

LINDA LINGLE
GOVERNOR



GREGG YAMANAKA
CHAIR

ANN YAMAMOTO
EXECUTIVE DIRECTOR

**STATE OF HAWAII
WORKFORCE DEVELOPMENT COUNCIL
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**
830 PUNCHBOWL STREET, ROOM 417
HONOLULU, HAWAII 96813
www.hawaii.gov/labor/wdc
Phone: (808) 586-8670 / Fax: (808) 586-8674
Email: dlir.workforce.council@hawaii.gov

January 29, 2008

To: Representative Alex M. Sonson, Chair
Representative Bob Nakasone, Vice Chair
and Members of the Committee on Labor and Public Employment

From: Gregg Yamanaka, Chair
Workforce Development Council

Subject: HB3162 Relating to Workforce Development Council
Transfers the Workforce Development Council from DLIR to DBEDT
Hearing Tuesday, January 29, 2008; 8:30 AM; Conference Room 309

The Workforce Development Council (“WDC”) strongly supports its transfer from the Department of Labor and Industrial Relations (“DLIR”) to the Department of Business and Economic Development (“DBEDT”) as proposed in HB3162.

The proposed transfer will essentially merge Workforce Development and Economic Development within DBEDT; a concept whose time has come. As the bill states, it will allow for consistency and alignment throughout state government, and there will be greater flexibility with respect to resource management and accountability.

In addition, WDC looks forward to the enhanced synergies that will result from the proposed move and further incorporation of workforce development and economic development efforts. It is very important that Hawaii implement a highly visible move such as this one, to overtly demonstrate the state’s desire to optimize resources to advance its economy. WDC has submitted proposals for participation in grants and other national workforce efforts that have not been selected. One of the reasons provided is that, despite the proposal’s involvement of key leaders from varying disciplines throughout the state, the state has not shown a commitment to aligning its workforce development and

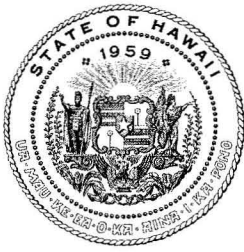
economic development efforts. The proposed merger would expressly demonstrate that commitment.

Thank you for this opportunity to comment.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Greg Yamamoto". The signature is written in a cursive, flowing style.

The Hawaii Workforce Development Council is a private-sector led body responsible for advising the governor on workforce development to support economic development and employment opportunities for all. It is the State's advisory commission on employment and human resources as defined by the Hawaii Revised Statutes. The council is also the State Workforce Investment Board for purposes of the Workforce Investment Act ("WIA") of 1998. It assists the Governor in developing and updating comprehensive five-year strategic workforce investment plans and oversees workforce (public) investment activities in the state.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

LINDA LINGLE
GOVERNOR
THEODORE E. LIU
DIRECTOR
MARK K. ANDERSON
DEPUTY DIRECTOR

No. 1 Capitol District Bldg., 250 South Hotel St., 5th Flr., Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Tel.: (808) 586-2355
Fax: (808) 586-2377

Statement of
THEODORE E. LIU
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Tuesday, January 29, 2008
8:30 AM
State Capitol, Conference Room 309

in consideration of
HB3162
RELATING TO
WORKFORCE DEVELOPMENT COUNCIL

Chair Sonson, Vice Chair Nakasone, and Members of the House Committee on Labor and Public Employment.

The Department of Business, Economic Development and Tourism (DBEDT) strongly supports HB3162, an Administration bill that proposes to transfer the Workforce Development Council from the Department Labor and Industrial Relations (DLIR) to DBEDT.

The transfer of the Workforce Development Council (WDC) to DBEDT would better align workforce development activities and economic development activities.

Currently, at least eight other states (Missouri, Kansas, Illinois, Michigan, Minnesota, and Mississippi, Oklahoma and Idaho) have combined their economic development and workforce functions to bring about the necessary alignment and effectiveness of both efforts. In Missouri, the workforce development programs have been combined with economic development activities, leaving their department of labor free to focus its full attention on regulatory activities such as occupational safety and unemployment insurance programs, among others.

A better alignment between Hawaii's economic development policies and workforce development policies is essential if we are to meet the challenges of the new global economy.

We respectfully ask your support for this bill. Thank you for the opportunity to offer comments on this very important matter.



LATE TESTIMONY

**Testimony to the House Committee on
Labor & Public Employment
Tuesday, January 29, 2008 at 8:30 a.m.
Conference Room 309, State Capitol**

RE: HOUSE BILL NO. 3162 RELATING TO WORKFORCE DEVELOPMENT COUNCIL

Chair Sonson, Vice Chair Nakasone, and Members of the Committee:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii ("The Chamber"). The Chamber supports House Bill No. 3162 relating to Workforce Development Council.

The Chamber is the largest business organization in Hawaii, representing over 1100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. The organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

This measure transfers 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.

Hawaii businesses have a crucial interest in strengthening workforce development and endeavor to be a part of the resolution. As the largest business organization, The Chamber supports legislation that recognizes state and local initiatives to improve education and workforce development programs.

In the Chamber's 2007 Survey, the membership identified workforce development as one of the top three issues that the Chamber should focus on as well as ranked the availability and quality of the workforce as two of the top three most important issues facing their business. This measure serves as a positive step in the right direction in addressing some of the workforce development initiatives and policies.

In light of the above, The Chamber of Commerce of Hawaii supports HB 3162. We respectfully request that the committee pass this bill for further discussion and consideration.