

STAND. COM. REP. NO. **2421**

Honolulu, Hawaii

FEB 15 2024

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

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Labor and Technology, to which was referred
S.B. No. 2351 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend chapter 202, Hawaii Revised Statutes, which governs the Hawaii Workforce Development Council, to be consistent with the General Appropriations Act of 2021, Act 88, Session Laws of Hawaii 2021;
- (2) Rename the "Hawaii Workforce Development Council" as the "Hawaii Workforce Development Board", and the "county workforce development board" as the "local workforce development board";
- (3) Require the Hawaii Workforce Development Board (Board) and local workforce development boards to develop written conflict of interest policies consistent with federal laws and regulations;
- (4) Require the Governor to select the chairperson of the Board from among the private sector members; and



- (5) Require the Board to assist the Governor in coordinating local workforce development boards to improve the workforce development system; and
- (6) 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.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, IATSE Local 665, and one member of the State of Hawaii Workforce Development Council.

Your Committee received comments on this measure from the Chamber of Commerce Hawaii, one member of the State of Hawaii Workforce Development Council, and one individual.

Your Committee finds that nationwide, state workforce development boards assist governors by reviewing statewide policies and programs and making recommendations to align workforce, education, training, and employment funding programs in a manner that supports a comprehensive and streamlined workforce development system in the state. As part of the statewide review function in assisting the governors, the federal Workforce Innovation and Opportunity Act and related regulations outline requirements regarding conflicts of interest for recipients and subrecipients of federal awards as well as for state and local workforce development board and standing committee members. This measure amends the Hawaii Workforce Development Council law to be consistent with the state budget as enacted in Act 88, Session Laws of Hawaii 2021, and to conform the State Workforce Development Board statute to the nomenclature and conflict of interest provisions found in the Workforce Innovation and Opportunity Act and related regulations in the Code of Federal Regulations.

Your Committee has amended this measure by:

- (1) Restoring the title of Chapter 202-201, Hawaii Revised Statutes (HRS), to "Hawaii Workforce Development Council" from "Hawaii Workforce Development Board";

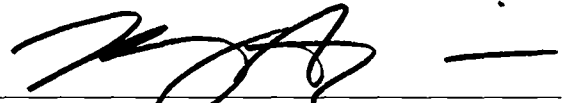


- (2) Restoring language in existing law providing that the advisory commission on employment and human resources is hereby constituted as the Workforce Development Council;
- (3) Clarifying that the Workforce Development Council is administratively attached to the Department of Labor and Industrial Relations;
- (4) Restoring language in existing law that sets forth quorum requirements for the Workforce Development Council;
- (5) Restoring language in existing law that allows the Workforce Development Council to negotiate and enter into contracts to carry out its studies;
- (6) Deleting language that would have repealed section 202-5, Hawaii Revised Statutes, which provides that the Workforce Development Council is placed within the Department of Labor and Industrial Relations for administrative purposes and shall act in an advisory capacity to the Governor;
- (7) Amending section 1 to reflect its amended purpose;
- (8) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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



Respectfully submitted on
behalf of the members of the
Committee on Labor and
Technology,



HENRY J.C. AQUINO, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Labor and Technology
LBT

Bill / Resolution No.:* SB 2351	Committee Referral: LBT, JDL/WAM	Date: 2/9/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
AQUINO, Henry J.C. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
IHARA, Jr., Les	X			
LEE, Chris	X			
FEVELLA, Kurt				X
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes