

## ACT 25

H.B. NO. 927

A Bill for an Act Relating to the Employment and Training Fund.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that the ongoing impacts of the recession are particularly challenging to the small businesses in Hawaii. Small businesses with fewer than fifty employees represent over ninety-five per cent of employer firms in the State of Hawaii according to the research and statistics office of the department of labor and industrial relations. These small businesses play an important role in job creation and have an integral role in maintaining and improving the economic situation in Hawaii.

The legislature further finds that the inability of small businesses to provide training for their workers is impeding their ability to both remain viable and grow, which would enhance economic recovery in Hawaii. The employment and training fund was established to support innovative programs developed in cooperation between business and government to assist employers and workers.

The legislature further finds that the activities supported by the employment and training fund is one avenue by which the State can support small business and further the economic recovery in Hawaii. Moreover, Governor Abercrombie's New Day efforts to support small businesses can be augmented by strengthening the use of the employment and training fund to support workforce training activities for small businesses.

The purpose of this Act is to amend the employment and training fund law to assist small businesses in business-specific training programs and industry specific training programs where there are critical skill shortages in high growth occupational or industry areas.

**ACT 25**

SECTION 2. Section 383-128, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The moneys in the employment and training fund may be used for funding:

- (1) The operation of the state employment service for which no federal funds have been allocated;
- (2) Business-specific training programs to create a more diversified job base and to carry out the purposes of the new industry training program pursuant to section 394-8[;] with emphasis on serving small businesses by serving the training needs for industries included in the State’s economic development strategy as recommended by the department of business, economic development, and tourism and training needs identified by the county workforce investment boards, employer organizations, industry or trade associations, labor organizations and similar organizations;
- (3) Industry or employer-specific training programs where there are critical skill shortages in high growth occupational or industry areas[;] with emphasis on serving small businesses by serving the training needs for industries included in the State’s economic development strategy as recommended by the department of business, economic development, and tourism and training needs identified by the county workforce investment boards, employer organizations, industry or trade associations, labor organizations and similar organizations;
- (4) Training and retraining programs to assist workers who have become recently unemployed or are likely to be unemployed;
- (5) Programs to assist residents who do not otherwise qualify for federal or state job training programs to overcome employment barriers; and
- (6) Training programs to provide job-specific skills for individuals in need of assistance to improve career employment prospects.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 18, 2013.)