

DAVID Y. IGE  
GOVERNOR



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DIRECTOR

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DEPUTY DIRECTOR

STATE OF HAWAII  
**DEPARTMENT OF HUMAN SERVICES**

P. O. Box 339  
Honolulu, Hawaii 96809-0339

March 28, 2021

TO: The Honorable Representative Mark M. Nakashima, Chair  
House Committee on Judiciary & Hawaiian Affair

FROM: Cathy Betts, Director  
Department of Human Services

SUBJECT: **SB 1270 – RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL.**

Hearing: March 29, 2021, 2:30 p.m.  
Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this measure that will bring Hawaii's law into compliance with federal regulations regarding the composition of the Workforce Development Council.

**PURPOSE:** The purpose of the bill replaces the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation, Department of Human Services, as an ex officio, voting member on the Workforce Development Council.

The proposed amendment is required by the federal Workforce Innovation Opportunity Act (WIOA) of 2014, specifically, 34 Code of Federal Regulations (CFR) 361.13(c)(1), 20 CFR 679.110(b)(3)(iii)(A)(I)(iii), and 20 CFR 679.120(a). These regulations require that a representative from the vocational rehabilitation agency, with the requisite experience and expertise, serve on the State's Workforce Development Council (WDC) as a voting member with the sole responsibility of the vocational rehabilitation agency, including participation in the State Workforce Development and Local Workforce Development Boards (LWDBs). The DVR representative on the WDC must be an individual who has optimum policy making authority for

the DVR program, and each LWDB is required to have at least one representative from the program carried out under Title I of the Rehabilitation Act (other than Section 112 or part C of that Title).

The WDC's six core programs, including the Division of Vocational Rehabilitation (DVR) Administrator, together set strategy and policies for an aligned workforce development system that partners with the education continuum, economic development, human services, and businesses. These core programs work together to create and implement the required WIOA Hawaii Unified State Plan (USP) in accordance with 20 CFR 676.105.

Currently, the Hawaii USP is under conditional approval and may not be approved if the statutory language is not amended. We are also informed that fiscal penalties may be imposed for failing to conform Hawaii's law with federal regulations.

Thank you for the opportunity to provide testimony to this committee.

DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LIEUTENANT GOVERNOR



LESLIE WILKINS  
CHAIRPERSON

ALLICYN C.H. TASAKA  
EXECUTIVE DIRECTOR

STATE OF HAWAII  
WORKFORCE DEVELOPMENT COUNCIL  
830 Punchbowl Street, Suite 417, Honolulu, Hawaii 96813  
Phone: (808) 586-8630 Web: <http://labor.hawaii.gov/wdc/>

March 30, 2021

To: Representative Mark M. Nakashima, Chair  
Representative Scot Z. Matayoshi, Vice Chair, and  
Members of the House Committee on Judiciary and Hawaiian Affairs

Date: Tuesday, March 30, 2021  
Time: 2:00 p.m.  
Place: Videoconference

From: Allicyn Tasaka, Executive Director  
Workforce Development Council

**Re: SB 1270 RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL**

**I. OVERVIEW OF PROPOSED LEGISLATION**

This measure amends HRS Chapter 202 by replacing the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation as an ex-officio voting member on the Workforce Development Council.

The Workforce Development Council (WDC) strongly supports this bill.

**II. CURRENT LAW**

HRS Chapter 202-1 details the WDC, it's appointments of members and tenure.

Chapter 202-1(1) identifies the Directors of the departments of Labor and Industrial Relations, Human Services, and Business, Economic Development, and Tourism, the Superintendent of Education, and the President of the University of Hawaii or their designees, as ex-officio voting members.

The federal regulations in the Workforce Innovation and Opportunity Act of 2014 (WIOA) 34 Code of Federal Regulations (C.F.R.) Section 361.13(c)(1) of the Federal Register specifies certain functions that are the sole

responsibility of the vocational rehabilitation agency, including participation in the State workforce development system.

20 C.F.R. Section 679.110(b)(3)(iii)(A)(I)(iii) and C.F.R. Section 679.120(a) mandates a representative from the vocational rehabilitation agency who has optimum policy-making authority serve on the State workforce board.

### **III. COMMENTS ON SENATE BILL**

The WDC strongly supports the measure to amend its statute to comply with federal regulations regarding the composition of the council members. The replacement of the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation merely changes the positions and not the number of participants. There are currently 41 members of the council, of whom 29 are business executives and community and labor leaders, a representative from the House and Senate, and ten ex-officio state and county representatives from the departments, DOE and UH, including the Governor and the four Mayors (HRS Chapter 202-1). Failure to amend this chapter would result in federal non-compliance, non-approval of the WIOA Hawaii Unified State Plan (approval is a requirement for continued funding), and possible sanctions with existing federal funds.

We urge passage of this measure to prevent potential loss of over \$9 million at a time when resources to get people back into the labor market is most needed for the State's workforce and economy.



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
1010 RICHARDS STREET, Room 122  
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TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
March 30, 2021

The Honorable Representative Mark M. Nakashima, Chair  
House Committee on Judiciary & Hawaiian Affairs  
The Thirty-First Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Representative Nakashima and Committee Members:

**SUBJECT: SB1270 Relating to the Workforce Developmental Council**

The Hawaii State Council on Developmental Disabilities **SUPPORTS SB1270** which replaces the Director of Human Services with the Administrator of the Division of Vocational Rehabilitation, Department of Human Services, as an ex officio, voting member on the Workforce Development Council.

It is a Federal Regulation which mandates a representative from the vocational rehabilitation agency on the State's Workforce Developmental Council. The representative must have policy making authority for the Division of Vocational Rehabilitation (DVR), the Administrator of DVR is the best fit for this requirement.

The Administrator of DVR has the firsthand knowledge of the vision, mission, and promising practice of their program, they have the authority to make changes and can align the workforce development system with the Rehabilitation Act.

Thank you for the opportunity to submit testimony **supporting SB1270**.

Sincerely,

Daintry Bartoldus  
Executive Administrator

**SB-1270**

Submitted on: 3/30/2021 7:17:19 AM

Testimony for JHA on 3/30/2021 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
John D. Smith	Individual	Support	No

Comments:

I support this bill and pass it through.