

JAN 19 2024

---

---

# A BILL FOR AN ACT

RELATING TO WORKFORCE DEVELOPMENT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that state workforce  
2 development boards assist the governors by reviewing statewide  
3 policies and programs, and making recommendations to align  
4 workforce, education, training, and employment funding programs  
5 in a state in a manner that supports a comprehensive and  
6 streamlined workforce development system in the state. As part  
7 of the statewide review function in assisting the governors, the  
8 federal Workforce Innovation and Opportunity Act and related  
9 regulations outline requirements regarding conflicts of interest  
10 for recipients and subrecipients of federal awards as well as  
11 for state and local workforce development board and standing  
12 committee members.

13           The legislature further finds that Act 88, Session Laws of  
14 Hawaii 2021, also known as the General Appropriations Act of  
15 2021, eliminated the program identification number for the  
16 Hawaii workforce development council and transferred its



1 appropriation and positions to the workforce development  
2 division of the department of labor and industrial relations.

3 The legislature also finds that reports on the activities  
4 of the k-12 agriculture workforce development pipeline  
5 initiative are no longer needed and that the requirement should  
6 be repealed from section 371-21, Hawaii Revised Statutes.

7 The purpose of this Act is to amend the Hawaii workforce  
8 development council law to be consistent with the state budget  
9 as enacted in Act 88, Session Laws of Hawaii 2021, and to  
10 conform the state workforce development board statute to the  
11 nomenclature and conflict of interest provisions found in the  
12 Workforce Innovation and Opportunity Act and related regulations  
13 in the Code of Federal Regulations.

14 SECTION 2. Chapter 202, Hawaii Revised Statutes, is  
15 amended by adding a new section to be appropriately designated  
16 and to read as follows:

17 "§202- Conflict of interest. (a) The Hawaii workforce  
18 development board and local workforce development boards shall  
19 develop written conflict of interest policies consistent with  
20 P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)), title 29 Code of  
21 Federal Regulations section 97.36, title 20 Code of Federal



1 Regulations parts 679 and 683, title 2 Code of Federal  
2 Regulations parts 200 and 2900, as amended, and chapter 84.

3 (b) Separate from and in addition to any standards of  
4 conduct set forth in chapter 84, a member or standing committee  
5 member of the Hawaii workforce development board, or a member or  
6 standing committee member of a local workforce development board  
7 shall not:

8 (1) Vote on or participate in a discussion about a matter  
9 under consideration by the board or standing  
10 committee:

11 (A) Regarding the provision of services by the  
12 member, or by an entity the member represents; or

13 (B) That would provide direct financial benefit to  
14 the member or the member's immediate family; or

15 (2) Engage in any other activity determined by the  
16 governor to constitute a conflict of interest under  
17 P.L. 113-128 (29 U.S.C. 3111(f) and 3122(h)), title 29  
18 Code of Federal Regulations section 97.36, title 20  
19 Code of Federal Regulations parts 679 and 683, and  
20 title 2 Code of Federal Regulations parts 200 and  
21 2900, as amended."



1 SECTION 3. Chapter 202, Hawaii Revised Statutes, is  
2 amended by amending its title to read as follows:

3 "CHAPTER 202

4 HAWAII WORKFORCE DEVELOPMENT [~~COUNCIL~~] BOARD"

5 SECTION 4. Section 202-1, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "~~§202-1 [Council;]~~ Hawaii workforce development board;

8 appointment; tenure. [~~+~~] (a) [~~+~~] ~~The advisory commission on~~

9 ~~employment and human resources is hereby constituted as the~~

10 ~~workforce development council. The council]~~ There is

11 established the Hawaii workforce development board that shall be

12 placed within the department of labor and industrial relations

13 for administrative purposes and shall [also] fulfill the

14 functions of the state workforce development board for purposes

15 of the federal Workforce Innovation and Opportunity Act of 2014,

16 P.L. No. 113-128[~~-~~] (29 U.S.C. 3101 et. seq.).

17 (b) Except for the ex officio members or their designees,

18 the [~~council~~] board members shall be appointed by the governor

19 for four-year staggered terms as provided for in section 26-34.

