



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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January 28, 2014

To: The Honorable Clift Tsuji, Chair,
The Honorable Gene Ward, Vice Chair, and
Members of the House Committee on Economic Development &
Business

Date: January 31, 2014
Time: 9:00 a.m.
Place: Conference Room 312, State Capitol

From: Dwight Y. Takamine, Director
Department of Labor and Industrial Relations

Re: H.B. No. 2217 Relating to Workforce Development

I. OVERVIEW OF PROPOSED LEGISLATION

- The proposed legislation amends Chapter 371, HRS, by adding a new section that allows the department to establish work groups for the purposes of identifying emerging or growing industries, determining necessary skill sets for jobs in those industries, and developing training programs to provide those skills.
- The work groups shall consist of representatives from education, post-secondary education, and business communities.
- Provides funding for the purposes of establishing the work groups and to design and implement training programs.

The department supports this bill provided that its passage does not replace or adversely affect priorities indicated in the Executive Budget.

II. CURRENT LAW

Act 99, Session Laws of Hawaii 2013, added a new section to Chapter 371, HRS, to establish an agricultural workforce advisory board to promote agricultural self-sufficiency. However, no funding was appropriated to implement its operation.

III. COMMENTS ON THE HOUSE BILL

- Workgroups that identify and address skill shortages in specific areas will help remove silos among education, workforce, and business communities so that public resources can nimbly respond to business needs and create a highly skilled workforce to support growing demands.
- The workgroups are intended to quickly address immediate workforce needs and solve long-term workforce issues. Having a qualified workforce supports the establishment and growth of new industries and enables businesses to utilize local workers instead of recruiting from out-of-state.
- The workgroups would encourage companies normally in competition with each other to solve shared human resource problems and collaboratively develop training programs and materials for their workers.
- The success of workgroups has been demonstrated in different states, including Washington State, where over 30 work groups (called “skill panels”) have identified and addressed skill shortages in numerous occupations.* \
- A variation of the Washington skills panel model was used by the department to identify specific skill gaps in Hawaii’s healthcare, agriculture, and software development industries. The department and the State Workforce Development Council convened industry leaders, educators, and workforce partners to identify skills shortages and recommend solutions in each area. (For Hawaii’s Skill Panels Reports, go to <http://labor.hawaii.gov/wdc/reports/>)
- However, when the federal grants used to convene these work groups expired, the groups could not be sustained. There were no funds to develop recommended training. For a work group to be effective, additional funds would be necessary to develop training and to establish and sustain work group meetings over a longer period for feedback and redesigns to keep up with changing market demands.
- For these reasons, DLIR supports this proposal provided that its passage does not replace or adversely affect priorities indicated in the Executive Budget.

*”Industry Skill Panels” State of Washington Workforce Training and Educational Coordinating Board. www.wtb.wa.gov/IndustrySkillPanel.asp

ward2-Robin

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 30, 2014 3:23 PM
To: edbtestimony
Cc: dstevens@hawaiiipca.net
Subject: *Submitted testimony for HB2217 on Jan 31, 2014 09:00AM*

HB2217

Submitted on: 1/30/2014

Testimony for EDB on Jan 31, 2014 09:00AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Dustin Stevens	HPCA	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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