

Honolulu, Hawaii

FEB 18 , 2026

RE: H.B. No. 1859
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred H.B. No. 1859, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to require the Workforce Development Council to recommend to the Governor a comprehensive statewide workforce strategy for inclusion in the State Unified Plan, and to facilitate the alignment of state departments' and agencies' workforce development efforts to achieve the State Unified Plan and the statewide workforce strategy.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawai'i System; Hawai'i State Commission on the Status of Women; Hawai'i P-20 Partnerships for Education; State of Hawai'i Workforce Development Council; HawaiiKidsCAN; AE Consulting LLC; Holomua Collaborative; Hawai'i Workforce Funders Collaborative; Healthcare Association of Hawaii; Hawai'i Community Foundation; Hawai'i Pacific Health; Hawai'i Alliance of Nonprofit Organizations; Hawai'i Gas; Alaska Airlines and Hawaiian Airlines; Maui Chamber of Commerce; Chamber of Commerce Hawaii; and three individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations and Department of Human Services.



Your Committee finds that no single entity can solve workforce shortages alone. For residents who pursue higher education, outcomes are shaped less by educational preparation and more by the State's labor market and cost of living. Only forty-three percent of the State's four-year college graduates are employed in jobs requiring a degree within five years of graduation. After accounting for the State's high cost of living, median wages for these graduates rank among the lowest in the nation. This mismatch contributes to underemployment, out-migration, and ongoing workforce shortages across both the public and private sectors, including among graduates who wish to remain in the State.

Your Committee further finds that the workforce development efforts of various government agencies, nonprofit organizations, and labor unions have made, and continue to make, meaningful foundational progress in increasing workforce development opportunities for local working residents. However, data demonstrates that further efforts are necessary. This measure addresses these concerns by requiring the Workforce Development Council to recommend a comprehensive statewide workforce strategy and facilitate alignment across agencies to support coordinated, high-quality career pathways.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1859, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,



GREGGOR ILAGAN, Chair