20 The governor shall [~~appoint~~] select the chairperson of the

21 [~~council.~~] board from among the private sector members set forth



1 in paragraph (4). The [~~council~~] board shall be constituted as  
2 provided by the federal Workforce Innovation and Opportunity Act  
3 of 2014, P.L. 113-128 (29 U.S.C. 3111) of the following members:  
4 (1) The directors of labor and industrial relations and  
5 business, economic development, and tourism; the  
6 superintendent of education; and the president of the  
7 University of Hawaii or their designees, as ex  
8 officio, voting members;  
9 (2) The administrator of the division of vocational  
10 rehabilitation, department of human services, as an ex  
11 officio, voting member;  
12 (3) The private sector chairpersons of the four [~~county~~]  
13 local workforce development boards, or their designees  
14 from the private sector membership of their respective  
15 boards, as ex officio, voting members;  
16 (4) Seventeen representatives from the private sector,  
17 including nonprofit organizations and businesses in  
18 the State, appointed from individuals nominated by  
19 state business organizations and business trade  
20 associations;



1           (5) Eight representatives from labor organizations and  
2           workforce training organizations, two or more of whom  
3           shall be representatives of labor organizations who  
4           have been nominated by state labor federations, and  
5           one of whom shall be a labor representative from a  
6           community-based native Hawaiian organization that  
7           operates workforce development programs;

8           (6) A member of each house of the legislature, for two-  
9           year terms beginning in January of odd-numbered years,  
10          appointed by the appropriate presiding officer of each  
11          house, as ex officio, voting members;

12          (7) The four mayors or their designees, as ex officio,  
13          voting members; and

14          (8) The governor or the governor's designee.

15          [+] (c) [~~}] Council]~~ Board members shall serve without  
16          compensation but shall be reimbursed for travel expenses  
17          necessary for the performance of their duties.

18          [~~+(d)] From June 6, 2016, and until such time that the~~  
19          ~~council has forty one members, sixteen council members shall~~  
20          ~~constitute a quorum to do business, and the concurrence of at~~



1 ~~least sixteen council members shall be necessary to make any~~  
2 ~~action of the council valid.~~

3 ~~[(e)]~~ (d) All [~~council~~] board members may continue to  
4 serve on the [~~council~~] board until their respective successors  
5 have been appointed. A person appointed to fill a vacancy shall  
6 serve the remainder of the term of the person's predecessor."

7 SECTION 5. Section 202-2, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "**§202-2 Duties of [~~council~~] board.** In accordance with  
10 P.L. 113-128 (29 U.S.C. section 3111), the Hawaii workforce  
11 development [~~council~~] board shall assist the governor in:

12 (1) The development, implementation, and modification of  
13 the state plan consistent with P.L. 113-128 (29 U.S.C.  
14 section 3112);

15 (2) The review of statewide policies, statewide programs,  
16 and recommendations on actions that should be taken by  
17 the State to align workforce development programs in a  
18 manner that supports a comprehensive and streamlined  
19 workforce development system in the State, including  
20 consideration of programs and activities of one-stop  
21 partners that are not core programs;



- 1        (3) Coordination of the local workforce development boards
- 2        to maximize and continue to improve the quality of
- 3        services and develop a comprehensive and high-quality
- 4        workforce development system;
- 5        [~~3~~] (4) The development and continuous improvement of the
- 6        workforce development system in the State;
- 7        [~~4~~] (5) The development and updating of comprehensive
- 8        state performance accountability measures, including
- 9        state adjusted levels of performance, to assess the
- 10       effectiveness of the core programs in the State as
- 11       required under P.L. 113-128 (29 U.S.C. section
- 12       3141(b));
- 13       [~~5~~] (6) The identification and dissemination of
- 14       information on best practices for the effective
- 15       operation of one-stop centers, and the development of
- 16       effective local boards and effective training
- 17       programs;
- 18       [~~6~~] (7) The development and review of statewide policies
- 19       affecting the coordinated provision of services
- 20       through the State's one-stop delivery system;





1        [~~(7)~~] (8) The development of strategies for technological  
2                    improvements to facilitate access to, and improve the  
3                    quality of, services and activities provided through  
4                    the one-stop delivery system;

5        [~~(8)~~] (9) The development of strategies for aligning  
6                    technology and data systems across one-stop partner  
7                    programs to enhance service delivery and improve  
8                    efficiencies in reporting on performance  
9                    accountability measures, including the design and  
10                   implementation of common intake, data collection, case  
11                   management information, and performance accountability  
12                   measurement and reporting processes, and the  
13                   incorporation of local input into the design and  
14                   implementation, to improve coordination of services  
15                   across one-stop partner programs;

16        [~~(9)~~] (10) The development of allocation formulas for the  
17                    distribution of funds for employment and training  
18                    activities for adults, and youth workforce investment  
19                    activities, to local areas as permitted under P.L.  
20                    113-128 (29 U.S.C. sections 3163(b)(3), 3173(b)(3));



