



GOV. MSG. NO. 1158

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 6, 2016

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 6, 2016, the following bill was signed into law:

HB2362 HD2 SD1 CD1

RELATING TO THE HAWAII WORKFORCE
DEVELOPMENT COUNCIL
ACT 057 (16)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO THE HAWAII WORKFORCE DEVELOPMENT COUNCIL.

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

1 SECTION 1. The legislature finds that the federal
 2 Workforce Innovation and Opportunity Act supersedes the federal
 3 Workforce Investment Act and sets forth different council
 4 composition requirements, different state workforce development
 5 system plan specifications, and different council functions than
 6 the Workforce Investment Act. Chapter 202, Hawaii Revised
 7 Statutes, established the workforce development council to
 8 fulfill the functions of the state workforce development board
 9 for purposes of the federal Workforce Investment Act of 1998,
 10 Public Law No. 105-220.

11 The purpose of this Act is to conform chapter 202, Hawaii
 12 Revised Statutes, to the federal Workforce Innovation and
 13 Opportunity Act of 2014, Public Law No. 113-128.

14 SECTION 2. Section 202-1, Hawaii Revised Statutes, is
 15 amended to read as follows:

16 "§202-1 Council; appointment; tenure. The advisory
 17 commission on employment and human resources is hereby
 18 constituted as the workforce development council. The council



1 shall also fulfill the functions of the state workforce
2 [~~investment~~] development board for purposes of the federal
3 [~~Workforce Investment Act of 1998, Public Law No. 105-220.~~]
4 Workforce Innovation and Opportunity Act of 2014, P.L. No. 113-
5 128.

6 Except for the ex officio members or their designees, the
7 council members shall be appointed by the governor for four-year
8 staggered terms as provided for in section 26-34. The governor
9 shall appoint the chairperson of the council [~~and the two mayors~~
10 ~~to the council. The council shall be composed of thirty one~~
11 ~~members. The members shall be selected on the basis of their~~
12 ~~interest in and knowledge of workforce development programs in~~
13 ~~the State and how they can support economic development]. The~~
14 council shall be [~~composed of the following representatives of~~
15 ~~whom the majority shall be from the private sector.~~] constituted
16 as provided by P.L. 113-128 (29 U.S.C. 3111) of the following
17 members:

18 (1) The directors of labor and industrial relations, human
19 services, and business, economic development, and
20 tourism; the superintendent of education; and the



- 1 president of the University of Hawaii or their
2 designees, as ex officio[+], [+] voting members;
- 3 (2) The private [~~business~~] sector chairpersons of the four
4 county workforce [~~investment~~] development boards, or
5 their designees from the private [~~business~~] sector
6 membership of their respective boards, as ex
7 officio[+], [+] voting members;
- 8 (3) [~~Twelve additional private sector~~] Seventeen
9 representatives from [~~business,~~] the private sector,
10 including nonprofit organizations and businesses in
11 the State, appointed from individuals nominated by
12 state business organizations and business trade
13 associations;
- 14 (4) [~~One representative from a community based native~~
15 ~~Hawaiian organization that operates workforce~~
16 ~~development programs,~~] Eight representatives from
17 labor organizations and workforce training
18 organizations, two or more of whom shall be
19 representatives of labor organizations who have been
20 nominated by state labor federations; and one of whom
21 shall be a labor representative from a community-based



1 native Hawaiian organization that operates workforce
2 development programs;
3 ~~[-(5) Two representatives from labor;~~
4 ~~-(6)]~~ (5) ~~[Four members]~~ A member of each house of the
5 legislature, ~~[two from each house]~~ for two-year terms
6 beginning in January of odd-numbered years, appointed
7 by the appropriate presiding officer of each house, as
8 ex officio~~[+]~~, ~~[+]~~ voting members;
9 ~~[-(7)]~~ (6) ~~[Two]~~ The four mayors or their designees, as ex
10 officio~~[+]~~, ~~[+]~~ voting members; and
11 ~~[-(8)]~~ (7) The governor or the governor's designee.
12 ~~[The]~~ Council members shall serve without compensation but
13 shall be ~~[entitled to]~~ reimbursed for travel expenses ~~[when~~
14 ~~actually engaged in business relating to the work of the~~
15 ~~council.]~~ necessary for the performance of their duties.
16 From the effective date of Act , Session Laws of Hawaii
17 2016, and until such time that the council has forty-one
18 members, sixteen council members shall constitute a quorum to do
19 business, and the concurrence of at least sixteen council
20 members shall be necessary to make any action of the council
21 valid.



