote
19 statewide objectives for, and enhance the performance
20 of, the workforce development system;



1 (13) Creating public awareness and understanding of the
2 State's workforce development plans, policies,
3 programs, and activities, and promoting the plans,
4 policies, programs, and activities as economic
5 investments;

6 (14) Submitting annual reports of the council's activities
7 and recommendations to the governor and the
8 legislature, and posting the annual reports
9 electronically on the council's website no later than
10 twenty days before the convening of each regular
11 session. Annual reports shall include:

12 (A) The status of the comprehensive state plan for
13 workforce development; and

14 (B) Information regarding the workforce development
15 programs offered throughout the State, the number
16 of individuals placed in high-demand or
17 high-growth employment through workforce
18 development programs by departments, the type or
19 category of employment garnered, and allocations
20 of state, federal, and other funding to achieve
21 placements into higher-skilled jobs;



- 1 (15) Evaluating the state workforce development plan in
2 terms of how its purposes, goals, and objectives have
3 been carried out throughout the State;
- 4 (16) Providing technical assistance to local workforce
5 development boards and other similar organizations;
- 6 (17) Carrying out required functions and duties related to
7 workforce development of any advisory body required or
8 made optional by federal legislation;
- 9 (18) The review and certification of local workforce
10 development boards and plans prepared by local
11 workforce development boards for the use of federal
12 workforce development funds as provided in P.L.
13 113-128 (29 U.S.C. section 3122(b)-(c)); and
- 14 (19) Commenting on the measures taken pursuant to section
15 122(c)(17) of the Carl D. Perkins Career and Technical
16 Education Act of 2006, P.L. 109-270.
- 17 (b) Notwithstanding any law to the contrary, in carrying
18 out its duties pursuant to subsection (a), the workforce
19 development council shall recommend to the governor, for
20 inclusion in the state unified plan, a comprehensive statewide
21 workforce strategy to ensure that all people of the State have a



1 pathway to a career that enables them to learn, work, and thrive
2 in the State and contribute to a vibrant local economy grounded
3 in community values by 2045.

4 The comprehensive statewide workforce strategy shall serve
5 as a long-term framework to unify state and county workforce
6 efforts under a common goal with aligned priorities and shall be
7 incorporated into, and guide, each state unified plan and any
8 modification thereof, regardless of the applicable planning
9 period.

10 The comprehensive statewide workforce strategy shall
11 include, at a minimum, specific plans to achieve and metrics to
12 evaluate progress in the following areas:

- 13 (1) Increasing work-based learning infrastructure and
14 access;
15 (2) Increasing economic resilience and opportunity;
16 (3) Reducing underemployment and improving job quality;
17 (4) Expanding living-wage employment opportunities;
18 (5) Expanding industry-led sectoral partnerships; and
19 (6) Increasing job retention."

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



1 "§202-5 Organizational relationships. (a) The workforce
2 development council is placed within the department of labor and
3 industrial relations for administrative purposes and shall act
4 in an advisory capacity to the governor.

5 (b) The workforce development council shall be responsible
6 for facilitating the alignment of workforce development efforts
7 and programs conducted by state departments and agencies to
8 achieve the state unified plan and the comprehensive statewide
9 workforce strategy recommended pursuant to section 202-2(b).
10 State departments and agencies shall, to the extent permitted by
11 law, assist the workforce development council by providing data
12 and information necessary to support periodic evaluation of the
13 comprehensive statewide workforce strategy.

14 As used in this section, "facilitating the alignment"
15 includes convening and supporting interagency planning,
16 identifying duplicative or complementary efforts, and
17 recommending policy or administrative changes consistent with
18 the state unified plan and the comprehensive workforce
19 strategy."

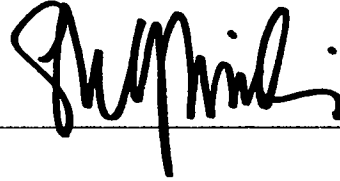
20 SECTION 4. New statutory material is underscored.



1 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to read "J. P. Miller", is written over a horizontal line.



S.B. NO. 2588

Report Title:

WDC; Workforce Development; Comprehensive Statewide Workforce Strategy; Interagency Alignment; Facilitation

Description:

Requires the Workforce Development Council to recommend to the Governor, a comprehensive Statewide Workforce Strategy to inclusion in the State Unified Plan and be responsible for facilitating the alignment of workforce development efforts and programs conducted by state departments and agencies to achieve the State Unified Plan and the Comprehensive Statewide Workforce Strategy.

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