- 1        [~~(10)~~] (11)    The preparation of annual reports as described
- 2                            in P.L. 113-128 (29 U.S.C. section 3141(d));
- 3        [~~(11)~~] (12)    The development of the statewide workforce and
- 4                            labor market information system described in the
- 5                            Wagner-Peyser Act (29 U.S.C. section 491-2(e));
- 6        [~~(12)~~] (13)    The development of other policies as may promote
- 7                            statewide objectives for, and enhance the performance
- 8                            of, the workforce development system;
- 9        [~~(13)~~] (14)    Creating public awareness and understanding of
- 10                           the State's workforce development plans, policies,
- 11                           programs, and activities, and promoting the plans,
- 12                           policies, programs, and activities as economic
- 13                           investments;
- 14        [~~(14)~~] (15)    Submitting annual reports of the [~~council's~~]
- 15                           board's activities and recommendations to the governor
- 16                           and the legislature, and posting the annual reports
- 17                           electronically on the [~~council's~~] board's website no
- 18                           later than twenty days before the convening of each
- 19                           regular session. Annual reports shall include:
- 20                           (A) The status of the comprehensive state plan for
- 21                           workforce development; and



- 1 (B) Information regarding the workforce development  
2 programs offered throughout the State, the number  
3 of individuals placed in high-demand or high-  
4 growth employment through workforce development  
5 programs by departments, the type or category of  
6 employment garnered, and allocations of state,  
7 federal, and other funding to achieve placements  
8 into higher-skilled jobs;
- 9 ~~[(15)]~~ (16) Evaluating the state workforce development plan  
10 in terms of how its purposes, goals, and objectives  
11 have been carried out throughout the State;
- 12 ~~[(16)]~~ (17) Providing technical assistance to local  
13 workforce development boards and other similar  
14 organizations;
- 15 ~~[(17)]~~ (18) Carrying out required functions and duties  
16 related to workforce development of any advisory body  
17 required or made optional by federal legislation;
- 18 ~~[(18)]~~ (19) The review and certification of local workforce  
19 development boards and plans prepared by local  
20 workforce development boards for the use of federal



1 workforce development funds as provided in P.L. 113-  
2 128 (29 U.S.C. section 3122(b)-(c)); and  
3 [~~19~~] (20) Commenting on the measures taken pursuant to  
4 section 122(c)(17) of the Carl D. Perkins Career and  
5 Technical Education Act of 2006, P.L. 109-270."

6 SECTION 6. Section 202-3, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 "**§202-3 Powers of [~~council~~] board.** (a) The Hawaii  
9 workforce development [~~council~~] board shall appoint and fix the  
10 compensation of an executive director, who shall be exempt from  
11 [~~chapter~~] chapters 76[, ~~and may employ any other personnel as it~~  
12 ~~deems advisable within chapter 76.~~] and 89.

13 [~~(b) The council, or on the authorization of the council,~~  
14 ~~any subcommittee or panel thereof, may, for the purpose of~~  
15 ~~carrying out its functions and duties, hold such hearings and~~  
16 ~~sit and act at such times and places as the council may deem~~  
17 ~~advisable.~~

18 [~~(c) The council may negotiate and enter into contracts~~  
19 ~~with public agencies or private organizations to carry out its~~  
20 ~~studies and to prepare reports that the council determines to be~~  
21 ~~necessary to the fulfillment of its duties.~~



1       ~~(d)~~ (b) The ~~council~~ board may secure through the  
2 governor's office, any information from any executive  
3 department, agency, or independent instrumentality of the State  
4 it deems necessary to carry out its functions.

5       ~~(e)~~ (c) The ~~council~~ board may convene ~~such~~ public  
6 conferences and forums as it deems useful to keep the public  
7 informed of workforce development needs, developments, and  
8 initiatives.

9       ~~[(f) The council may administer funds allocated for its  
10 work and may accept, disburse, and allocate funds which may  
11 become available from other governmental and private sources;  
12 provided that all the funds shall be disbursed or allocated in  
13 compliance with the objectives set forth herein, and applicable  
14 laws.]"~~

15       SECTION 7. Section 304A-303, Hawaii Revised Statutes, is  
16 amended by amending subsection (a) to read as follows:

17       "(a) There is established a career and technical education  
18 coordinating advisory council, which shall serve in an advisory  
19 capacity to the board of regents. The council shall consist of  
20 eleven members, nine appointed and two ex officio~~[+]~~,~~[+]~~ voting  
21 members. Of the nine appointed members:



1 (1) Three shall be appointed from the board of regents by  
2 the chairperson of that body;

3 (2) Three shall be appointed from the board of education  
4 by the chairperson of that body; and

5 (3) Three shall be appointed from the Hawaii workforce  
6 development [~~council~~] board by that [~~council~~] board.

7 Of the three members appointed from the Hawaii workforce  
8 development [~~council~~] board, one member shall represent  
9 management, one member shall represent labor, and the third  
10 shall represent the public. Of the two ex officio members, one  
11 shall be the president of the university and the other shall be  
12 the superintendent of education."

