

Honolulu, Hawaii

**MAR 15** , 2024

RE: S.B. No. 2351  
S.D. 2  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Labor & Government Operations, to which was referred S.B. No. 2351, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose 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 and local workforce development boards to develop written conflict of interest policies consistent with federal law and regulations;
- (3) Clarify that the Hawaii Workforce Development Board is administratively attached to the Department of Labor and Industrial Relations;
- (4) Require the Hawaii Workforce Development Board to assist the Governor in coordinating local workforce development boards to improve the workforce development system;



- (5) Repeal the requirement for the Department of Labor and Industrial Relations to submit an annual report to the Legislature on the activities of the K-12 Agriculture Workforce Development Pipeline Initiative;
- (6) Restore program identification numbers and positions for the Hawaii Workforce Development Board that were transferred to the Workforce Development Division of the Department of Labor and Industrial Relations; and
- (7) Appropriate funds for positions within the Hawaii Workforce Development Board.

Your Committee received testimony in support of this measure from IATSE Local 665 and three individuals. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations.

Your Committee finds that state workforce development boards review statewide policies and programs and make recommendations to support a comprehensive and streamlined workforce development system. By conforming Hawaii's workforce development board statutes with the conflict of interest and other provisions found in the federal Workforce Innovation and Opportunity Act and other federal regulations, this measure works toward developing healthy economic growth through a strong workforce development system in the State.

Your Committee has amended this measure by:

- (1) Attaching the Hawaii Workforce Development Board to the Department of Business, Economic Development, and Tourism, rather than the Department of Labor and Industrial Relations;
- (2) Requiring the Governor to appoint the Chairperson of the Hawaii Workforce Development Board from among the business representative members;
- (3) Requiring the Director of Business, Economic Development, and Tourism to review and approve all disbursements and allocations of funds by the Hawaii Workforce Development Board;



- (4) Inserting standard boilerplate language relating to rules, policies, procedures, guidelines, other material, deeds, leases, contracts, loans, agreements, permits, and other documents applicable to the Hawaii Workforce Development Council remaining in full force and effect during the restoring and transferring of positions to the Hawaii Workforce Development Board;
- (5) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Judiciary & Hawaiian Affairs, should it deliberate on this measure, to consider whether the Hawaii Workforce Development Council's program identification number should be restored.

As affirmed by the record of votes of the members of your Committee on Labor & Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2351, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2351, S.D. 2, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Government  
Operations,

  
SCOT Z. MATAYOSHI, Chair