1 All council members may continue to serve on the council
2 until their respective successors have been appointed. A person
3 appointed to fill a vacancy shall serve the remainder of the
4 term of the person's predecessor."

5 SECTION 3. Section 202-2, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "~~§202-2 Duties of council. [The workforce development~~
8 ~~council shall:~~

9 ~~(1) Prepare and update periodically a comprehensive state~~
10 ~~plan for workforce development with strategic goals~~
11 ~~and measurable outcomes. The comprehensive state plan~~
12 ~~shall include:~~

13 ~~(A) Strategic goals of workforce development~~
14 ~~programs, including the identification of the~~
15 ~~desired number of highly skilled workers in the~~
16 ~~workforce, the number of placements of~~
17 ~~individuals into higher skilled jobs, the~~
18 ~~identification of high demand areas for job~~
19 ~~growth, the need for skilled workers in the next~~
20 ~~five and ten years, and the time frame for~~
21 ~~training and development;~~



- 1 ~~(B) Methods to educate the private sector about~~
2 ~~state, federal, and private financial assistance~~
3 ~~available for workforce development;~~
- 4 ~~(C) Methods to facilitate access to workforce~~
5 ~~development resources, including the reduction of~~
6 ~~regulatory burdens for employers and employees;~~
- 7 ~~(D) The creation and improvement of educational~~
8 ~~opportunities for individuals to learn and~~
9 ~~develop new skills, including mentoring, project-~~
10 ~~based learning, and internships;~~
- 11 ~~(E) Methods to facilitate the department of~~
12 ~~education's development of curriculum in the~~
13 ~~public schools to prepare students for employment~~
14 ~~in the private sector;~~
- 15 ~~(F) Recommendations to change and improve existing~~
16 ~~state programs, including the elimination of~~
17 ~~ineffective programs and the creation of new~~
18 ~~programs to improve workforce development;~~
- 19 ~~(G) The identification of resources required,~~
20 ~~obstacles to overcome, and best practice models~~



- 1 ~~to implement the comprehensive state strategic~~
2 ~~plan; and~~
- 3 ~~(H) A detailed budget for the comprehensive state~~
4 ~~plan with a justification for each expenditure;~~
- 5 ~~(2) Review and assess the coordination between the State's~~
6 ~~workforce development programs, including programs of~~
7 ~~the federal government operating in the State, and~~
8 ~~placements in higher skilled jobs to expand economic~~
9 ~~development and diversification; and consider:~~
- 10 ~~(A) The State's employment and training requirements~~
11 ~~and resources;~~
- 12 ~~(B) Practices of employers and unions that impede or~~
13 ~~facilitate the mobility of workers; and~~
- 14 ~~(C) The special problems of untrained and~~
15 ~~inexperienced youth, immigrants, persons with~~
16 ~~disabilities, welfare clients, single parents,~~
17 ~~disadvantaged minorities, and other groups facing~~
18 ~~barriers in the labor force;~~
- 19 ~~(3) Serve as an information clearinghouse for all~~
20 ~~workforce development programs in the State, including~~
21 ~~workforce training and education programs;~~



- 1 ~~(4) Analyze and interpret workforce information,~~
2 ~~particularly changes which are likely to occur during~~
3 ~~the next ten years; the specific industries,~~
4 ~~occupations, and geographic areas which are most~~
5 ~~likely to be involved; and the social and economic~~
6 ~~effects of these developments on the State's economy,~~
7 ~~labor force, communities, families, social structure,~~
8 ~~and human values;~~
- 9 ~~(5) Define those areas of unmet workforce and economic~~
10 ~~development needs and describe how private and public~~
11 ~~agencies can coordinate their efforts and collaborate~~
12 ~~with each other to address those needs;~~
- 13 ~~(6) Recommend to the governor and the legislature, state~~
14 ~~policies and funding priorities based on local~~
15 ~~community input that it believes should be adopted by~~
16 ~~the state government in meeting its workforce~~
17 ~~development responsibilities to:~~
- 18 ~~(A) Establish a workforce development system in the~~
19 ~~State in which resources are pooled and programs~~
20 ~~are coordinated and streamlined;~~



