
A BILL FOR AN ACT

RELATING TO LABOR.

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

1 SECTION 1. The legislature finds that the Workforce
2 Innovation and Opportunity Act, which superseded the Workforce
3 Investment Act of 1998 and amended the Wagner-Peyser Act and the
4 Rehabilitation Act of 1973, was passed by Congress to authorize
5 state workforce development boards to drive the vision for a
6 workforce system at the state and local levels and to lead in
7 its implementation by engaging state and local partners,
8 employers, and community members.

9 The legislature further finds that Congress intended that
10 state workforce development boards, by being stewards of federal
11 and non-federal funds, oversee a host of operational systems and
12 processes to benefit job seekers and employers. In response,
13 the legislature created the Hawaii workforce development council
14 to carry out the vision and goals of the Workforce Innovation
15 and Opportunity Act, by authorizing the governor to appoint the
16 council members and for the council and its staff to be



1 administratively attached to the department of labor and
2 industrial relations.

3 The legislature now finds that the Hawaii workforce
4 development council, rather than the director of labor and
5 industrial relations, can better integrate and ensure the
6 effectiveness of the various programs for workforce development
7 and regional economic growth. To achieve the goals of the
8 Workforce Innovation and Opportunity Act, the legislature finds
9 that core employment and training programs currently under the
10 workforce development division of the department of labor and
11 industrial relations would be more effective if made a part of
12 the workforce development council.

13 Accordingly, the purpose of this Act is to remove the
14 workforce development division from the department of labor and
15 industrial relations and to transfer it to the workforce
16 development council, an entity that is administratively attached
17 to the department of labor and industrial relations.

18 SECTION 2. Section 202-2, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§202-2 Duties of council.** (a) The workforce development
21 council shall be responsible for:



- 1 (1) The statewide workforce development system;
- 2 (2) Administering employment and training programs;
- 3 (3) Registering and regulating private-sector, state, and
- 4 county apprenticeship programs;
- 5 (4) Vocational rehabilitation programs;
- 6 (5) Assisting dislocated workers;
- 7 (6) Youth employment programs, as assigned by the director
- 8 of labor and industrial relations; and
- 9 (7) Federal workforce programs, as assigned by the
- 10 director of labor and industrial relations.

11 (b) In accordance with P.L. 113-128 (29 U.S.C. section
12 3111), the workforce development council shall assist the
13 governor in:

- 14 (1) The development, implementation, and modification of
- 15 the state plan consistent with P.L. 113-128 (29 U.S.C.
- 16 section 3112);
- 17 (2) The review of statewide policies, statewide programs,
- 18 and recommendations on actions that should be taken by
- 19 the State to align workforce development programs in a
- 20 manner that supports a comprehensive and streamlined
- 21 workforce development system in the State, including



- 1 consideration of programs and activities of one-stop
2 partners that are not core programs;
- 3 (3) The development and continuous improvement of the
4 workforce development system in the State;
- 5 (4) The development and updating of comprehensive state
6 performance accountability measures, including state
7 adjusted levels of performance, to assess the
8 effectiveness of the core programs in the State as
9 required under P.L. 113-128 (29 U.S.C. section
10 3141(b));
- 11 (5) The identification and dissemination of information on
12 best practices for the effective operation of one-stop
13 centers, and the development of effective local boards
14 and effective training programs;
- 15 (6) The development and review of statewide policies
16 affecting the coordinated provision of services
17 through the State's one-stop delivery system;
- 18 (7) The development of strategies for technological
19 improvements to facilitate access to, and improve the
20 quality of, services and activities provided through
21 the one-stop delivery system;



- 1 (8) The development of strategies for aligning technology
2 and data systems across one-stop partner programs to
3 enhance service delivery and improve efficiencies in
4 reporting on performance accountability measures,
5 including the design and implementation of common
6 intake, data collection, case management information,
7 and performance accountability measurement and
8 reporting processes, and the incorporation of local
9 input into the design and implementation, to improve
10 coordination of services across one-stop partner
11 programs;
- 12 (9) The development of allocation formulas for the
13 distribution of funds for employment and training
14 activities for adults, and youth workforce investment
15 activities, to local areas as permitted under P.L.
16 113-128 (29 U.S.C. sections 3163(b)(3), 3173(b)(3));
- 17 (10) The preparation of annual reports as described in
18 P.L. 113-128 (29 U.S.C. section 3141(d));
- 19 (11) The development of the statewide workforce and labor
20 market information system described in the
21 Wagner-Peyser Act (29 U.S.C. section 491-2(e));



1 (12) The development of other policies as may promote
2 statewide objectives for, and enhance the performance
3 of, the workforce development system;

4 (13) Creating public awareness and understanding of the
5 State's workforce development plans, policies,
6 programs, and activities, and promoting the plans,
7 policies, programs, and activities as economic
8 investments;

9 (14) Submitting annual reports of the council's activities
10 and recommendations to the governor and the
11 legislature, and posting the annual reports
12 electronically on the council's website no later than
13 twenty days before the convening of each regular
14 session. Annual reports shall include:

15 (A) The status of the comprehensive state plan for
16 workforce development; and

17 (B) Information regarding the workforce development
18 programs offered throughout the State, the number
19 of individuals placed in high-demand or
20 high-growth employment through workforce
21 development programs by departments, the type or



1 category of employment garnered, and allocations
2 of state, federal, and other funding to achieve
3 placements into higher-skilled jobs;

4 (15) Evaluating the state workforce development plan in
5 terms of how its purposes, goals, and objectives have
6 been carried out throughout the State;

7 (16) Providing technical assistance to local workforce
8 development boards and other similar organizations;

9 (17) Carrying out required functions and duties related to
10 workforce development of any advisory body required or
11 made optional by federal legislation;

12 (18) The review and certification of local workforce
13 development boards and plans prepared by local
14 workforce development boards for the use of federal
15 workforce development funds as provided in P.L.

