

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR



JADE T. BUTAY  
DIRECTOR

WILLIAM G. KUNSTMAN  
DEPUTY DIRECTOR

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
KA 'OIHANA PONO LIMAHANA

February 27, 2023

To: The Honorable Kyle T. Yamashita, Chair,  
The Honorable Lisa Kitagawa, Vice Chair, and  
Members of the House Committee on Finance

Date: Monday, February 27, 2023  
Time: 1:30 p.m.  
Place: Conference Room 308, State Capitol

From: Jade T. Butay, Director  
Department of Labor and Industrial Relations (DLIR)

**Re: H.B. No. 302 HD1 RELATING TO WORKFORCE DEVELOPMENT**

**DLIR supports the intent** of the measure provided that it does not conflict with the priorities as identified in the Governor's Supplemental Budget request.

HB302 HD1 proposes to establish and codify a YouthBuild program in the DLIR and require the DLIR to establish program requirements that are similar to the ones administered by the U.S. Department of Labor.

DLIR notes that the intent of the measure involves expanding a federal program at the State level. If the intent is to match the federal grant requirements under the discretionary Workforce and Innovation Opportunity Act (WIOA) grants, then the administrative burden would be lower than if they differed. Currently, the federal grants allocate 10% for administration. Any deviation from federal grant requirements would necessitate even greater resources for administration.

Currently, the Department is aware of two entities receiving these discretionary WIOA grants in the State, both on Oahu. The discretionary WIOA YouthBuild grants require a 25% match, which can include non-cash, in kind contributions.

The DLIR believes that there are several variables, including the number of entities applying and awarded, the award amount(s), and application time frame, that would cause difficulty in estimating the appropriation required to fund the State's matching and administrative costs for this measure.