- 1 ~~(B) Establish reporting requirements for job~~
2 ~~placement results by category of occupations in~~
3 ~~high demand and high growth areas;~~
- 4 ~~(C) Encourage a program of useful research into the~~
5 ~~State's workforce requirements, development, and~~
6 ~~utilization; and~~
- 7 ~~(D) Support recommended workforce policies that~~
8 ~~promote economic development, diversification,~~
9 ~~and well being of the people in this State,~~
10 ~~provided that the duties and responsibilities of the~~
11 ~~workforce development council shall not impinge on the~~
12 ~~constitutional and statutory authority of the board of~~
13 ~~regents and the board of education, and the statutory~~
14 ~~authority of the state board for career and technical~~
15 ~~education;~~
- 16 ~~(7) Create public awareness and understanding of the~~
17 ~~State's workforce development plans, policies,~~
18 ~~programs, and activities, and promoting them as~~
19 ~~economic investments;~~
- 20 ~~(8) Submit annual reports of its activities and~~
21 ~~recommendations to the governor and the legislature,~~



1 ~~and post the annual reports electronically on the~~
2 ~~Internet no later than twenty days before the~~
3 ~~convening of each regular session. Annual reports~~
4 ~~shall include:~~

5 ~~(A) The status of the comprehensive state plan for~~
6 ~~workforce development; and~~

7 ~~(B) Information regarding the workforce development~~
8 ~~programs offered throughout the State, the number~~
9 ~~of individuals placed in high demand or high~~
10 ~~growth employment through workforce development~~
11 ~~programs by departments, the type or category of~~
12 ~~employment garnered, and allocations of state,~~
13 ~~federal, and other funding to achieve placements~~
14 ~~into higher skilled jobs;~~

15 ~~(9) Evaluate the state workforce development plan in terms~~
16 ~~of how its purposes, goals, and objectives have been~~
17 ~~carried out throughout the State;~~

18 ~~(10) Provide technical assistance to local workforce~~
19 ~~development boards and other similar organizations;~~

20 ~~(11) Carry out required functions and duties related to~~
21 ~~workforce development of any advisory body required or~~



1 ~~made optional by federal legislation, including the~~
2 ~~Job Training Partnership Act of 1982, as amended, and~~
3 ~~the Wagner Peyser Act of 1933, as amended;~~

4 ~~(12) In accordance with the Federal Workforce Investment~~
5 ~~Act of 1998, Public Law 105-220, assist the governor~~
6 ~~in the following functions:~~

7 ~~(A) The development of the State's plan for the use~~
8 ~~of federal workforce investment funds, which is~~
9 ~~required under Public Law 105-220;~~

10 ~~(B) The development and continuous improvement of the~~
11 ~~statewide and local workforce investment systems~~
12 ~~described in subtitle B of Public Law 105-220,~~
13 ~~and the one stop delivery systems described in~~
14 ~~section 134(c) of Public Law 105-220, including:~~

15 ~~(i) The development of linkages referred to in~~
16 ~~Public Law 105-220, to assure coordination~~
17 ~~and non duplication among the programs and~~
18 ~~activities in section 121(b) of Public Law~~
19 ~~105-220; and~~

20 ~~(ii) The review of plans prepared by local~~
21 ~~workforce investment boards for the use of~~



- 1 ~~federal workforce investment funds which is~~
2 ~~required under Public Law 105 220;~~
- 3 ~~(C) Commenting at least once annually on the measures~~
4 ~~taken pursuant to section 122(e)(16) of the Carl~~
5 ~~D. Perkins Vocational and Technical Education~~
6 ~~Amendments of 1998, Public Law 105 332;~~
- 7 ~~(D) The designation of local areas as required in~~
8 ~~section 116 of Public Law 105 220;~~
- 9 ~~(E) The development of allocation formulas for the~~
10 ~~distribution of funds for adult employment and~~
11 ~~training activities and youth activities to local~~
12 ~~areas as permitted under sections 128(b)(3)(B)(i)~~
13 ~~and 133(b)(3)(B)(i) of Public Law 105 220;~~
- 14 ~~(F) The development and continuous improvement of~~
15 ~~comprehensive state performance measures,~~
16 ~~including state adjusted levels of performance,~~
17 ~~to assess the effectiveness of the workforce~~
18 ~~investment activities in the State as required~~
19 ~~under section 136(b)(1) of Public Law 105 220;~~



