

STAND. COM. REP. NO. 235-08

Honolulu, Hawaii  
Feb 8, 2008

RE: H.B. No. 3169

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 3169 entitled:

"A BILL FOR AN ACT RELATING TO LIFELONG LEARNING ACCOUNTS,"

begs leave to report as follows:

The purpose of this bill is to improve and better prepare Hawaii's workforce to compete in an increasingly global economy by:

- (1) Establishing a voluntary Lifelong Learning Accounts Program (Program) within the Department of Labor and Industrial Relations (DLIR);
- (2) Providing a tax credit for individual taxpayers equal to 100 percent of the payments made by the taxpayer into a lifelong learning account during the taxable year; and
- (3) Providing a non-refundable tax credit that is equal to 100 percent of the contributions made by an employer into an employee's lifelong learning account for any employer that matches the contributions made by the employee into a lifelong learning account.

The Hawaii Workforce Development Council, Department of Taxation, Department of Business, Economic Development & Tourism, and the Chamber of Commerce of Hawaii testified in support of this bill. The Tax Foundation of Hawaii submitted comments.

HB3169 HSCR LAB HMS 2008-1819



The pace of technological change and the ability for the workforce to adapt to the change is difficult without the ongoing training of our existing workforce. An effective workforce development program not only results in a highly skilled workforce, but also serves to attract business and economic investment to our state.

Although the benefits of further educating and training incumbent workers have been well documented by the various agencies and organizations involved in this endeavor, the lack of funds available to employees for these purposes hinders their development. This, in turn, has a negative impact on the entire economy. By establishing a Lifelong Learning Accounts Program, and providing incentives to both employers and employees to use this Program, Hawaii can begin developing a workforce enabling the state to compete in an ever-increasing global market.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3169 and recommends that it pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



ALEX M. SONSON, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: HB 3169	Committee Referral: LAB, EOB, FIN	Date: 01/29/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SONSON, Alex M. (C)	Y			
2. NAKASONE, Bob (VC)				Y
3. EVANS, Cindy	Y			
4. HAR, Sharon E.			X	
5. LEE, Marilyn B.		X		
6. LUKE, Sylvia	Y			
7. McKELVEY, Angus L.K.	X			
8. NISHIMOTO, Scott Y.	Y			
9. SOUKI, Joseph M.				X
10. TAKAMINE, Dwight Y.	Y			
11. TAKUMI, Roy M.	X			
12. MEYER, Colleen Rose	Y			
13. PINE, Kymberly Marcos	Y			
TOTAL (13)	9	1	1	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				