16 113-128 (29 U.S.C. section 3122(b)-(c)); and

17 (19) Commenting on the measures taken pursuant to section
18 122(c)(17) of the Carl D. Perkins Career and Technical
19 Education Act of 2006, P.L. 109-270."

20 SECTION 3. Section 202-5, Hawaii Revised Statutes, is
21 amended to read as follows:



1 "**§202-5 Organizational relationships.** The workforce
2 development council [~~is placed within~~] shall:

3 (1) Be administratively attached to the department of
4 labor and industrial relations [~~for administrative~~
5 purposes and shall act];

6 (2) Administer the programs assigned to it by law; and

7 (3) Act in an advisory capacity to the governor."

8 SECTION 4. Section 202-10, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§202-10 Report on workforce development programs.** (a)

11 The [~~department of labor and industrial relations,~~] University
12 of Hawaii, department of human services, department of
13 education, department of corrections and rehabilitation, and
14 department of business, economic development, and tourism shall
15 annually report to the governor, legislature, and the workforce
16 development council on the programs being offered, the number of
17 individuals that have been placed in employment through their
18 respective workforce development programs, the type or category
19 of employment garnered, and the amount and nature of
20 expenditures made on workforce development programs. The



1 departments and University of Hawaii shall post their respective
2 reports electronically on the Internet.

3 (b) The workforce development council shall annually
4 report to the governor and legislature on the programs being
5 offered, the number of individuals that have been placed in
6 employment through its workforce development programs, the type
7 or category of employment garnered, and the amount and nature of
8 expenditures made on workforce development programs. The
9 council shall share its reports electronically on the workforce
10 development council's website."

11 SECTION 5. All rights, powers, functions, and duties of
12 the workforce development division of the department of labor
13 and industrial relations are transferred to the workforce
14 development council.

15 All employees who occupy civil service positions and whose
16 functions are transferred to the workforce development council
17 by this Act shall retain their civil service status, whether
18 permanent or temporary. Employees shall be transferred without
19 loss of salary, seniority (except as prescribed by applicable
20 collective bargaining agreements), retention points, prior
21 service credit, any vacation and sick leave credits previously



1 earned, and other rights, benefits, and privileges, in
2 accordance with state personnel laws and this Act; provided that
3 the employees possess the minimum qualifications and public
4 employment requirements for the class or position to which
5 transferred or appointed, as applicable; provided further that
6 subsequent changes in status may be made pursuant to applicable
7 civil service and compensation laws.

8 Any employee who, prior to this Act, is exempt from civil
9 service and is transferred as a consequence of this Act may
10 retain the employee's exempt status, but shall not be appointed
11 to a civil service position as a consequence of this Act. An
12 exempt employee who is transferred by this Act shall not suffer
13 any loss of prior service credit, vacation or sick leave credits
14 previously earned, or other employee benefits or privileges as a
15 consequence of this Act; provided that the employees possess
16 legal and public employment requirements for the position to
17 which transferred or appointed, as applicable; provided further
18 that subsequent changes in status may be made pursuant to
19 applicable employment and compensation laws. The workforce
20 development council may prescribe the duties and qualifications



1 of these employees and fix their salaries without regard to
2 chapter 76, Hawaii Revised Statutes.

3 SECTION 6. All appropriations, records, equipment,
4 machines, files, supplies, contracts, books, papers, documents,
5 maps, and other personal property heretofore made, used,
6 acquired, or held by the workforce development division of the
7 department of labor and industrial relations relating to the
8 functions transferred to the workforce development council shall
9 be transferred with the functions to which they relate.

10 SECTION 7. It is the intent of this Act not to jeopardize
11 the receipt of any federal aid nor to impair the obligation of
12 the State or any agency thereof to the holders of any bond
13 issued by the State or by any agency, and to the extent, and
14 only to the extent, necessary to effectuate this intent, the
15 governor may modify the strict provisions of this Act, but shall
16 promptly report any modification with reasons therefor to the
17 legislature at its next session thereafter for review by the
18 legislature.

19 SECTION 8. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.



1 SECTION 9. This Act shall take effect on July 1, 2024.



Report Title:

DLIR; Workforce Development Council; Workforce Development
Division

Description:

Transfers the Workforce Development Division from being directly
part of the Department of Labor and Industrial Relations to the
Workforce Development Council, an entity that is
administratively attached to the Department of Labor and
Industrial Relations. (SD1 Proposed)

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