- 1 ~~(G) The preparation of the annual report to the~~
- 2 ~~United States Secretary of Labor described in~~
- 3 ~~section 136(d)(1) of Public Law 105-220;~~
- 4 ~~(H) The development of the statewide employment~~
- 5 ~~statistics system described in section 15(e) of~~
- 6 ~~the Wagner-Peyser Act; and~~
- 7 ~~(I) The development of an application for an~~
- 8 ~~incentive grant under section 503 of Public Law~~
- 9 ~~105-220; and~~
- 10 ~~(13) Act as the designated state entity to conduct~~
- 11 ~~activities relating to occupational and employment~~
- 12 ~~information for vocational and technical education~~
- 13 ~~programs in compliance with section 118 of the Carl D.~~
- 14 ~~Perkins Vocational and Technical Education Amendments~~
- 15 ~~of 1998, Public Law 105-332.]~~

16 In accordance with P.L. 113-128 (29 U.S.C. 3111), the
 17 workforce development council shall assist the governor in:

- 18 (1) The development, implementation, and modification of
- 19 the state plan consistent with P.L. 113-128 (29 U.S.C.
- 20 3112);

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



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

- 16 (9) 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. 3163 (b) (3), 3173 (b) (3));

- 1 (10) The preparation of annual reports as described in P.L.
2 113-128 (29 U.S.C. 3141(d));
- 3 (11) The development of the statewide workforce and labor
4 market information system described in the Wagner-
5 Peyser Act (29 U.S.C. 491-2(e));
- 6 (12) The development of such other policies as may promote
7 statewide objectives for, and enhance the performance
8 of, the workforce development system;
- 9 (13) Creating public awareness and understanding of the
10 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) Submitting annual reports of the council's activities
15 and recommendations to the governor and the
16 legislature, and posting the annual reports
17 electronically on the council's website no later than
18 twenty days before the convening of each regular
19 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) Evaluating the state workforce development plan in
10 terms of how its purposes, goals, and objectives have
11 been carried out throughout the State;
- 12 (16) Providing technical assistance to local workforce
13 development boards and other similar organizations;
- 14 (17) Carrying out required functions and duties related to
15 workforce development of any advisory body required or
16 made optional by federal legislation;
- 17 (18) The review and certification of local workforce boards
18 and plans prepared by local workforce boards for the
19 use of federal workforce development funds as provided
20 in P.L. 113-128 (29 U.S.C. 3122(b)-(c)); and



1 (19) Commenting on the measures taken pursuant to section
2 122(c)(17) of the Carl D. Perkins Career and Technical
3 Education Act of 2006, P.L. 109-270."

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

6 "§202-4 Duties of chairperson and executive director. The
7 chairperson of the workforce development council or the
8 executive director, at the direction of the council shall:

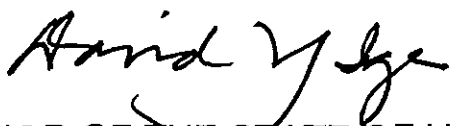
- 9 (1) Serve as consultant to the governor on issues relating
10 to workforce development and its relation to economic
11 development and diversification;
- 12 (2) Assist in coordinating the programs of all agencies
13 dealing with issues of concern to the council;
- 14 (3) Arrange for statewide studies of the issues referred
15 to in this chapter;
- 16 (4) Secure data and information from agencies concerned
17 with the issues referred to in this chapter;
- 18 (5) Arrange for the exchange of information, plans, and
19 programs between public and private groups interested
20 in the issues referred to in this chapter;

- 1 (6) Prepare articles, reports, and bulletins for the use
- 2 of the council, concerned agencies, and for general
- 3 publication;
- 4 (7) Keep and maintain records and reports and ~~[conduct]~~
- 5 handle correspondence relative to the work of the
- 6 council; ~~[and]~~
- 7 (8) Develop recommendations and plans for action
- 8 consistent with the purpose of this chapter~~[-]~~; and
- 9 (9) Assist in carrying out the duties described in section
- 10 202-2."

11 SECTION 5. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 6. This Act shall take effect upon its approval.

APPROVED this 6 day of JUN, 2016



GOVERNOR OF THE STATE OF HAWAII