



February 16, 2022

To: The Honorable Aaron Ling Johanson, Chair,  
The Honorable Lisa Kitagawa, Vice Chair, and  
Members of the House Committee on Consumer Protection & Commerce

Date: Wednesday, February 16, 2022

Time: 2:00 p.m.

Place: Conference Room 329, State Capitol and via Videoconference

From: Anne Perreira-Eustaquio, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. 2159 HD1 RELATING TO WORKFORCE DEVELOPMENT BOARDS**

**I. OVERVIEW OF PROPOSED LEGISLATION**

HB2159 proposes to amend Chapter 202, Hawaii Revised Statutes (HRS), by amending the Workforce Development Council law to be consistent with the General Appropriations Act 2021 (Act 88 SLH, 2021) as well as changing the composition of the board.

The DLIR supports this Governor's Package measure and offers comments on the composition of the board.

**II. CURRENT LAW**

The General Appropriations Act of 2021, eliminated the program identification number (LBR135) of the Workforce Development Council (WDC) and transferred its appropriation and positions to the Workforce Development Division (WDD).

**III. COMMENTS ON THE HOUSE BILL**

The DLIR supports this measure that amends the Workforce Development Council (WDC) law to be consistent with the state budget as enacted in the General Appropriations Act of 2021 (Act 88 SLH, 2021), and conforms the WDC statute to the conflict of interest provisions and nomenclature found in the corresponding federal Workforce Innovation and Opportunity Act (WIOA).

The bill makes the terminology used in the state statute consistent with the federal law by changing the name of the state and local entities, i.e., Hawaii Workforce Development Board and local workforce development boards as well as makes conforming amendments to the chapters where the WDC is mentioned.

The DLIR also notes that the bill reduces the board composition from 41 members to 28 members. The department prefers the board as constituted in the unamended draft and makes the following observations about the HD1:

HD1 board membership does not clearly identify the numbers of members that constitute the thirteen members of the private sector whereas HB2159 clearly identifies the membership and maintains the current number of 41 representatives and members include the following representatives:

- All four chairpersons or designees of the local workforce development boards (as opposed to “one or more” in the HD1).
- A labor representative from a community-based Native Hawaiian organization that operates workforce development programs. A representative from such a Native Hawaiian organization has been a part of the law since 1997 (Act 346, SLH 1997).
- The Director or designee from the Department of Business, Economic Development, and Tourism.
- The President or designee from the University of Hawaii.

**LATE**

**HB-2159-HD-1**

Submitted on: 2/15/2022 2:59:15 PM

Testimony for CPC on 2/16/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Alan S. Hayashi	Workforce Development Board	Comments	Yes

Comments:

To: Representative Aaron Ling Johanson,  
 Chairman  
 Chair  
 Consumer Protection & Commerce (CPC)

Representative Lisa Kitagawa, Vice  
 Members of the House Committee on

From: Alan S. Hayashi, Chairman Workforce Development Council

Subject: HB2159 HD1

RELATING TO WORKFORCE DEVELOPMENT BOARDS.

Honorable Representative Aaron Ling Johanson, Chairman of the CPC Committee, Honorable Lisa Kitagawa, Vice Chair of the CPC Committee Consumer Protection & Commerce Committee members:

My name is Alan Hayashi, Chairman of the Workforce Development Council (WDC).

We support the intent of HB2159 HD1, and respectfully suggest an amended version to address the composition / size of the WDC Board, and methodology for selection of the WDC Executive Director.

We understand the issue with size and inefficiency of some large Boards. However, because the workforce issues cover all sectors of the broad Hawaiian economy, the WDC has members representative of Business, Labor, Education, Government, Military, and Community Support Agencies, from all sectors of the economy. Besides quarterly WDC Board meetings, the Board members meet as participants in one of 8 standing committees (Executive Committee, Employer Engagement, Finance, Special Projects, Performance Measures, Military and Veterans Affairs, Sector Strategies and Career Pathways, Youth Services). All major issues are vetted by the Executive Committee consisting of the Chair, Vice Chair and the 7 Committee Chairs, and

reported to the full Board, making the current WDC Board organization structure very efficient and effective. WDC Board has great interest and participation from the members and the public. While we currently have 36 appointed WDC Board members (41 authorized), our total WDC Board committee participation is over 130 participants. We feel privileged to have such community participation in Government. Therefore, we respectfully, suggest that the WDC Board is correctly sized in the public interest, and does not need a reduction in size or diversity.

We would also respectfully request the ability of the Workforce Development Council to have a role in the selection of the WDC Executive Director by submission of 3 names for final approval by the Governor.

Thank you for the opportunity to testify. I will be glad to answer any questions, if requested.