
A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT COUNCIL.

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

1 SECTION 1. The legislature finds that aligning the State's
2 workforce development policies and programs with the State's
3 economic development policies is one of the most important
4 issues facing the State. However, no such alignment currently
5 exists as current programs are fragmented and poorly coordinated
6 due to independent bureaucracies at both the county and state
7 levels.

8 Like many other states, Hawaii is taking steps to align
9 workforce and economic development programs. The assumption is
10 that when you combine Hawaii economic development programs with
11 the State's workforce development programs, department of
12 business, economic development, and tourism officials will
13 coordinate their activities with their counterparts in workforce
14 development to ensure that both long-term planning and current
15 recruitment and expansion efforts take into account the skills
16 of Hawaii's workforce and Hawaii's workforce development
17 systems' capacity to train additional workers.



1 Similarly, Hawaii's workforce development professionals
2 would work closely with the department of business, economic
3 development, and tourism officials and employers to ensure that
4 their training and job placement efforts are designed to meet
5 the skill needs of existing and future industries, especially
6 those viewed as key to future economic growth and
7 diversification.

8 In pursuing this alignment, Hawaii is confronted with the
9 challenge of two systems that operate very differently, with
10 workforce programs historically viewed as a social service
11 targeted to individuals and funded primarily through federal
12 funds.

13 Alternatively, economic development is focused on business
14 using state and federal funding. The different funding streams
15 add a level of complexity to differences among governance and
16 planning structures, performance and reporting requirements, and
17 geographic focus areas.

18 The legislature also finds that the first important step to
19 resolving these issues is to structurally transfer the State's
20 workforce development council to the department of business,
21 economic development, and tourism.



1 If the State desires to identify and ensure coordination of
2 workforce development programs to meet economic development
3 needs, the workforce development council presents itself as the
4 opportunity to create an overarching coordination structure.
5 Hawaii's workforce education and training functions are spread
6 across multiple state agencies, with no one agency or office
7 overseeing all state workforce activities.

8 This structural and statutory change would allow for the
9 most direct path to alignment of workforce development and
10 economic development.

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

13 "**§202-5 Organizational relationships.** The workforce
14 development council [~~is~~] shall be placed within the department
15 of [~~labor and industrial relations~~] business, economic
16 development, and tourism for administrative purposes and shall
17 act in an advisory capacity to the governor."

18 SECTION 3. All officers and employees whose functions are
19 transferred by this Act shall be transferred with their
20 functions and shall continue to perform their regular duties
21 upon their transfer, subject to the state personnel laws and
22 this Act.



1 No officer or employee of the State having tenure shall
2 suffer any loss of salary, seniority, prior service credit,
3 vacation, sick leave, or other employee benefit or privilege as
4 a consequence of this Act, and such officer or employee may be
5 transferred or appointed to a civil service position without the
6 necessity of examination; provided that the officer or employee
7 possesses the minimum qualifications for the position to which
8 transferred or appointed; and provided that subsequent changes
9 in status may be made pursuant to applicable civil service and
10 compensation laws.

11 An officer or employee of the State who does not have
12 tenure and who may be transferred or appointed to a civil
13 service position as a consequence of this Act shall become a
14 civil service employee without the loss of salary, seniority,
15 prior service credit, vacation, sick leave, or other employee
16 benefits or privileges and without the necessity of examination;
17 provided that such officer or employee possesses the minimum
18 qualifications for the position to which transferred or
19 appointed.

20 If an office or position held by an officer or employee
21 having tenure is abolished, the officer or employee shall not
22 thereby be separated from public employment, but shall remain in



1 the employment of the State with the same pay and classification
2 and shall be transferred to some other office or position for
3 which the officer or employee is eligible under the personnel
4 laws of the State as determined by the head of the department or
5 the governor.

6 All appropriations, records, equipment, machines, files,
7 supplies, contracts, books, papers, documents, maps, and other
8 personal property heretofore made, used, acquired, or held by
9 the agencies, divisions, or offices transferred or placed for
10 administrative purposes under this Act shall be transferred with
11 the functions to which they relate.

12 All rules, policies, procedures, guidelines, and other
13 material adopted or developed by the agencies, divisions, or
14 offices transferred or placed for administrative purposes under
15 this Act, shall remain in full force and effect until amended or
16 repealed by the department of business, economic development,
17 and tourism pursuant to chapter 91, Hawaii Revised Statutes.

18 All deeds, leases, contracts, loans, agreements, permits,
19 or other documents executed or entered into by or on behalf of
20 the agencies, divisions, or offices transferred or placed for
21 administrative purposes under this Act, shall remain in full
22 force and effect.



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2059.



Report Title:

Workforce Development Council; Transfer; Economic Development

Description:

Transfer the Workforce Development Council from the Department of Labor and Industrial Relations to the Department of Business, Economic Development, and Tourism to assist in aligning Hawaii's workforce development policy with the State's economic development initiatives. Effective 07/01/2059. (HB3162 HD1)

