

STAND. COM. REP. NO. 3384

Honolulu, Hawaii

MAR 24 2022

RE: H.B. No. 2159
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Labor, Culture and the Arts, to which was referred H.B. No. 2159, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT BOARDS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Rename the Hawaii Workforce Development Council to the Hawaii Workforce Development Board;
- (2) Require the Hawaii Workforce Development Board to develop written conflict of interest policies that are consistent with the federal Workforce Innovation and Opportunity Act of 2014; and
- (3) Amend the composition and powers of the Hawaii Workforce Development Board.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations. Your Committee received testimony in opposition to this measure from the Workforce Development Council and one individual. Your Committee received comments on this measure from the University of Hawai'i System.



Your Committee finds that Act 88, Sessions Laws of Hawaii 2021, also known as the General Appropriations Act of 2021, eliminated the program identification number for the Workforce Development Council (LBR135) and transferred its appropriations and positions to the Department of Labor and Industrial Relations' Workforce Development Division. This measure amends chapter 202, Hawaii Revised Statutes, which governs the Workforce Development Council, in conformance with the new appropriation structure set forth in the General Appropriations Act of 2021.

Your Committee also finds that the Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. sections 3111(f) and 3122(h)), prohibits members of the state workforce development board and local workforce development boards from engaging in activities determined by the Governor to constitute a conflict of interest.

Your Committee notes the testimonies of the Department of Labor and Industrial Relations and Hawaii Workforce Development Council raising concerns over the significant changes this measure makes to the size and composition of the Hawaii Workforce Development Board. The testimonies also supported making amendments to section 202-3, Hawaii Revised Statutes, to have the Executive Director of the Hawaii Workforce Development Board be appointed by the Governor from a list of three nominees submitted by the Board.

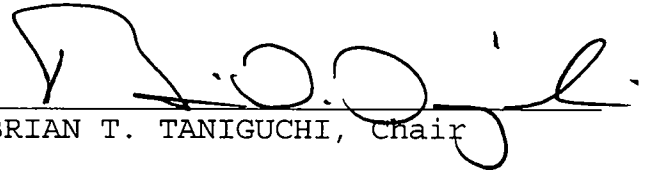
Your Committee further notes that the companion to this measure, S.B. No. 3127, S.D. 1 (Regular Session of 2022), is a substantially similar measure that renames the Hawaii Workforce Development Council as the Hawaii Workforce Development Board and prohibits its members and members of local workforce development boards from engaging in any activity determined by the Governor to constitute a conflict of interest as provided in the federal Workforce Innovation and Opportunity Act of 2014 or chapter 84, Hawaii Revised Statutes. Your Committee concludes that the language in S.B. No. 3127, S.D. 1, is preferable because it addresses concerns raised in testimony by retaining the current composition of the Hawaii Workforce Development Board and requiring the Governor to appoint the Executive Director of the Hawaii Workforce Development Board from a list of three nominees submitted by the Board.



Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 3127, S.D. 1, a similar measure that addresses the concerns raised in the testimonies of the Department of Labor and Industrial Relations and Hawaii Workforce Development Council.

As affirmed by the record of votes of the members of your Committee on Labor, Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2159, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2159, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Labor, Culture and
the Arts,

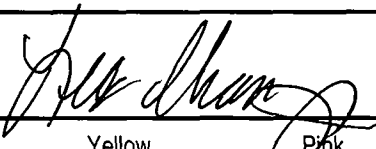


BRIAN T. TANIGUCHI, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Labor, Culture and the Arts
LCA

Bill / Resolution No.:*	Committee Referral:	Date:
HB 2159, HD1	LCA, JDC/WAM	3/16/2022
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
TANIGUCHI, Brian T. (C)	✓	
IHARA, Jr., Les (VC)	✓	
CHANG, Stanley	✓	
KEOHOKALOLE, Jarrett	✓	
FEVELLA, Kurt	✓	
TOTAL	5	0
0	0	0
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
Goldenrod Committee File Copy		

*Only one measure per Record of Votes