

JAN 24 2013

A BILL FOR AN ACT

RELATING TO THE EMPLOYMENT AND TRAINING FUND.

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

1 SECTION 1. The legislature finds that the ongoing impacts
2 of the recession are particularly challenging to the small
3 businesses in Hawaii. Small businesses with fewer than fifty
4 employees represent over ninety-five per cent of employer firms
5 in the State of Hawaii according to the research and statistics
6 office of the department of labor and industrial relations.
7 These small businesses play an important role in job creation
8 and have an integral role in maintaining and improving the
9 economic situation in Hawaii.

10 The legislature further finds that the inability of small
11 businesses to provide training for their workers is impeding
12 their ability to both remain viable and grow, which would
13 enhance economic recovery in Hawaii. The employment and
14 training fund was established to support innovative programs
15 developed in cooperation between business and government to
16 assist employers and workers.

17 The legislature further finds that the activities supported
18 by the employment and training fund is one avenue by which the

1 State can support small business and further the economic
2 recovery in Hawaii. Moreover, Governor Abercrombie's New Day
3 efforts to support small businesses can be augmented by
4 strengthening the use of the employment and training fund to
5 support workforce training activities for small businesses.

6 The purpose of this Act is to amend the employment and
7 training fund law to assist small businesses in business-
8 specific training programs and industry specific training
9 programs where there are critical skill shortages in high growth
10 occupational or industry areas.

11 SECTION 2. Section 383-128, Hawaii Revised Statutes, is
12 amended by amending subsection (b) to read as follows:

13 "(b) The moneys in the employment and training fund may be
14 used for funding:

15 (1) The operation of the state employment service for
16 which no federal funds have been allocated;

17 (2) Business-specific training programs to create a more
18 diversified job base and to carry out the purposes of
19 the new industry training program pursuant to section
20 394-8[+] with emphasis on serving small businesses by
21 serving the training needs for industries included in
22 the State's economic development strategy as
23 recommended by the department of business, economic

1 development, and tourism and training needs identified
2 by the county workforce investment boards, employer
3 organizations, industry or trade associations, labor
4 organizations and similar organizations;

- 5 (3) Industry or employer-specific training programs where
6 there are critical skill shortages in high growth
7 occupational or industry areas[+] with emphasis on
8 servng small businesses by serving the training needs
9 for industries included in the State's economic
10 development strategy as recommended by the department
11 of business, economic development, and tourism and
12 training needs identified by the county workforce
13 investment boards, employer organizations, industry or
14 trade associations, labor organizations and similar
15 organizations;

- 16 (4) Training and retraining programs to assist workers who
17 have become recently unemployed or are likely to be
18 unemployed;

- 19 (5) Programs to assist residents who do not otherwise
20 qualify for federal or state job training programs to
21 overcome employment barriers; and

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1 (6) Training programs to provide job-specific skills for
2 individuals in need of assistance to improve career
3 employment prospects."

4 SECTION 3. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: 

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BY REQUEST

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S.B. NO. 1158

Report Title:

Department of Labor and Industrial Relations; Employment and Training Fund; Small Businesses

Description:

Strengthens the use of the Employment and Training Fund to assist local small businesses through training programs identified in the State's economic development strategy as identified by the Department of Business, Economic Development, and Tourism and local Workforce Investment Boards.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

SB. NO. 1158

DEPARTMENT: Labor and Industrial Relations

TITLE: A BILL FOR AN ACT RELATING TO THE EMPLOYMENT AND TRAINING FUND.

PURPOSE: To facilitate the use of Employment and Training Fund (ETF) moneys to strengthen local small businesses through training programs described in the State's economic development strategy as recommended by the Department of Business, Economic Development, and Tourism (DBEDT) and local workforce investment boards.

MEANS: Amend section 383-128(b), Hawaii Revised Statutes.

JUSTIFICATION: In Hawaii, small businesses with fewer than fifty employees represent over 95 percent of employer firms. These small businesses play an important role in job creation and retention and have an integral role in improving the economic situation in the State.

Although small businesses are critical to job creation and economic recovery, they face significant challenges in providing training for their workers. ETF moneys can assist small businesses and their workers by providing training that otherwise would not be available.

Impact on the public: By supporting the continued economic recovery of the State, this measure, if enacted, will benefit all of Hawaii and especially the small businesses and their workers that participate in ETF-supported training programs. Moreover, existing as well as new

small businesses will benefit from a stronger partnership with the State.

Impact on the department and other agencies:

The department will be in a better position to carry out its mission of developing a qualified workforce by working more closely with the small business community.

GENERAL FUNDS: None.

OTHER FUNDS: Federal.

PPBS PROGRAM
DESIGNATION: LBR 111.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.