13 SECTION 8. Section 371-21, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "~~{}~~§371-21~~{}~~ **K-12 agriculture workforce development**  
16 **pipeline initiative.** (a) There shall be created in the  
17 department a k-12 agriculture workforce development pipeline  
18 initiative to conduct training sessions for teachers and school  
19 administrators on the islands of Oahu, Hawaii, Maui, Molokai,  
20 Lanai, and Kauai, regarding agricultural self-sufficiency.



1 (b) The k-12 agriculture workforce development pipeline  
2 initiative shall be headed by a coordinator who shall be  
3 appointed by the director, subject to chapter 76, to carry out  
4 the purposes of this section, which may include developing and  
5 proposing scholarships, travel offsets, course credits, and  
6 stipends. The coordinator may hire, subject to chapter 76,  
7 necessary staff, including a workforce development specialist,  
8 to carry out the purposes of this section.

9 (c) Course material for the training sessions under  
10 subsection (a) shall be approved by the Hawaii agriculture  
11 workforce advisory board established pursuant to section 371-19.

12 [~~(d) The department shall submit annual reports to the~~  
13 ~~legislature on the activities of the k-12 agriculture workforce~~  
14 ~~development pipeline initiative.]"~~

15 SECTION 9. Sections 201-16, 202-10, 304A-1143, 304A-3252,  
16 373C-23, and 394-5, Hawaii Revised Statutes, are amended by  
17 substituting the words "Hawaii workforce development board"  
18 wherever the words "workforce development council" appear, as  
19 the context requires.

20 SECTION 10. Section 202-4, Hawaii Revised Statutes, is  
21 amended by substituting the word "board" wherever the word



1 "council" appears and substituting the words "Hawaii workforce  
2 development board" wherever the words "workforce development  
3 council" appear, as the context requires.

4 SECTION 11. Section 348-8, Hawaii Revised Statutes, is  
5 amended by substituting the words "Hawaii workforce development  
6 board" wherever the words "state workforce development council"  
7 appear, as the context requires.

8 SECTION 12. Section 202-5, Hawaii Revised Statutes, is  
9 repealed.

10 [~~"§202-5 Organizational relationships. The workforce  
11 development council is placed within the department of labor and  
12 industrial relations for administrative purposes and shall act  
13 in an advisory capacity to the governor."~~]

14 SECTION 13. All rules, policies, procedures, guidelines,  
15 and other material adopted or developed by the workforce  
16 development council to implement provisions of the Hawaii  
17 Revised Statutes that are reenacted or made applicable to the  
18 department of labor and industrial relations by this Act shall  
19 remain in full force and effect until amended or repealed by the  
20 department of labor and industrial relations pursuant to chapter  
21 91, Hawaii Revised Statutes, as appropriate. In the interim,





1 every reference to the workforce development council in those  
2 rules, policies, procedures, guidelines, and other material is  
3 amended to refer to the department of labor and industrial  
4 relations, as appropriate.

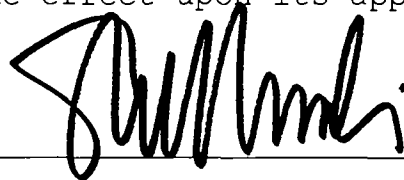
5 SECTION 14. All deeds, leases, contracts, loans,  
6 agreements, permits, or other documents executed or entered into  
7 by or on behalf of the workforce development council, pursuant  
8 to the provisions of the Hawaii Revised Statutes, that are  
9 reenacted or made applicable to the department of labor and  
10 industrial relations by this Act shall remain in full force and  
11 effect. Upon the effective date of this Act, every reference to  
12 the workforce development council or the executive director of  
13 the workforce development council in those deeds, leases,  
14 contracts, loans, agreements, permits, or other documents shall  
15 be construed as a reference to the department of labor and  
16 industrial relations, as appropriate.

17 SECTION 15. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

19 SECTION 16. This Act shall take effect upon its approval.

20

INTRODUCED BY: \_\_\_\_\_



# S.B. NO. 2351

**Report Title:**

DLIR; Hawaii Workforce Development Council; Hawaii Workforce Development Board; Conflict of Interest; Chairperson of Board; K-12 Agriculture Workforce Development Pipeline Initiative

**Description:**

Amends Chapter 202, Hawaii Revised Statutes, to be consistent with the General Appropriations Act of 2021, Act 88, Session Laws of Hawaii 2021. Renames "Hawaii Workforce Development Council" to "Hawaii Workforce Development Board". Requires the Hawaii Workforce Development Board and local workforce development boards to develop written conflict of interest policies consistent with federal law and regulations. Requires the Governor to select the chairperson of the board from among the seventeen private sector members. Requires the Hawaii Workforce Development Board to assist the Governor in coordinating local workforce development boards to improve the workforce development system. Repeals 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.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

